

White Paper

# VENTURE STUDIOS IN AFRICA

How do venture studios fuel  
the early-stage African startup  
ecosystem?

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# Authors

## FMO

FMO is the Dutch entrepreneurial development bank. Its mandate is to support sustainable private sector development in emerging markets, including addressing early-stage financing gaps through innovative and fit-for-purpose capital approaches aligned with models such as venture studios.

FMO's contribution to this report was supported through the Investing in Young Businesses in Africa (IYBA) programme, a Team Europe Initiative funded by the European Commission to strengthen market creation efforts and improve access to finance for young and early-stage businesses across key African markets.

## Briter

Briter is a research and market intelligence firm delivering insights into emerging markets across Africa, Latin America, and Asia. Its core product, Briter Intelligence, provides access to company, investor, and funding data through interactive dashboards and customisable insights. AgBase is Briter's sector-specific offering focused on agtech and foodtech ecosystems in emerging markets. It tracks funders, deal flow, and sector dynamics, offering a clear view of investment activity and market development across the agricultural value chain.

Briter conducted the research, engagements, and analysis based on Briter Intelligence data for the white paper. More information can be found on [briter.co](https://briter.co).

## GIZ SAIS

Scaling Digital Agriculture Innovations through Start-ups (SAIS) is a programme implemented by Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH on behalf of the German Federal Ministry for Economic Cooperation and Development (BMZ). Funded by the German government and philanthropic foundations, SAIS works across DFI, donor, and commercial investor landscapes to leverage development financing to crowd in private investment.

GIZ SAIS has supported leading studios design, operationalise, and financially back ventures. GIZ SAIS also convened the inaugural African Venture Studio Summit in Nairobi in September 2025. GIZ SAIS is a knowledge partner for this white paper to translate insights into recommendations.

## Contributors

We extend our sincere gratitude to all the stakeholders who participated in creating this report and who have provided their consent to be cited as key informants. Below is an alphabetically organised list of organisations that have contributed to the white paper research:

|                             |                              |                    |
|-----------------------------|------------------------------|--------------------|
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| Delta40                     | Investisseurs et Partenaires | Wajenzi            |
| DGGF                        | Jasiri                       | Waribei            |
| Djoli                       | MStudio                      |                    |
| Enviu                       | Persistent Energy            |                    |

## List of abbreviations

|                                                                              |
|------------------------------------------------------------------------------|
| <b>AVSA:</b> African Venture Studio Association                              |
| <b>BMZ:</b> German Federal Ministry for Economic Cooperation and Development |
| <b>DFI:</b> Development Finance Institutions                                 |
| <b>FCDO:</b> Foreign, Commonwealth & Development Office                      |
| <b>FMO:</b> Dutch entrepreneurial development bank                           |
| <b>GIZ:</b> Deutsche Gesellschaft für Internationale Zusammenarbeit (GmbH)   |
| <b>HoldCo:</b> Holding company                                               |
| <b>IRR:</b> Internal Rate of Return                                          |
| <b>IYBA:</b> Investing in Young Businesses in Africa                         |
| <b>MOIC:</b> Multiple of Invested Capital                                    |
| <b>MVP:</b> Minimum Viable Product                                           |
| <b>SAFE:</b> Simple Agreement for Future Equity                              |
| <b>SAIS:</b> Scaling Digital Agriculture Innovations through Start-ups       |
| <b>SME:</b> Small and Medium-sized Enterprise                                |
| <b>VC:</b> Venture Capital                                                   |

# Executive summary

## Why this white paper?

Venture studios are gaining attention from investors, DFIs, and ecosystem builders across Africa. Yet despite this interest, there is still limited clarity on what they are, how they differ from other early-stage actors, and whether they are effective in the African context.

This white paper addresses that gap. Drawing on ecosystem-wide data (3,500+ startups, 40+ studios, 100+ studio-built ventures) alongside practitioner insights, it provides a structured analysis of the venture studio model in Africa. The aim is not to position studios as a standalone solution, but to understand where they improve outcomes, how they interact with the ecosystem, and what this implies for the future of venture building on the continent.

## Africa's startup ecosystem

Africa's startup ecosystem has grown substantially over the past decade. Annual venture funding rose from less than \$1 billion in 2016 to an annual baseline of around \$3 billion between 2021 and 2025, spanning fintech, e-commerce, mobility, climate, and agriculture. The landscape today encompasses more than 3,500 startups and a diverse set of capital providers.

Yet the ecosystem remains structurally early. Africa accounts for less than 1% of global venture capital flows. Capital is fragmented, geographically concentrated in the 'Big Four' markets (Nigeria, Kenya, South Africa, and Egypt), and heavily skewed toward fintech. The median ticket size for African ventures (\$300K) is far below the global median (\$3.5M). These dynamics give rise to three structural challenges that shape the ecosystem. First, the concentration of capital in a narrow set of sectors and markets limits diversification and crowds out agriculture, climate, and logistics ventures. Second, a 'missing middle' in early-stage financing leaves a sharp gap between initial early-stage support and institutional investment, where nearly 70% of ventures fail to raise follow-on funding after their first round. Third, heavy reliance on concessional and grant funding raises questions about long-term sustainability.

## Venture studios in Africa

In response, a range of actors support early-stage venture development, including incubators, accelerators, angel investors, and early-stage VCs. More recently, venture studios have emerged as a distinct model.

They act as institutional co-founders, building companies from the ground up and remaining involved through early scale. Unlike accelerators or incubators, they do not provide short-term support but operationalise ideas, build teams, and retain long-term equity.

The report adopts a narrow definition to distinguish studios from other venture-building organisations. Five defining characteristics of venture studios are identified:

- Develop companies from idea to operational stage, going beyond MVP to investment-readiness over 2+ years
- Bring in co-founders who will run the company in the long run
- Provide a comprehensive package of operational support (tech, legal, hiring, CRM, C-suite functions)
- Provide financial support, investing \$60K–\$150K in cash per venture on average
- Take an equity stake (typically 20-50%+) in return for their support

This distinguishes studios from incubators, accelerators, and early-stage VCs. Using this definition, the report identifies 40+ active studios in Africa supporting 160+ companies.

### **Benchmarking venture studios in Africa**

A central finding of the report is that venture studios appear to play a different role in the ecosystem than other early-stage support organisations or investors. Venture studios do not optimise for volume, but for depth, selection, and execution quality.

Across the dataset, venture studio-backed ventures demonstrate better outcomes on selected metrics, particularly in fundraising and investment readiness. Half of venture studio-built companies raise follow-on funding, compared to around 20% for incubators and 33% for accelerators. Studio-backed ventures also reach pre-seed and seed funding around one year faster, and raise larger, more commercially oriented rounds, with a median first follow-on of roughly \$500K versus about \$200K post-accelerator, and nearly 90% accessing equity or debt financing rather than relying primarily on grants.

Beyond individual ventures, venture studios play a broader role in the ecosystem and market formation. In sectors where standalone ventures cannot succeed in isolation, studios build complementary portfolios of companies that address multiple constraints within a value chain. This includes developing interconnected solutions across areas such as production, financing, distribution, and infrastructure. By doing so, studios create synergies across ventures, reduce systemic bottlenecks, and enable market development in sectors such as agriculture, energy, and logistics. In practice, this positions venture studios not only as company builders, but as market makers, capable of de-risking entire sectors and enabling new forms of venture activity in underdeveloped markets.

### **Challenges**

Despite strong performance at the venture and ecosystem level, the studio model faces constraints around scalability and sustainability:

- **High operational intensity:** Studio outcomes rest on a highly selective, resource-intensive process. More than 80% of ideas are screened out before a full build begins, ensuring only the most viable ventures reach the market. The cost and attention required per venture limits how many companies a studio can support at any one time.
- **Concentrated risk exposure:** Studios intensively support 2-3 companies, and about 15-20% of studio-backed companies still fail after the operational stage, where the cost of each failure is higher for a studio running a small portfolio than for an accelerator running cohorts of 10 or more.
- **Ecosystem gaps:** Operating in fragmented value chains with limited experienced founders and insufficient downstream capital, studios are often compelled to take on additional roles like talent development and ecosystem coordination, which expand cost and complexity.
- **Capital and liquidity constraints:** Studios depend on frequent liquidity events to recycle capital into new ventures. In capital-constrained ecosystems, limited follow-on funding and underdeveloped secondary markets restrict partial exits and reduce studio sustainability.
- **Model drift risk:** As studios seek to scale, pressure to attract capital can push them toward deal-driven, investment-oriented models, blurring the distinction between a venture studio and an early-stage VC fund.

### Emerging models

In response to these constraints, studios are adopting different structural and financing configurations. The report identifies three emerging models:

- **Single-entity model.** The studio operates as a single holding company (HoldCo), making both venture-building and capital allocation decisions from a unified pool of resources. This model offers simplicity and alignment between capital and operations, and is well-suited to SME-oriented studios, corporate-embedded studios, and sector-focused studios relying on concessional capital. However, it can be less attractive to institutional investors who require a clearer separation between operational expenditure and investment performance.
- **Dual-entity model with an internal fund.** Venture building activities are separated into a studio entity, while investment decisions are made through an internally managed fund. This structure improves transparency for investors, enables stronger due diligence (informed by deep operational involvement), and allows studios to introduce healthy

competition by investing beyond their own portfolio. The trade-off is increased operational complexity and the risk of model drift toward investment activities.

- **Dual-entity model with a sidecar fund.** A further evolution in which the investment function is managed by a separately governed, often externally managed fund. This provides the clearest delineation between venture building and investment, reduces perceived 'studio bias,' and may attract a wider investor base. However, this model is rare in Africa due to capital scarcity and the complexity of establishing independent governance structures alongside a studio operation.

### Way forward

The evidence suggests that venture building works in Africa, but the models required to sustain it are still evolving. Studios tend to produce faster, better-funded, and more viable companies, demonstrating the value of combining capital with execution capacity. At the ecosystem level, they are actively de-risking sectors and enabling market formation.

However, while effective at building companies, studios struggle to operate as self-sustaining institutions. Their long-term viability depends less on improving venture outcomes and more on developing models that can withstand capital constraints, delayed liquidity, and ecosystem gaps.

Promising models are already emerging, each with its own combination of capital, funders, and structure adapted to local realities. As more of these models develop and mature, the evidence base will grow, and with it, a clearer picture of what sustainable venture building in Africa can look like.

# Methodology

The purpose of this report is to provide a comprehensive analysis of the venture studio model in Africa, evaluating the studio model compared to other early-stage venture builders and investors, and its role in developing and commercialising ventures. To achieve this, the white paper synthesises quantitative ecosystem performance data, comparative structural analysis of venture studio models, and qualitative insights from the operators, founders, and funders shaping the African early venture landscape.

The quantitative foundation of this white paper draws on a proprietary dataset from Briter Intelligence, covering a universe of 3,500+ startups operating in Africa and their historical funding records across Q1 2015 to Q4 2025. This broad dataset provides the necessary context for the African venture landscape, encompassing commercial funders (VCs, angels, corporate, and impact investors), entrepreneur support organisations (incubators, accelerators, venture studios), and concessional funders (DFIs, philanthropic organisations). From within this total sample, we identified and isolated a specific cohort of 40+ active African venture studios and 100+ studio-originated ventures. The sample includes venture studios operating across a range of sectors, geographies, and funding models, including studios backed by commercial, blended, and concessional capital. Segmenting these companies built by venture studios from the broader population of independently founded startups enables comparison across those groups.

Additional qualitative data was collected from the Nairobi Venture Studio Summit in September 2025, where 15+ African venture studios shared their operational models, sectoral focus, and qualitative insights about the challenges and upsides of the studio model. In addition to the summit, several African venture studios have shared their portfolios and fund information, which have been integrated into the Briter Intelligence data. Several founders of venture studios and co-founders of ventures from venture studios contributed via individual consultations.

The white paper gathered additional qualitative insights and feedback through regular and structured engagements. Over the 6 months of the research, we held 4 operator focus groups where 5 to 10 venture studios discussed operational mechanics, 1 funder roundtable that collected input from DFIs, VC, Impact Investors, Philanthropies and an additional validation session with the FMO and GIZ SAIS team to test the research findings.

# Introduction

Over the past decade, Africa's startup ecosystem has grown rapidly, attracting increasing levels of capital and producing a new generation of high-growth companies. Yet despite this progress, a persistent structural challenge remains, with many ventures struggling to move from early validation to scalable, investment-ready businesses. Early-stage founders often face gaps in operational capacity, limited access to experienced talent, and a fragmented funding landscape, resulting in an insufficient pipeline of investment-ready companies for later-stage investors.

In response, a range of actors have emerged to support early-stage venture development, including incubators, accelerators, angel investors, and early-stage venture capital funds. More recently, venture studios have gained prominence as a distinct model within this landscape. Unlike traditional support organisations or capital providers, venture studios are designed to build companies through direct involvement in execution, often acting as institutional co-founders from ideation through early scale.

While venture studios are not unique to Africa, their role in the continent's ecosystem is shaped by local conditions. In markets where capital is thinner, repeat founders are scarce, and execution risk is high, venture studios are increasingly positioned not just as venture builders, but as structures that can help de-risk investments into an ecosystem. At the same time, the model is still evolving, with significant variation in how studios are structured, funded, and operated, resulting in mixed levels of success and impact.

Despite growing interest from funders, policymakers, and entrepreneurs, there remains limited clarity on what venture studios are, how they differ from other early-stage actors, and how effectively they perform in the African context. This report seeks to address that gap through a data-driven and comparative analysis of venture studios across the continent.

This report is intended as a structured contribution to an evolving discussion, rather than presenting a definitive perspective. It aims to establish a common framing of venture studios in Africa, grounded in available data and practitioner insights, while recognising that the model continues to develop and that perspectives may differ across stakeholders and contexts. In doing so, the report provides a foundation that others can build on, adapt, and challenge, and contributes to the development of a shared language across the ecosystem.

The report is structured as follows:

- **Defining Venture Studios:** Establishes a clear definition of venture studios and distinguishes them from other early-stage support models, based on their role in building companies and assuming responsibility for execution.
- **Contextualising Venture Studios in Africa:** Situates the model within the African venture ecosystem, highlighting the structural challenges and market conditions that shape how venture studios operate.
- **Benchmarking Venture Studios in Africa:** Assesses the performance of venture studio-backed companies relative to other early-stage pathways, including follow-on funding, timelines, and capital composition.
- **Structural Constraints of African Venture Studios:** Highlights the structural constraints that affect the scalability and sustainability of venture studios.
- **Business Model Variation:** Explores the diversity of venture studio business models that respond to the structural constraints.
- **Implications:** Draws out practical insights drawn from the white paper, and presents additional research questions to enrich this ongoing research going forward.

By combining quantitative data with qualitative insights from operators, founders, and funders, this white paper aims to contribute to ongoing discussions by suggesting a definition of venture studios, where they add value, and how they are constrained. This white paper also introduces the examples and case studies of venture studios throughout the report and in the [Annex](#) to demonstrate different models of venture studios operating across Africa.

The authors of the white paper invite more conversations around African venture studios and how they contribute to venture building and resourcing efforts in the ecosystem. For further discussions around these topics, please engage with us by messaging [shangyul@briterbridges.com](mailto:shangyul@briterbridges.com).

# Chapter 1. Defining Venture Studios

## Venture studio definition and checklist

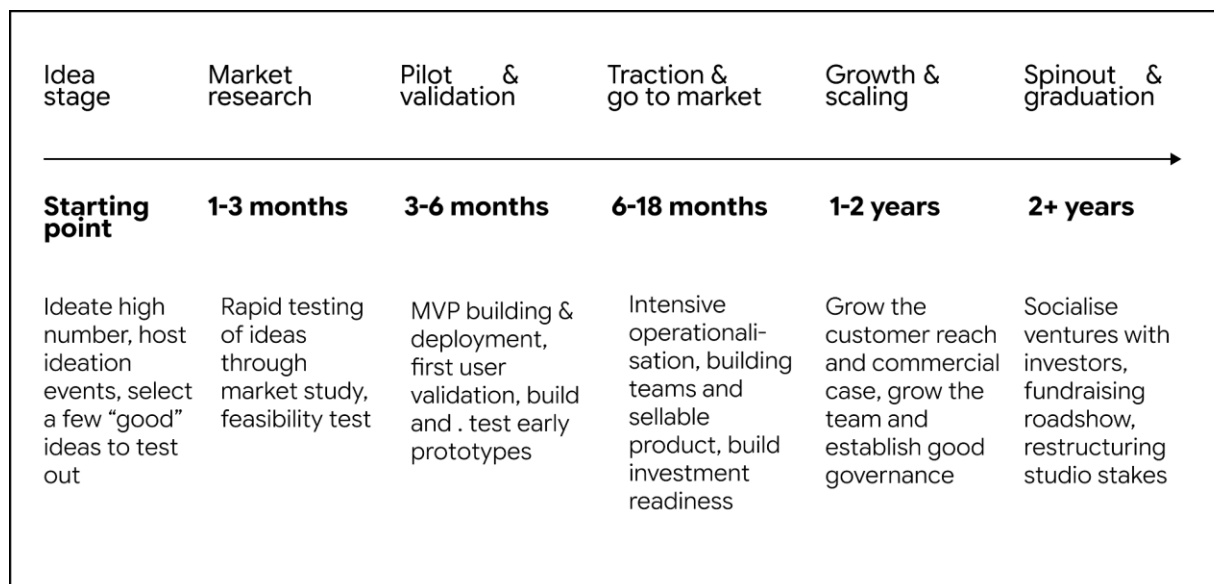
Venture studios are institutions made up of a team of operational experts that build and grow companies. Their business model, to put it simply, is to repeatedly make great businesses and reap the benefits as early co-founders. Venture studios are known by different names, such as venture labs, venture building studios, venture factories, but the key component of a venture studio is to function as an institutional co-founder by providing a host of operational support to build companies until they grow more independently. Venture studios are involved thoroughly from ideation to graduation to create investment-ready or growth-driven companies. This chapter aims to define what makes venture studios stand out through a “venture studio checklist” and compare venture studios with other entities.

### Venture studio checklist

- ✓ 1. Develops companies from an idea stage into an operational stage
- ✓ 2. Brings in co-founders who will run the company in the long run
- ✓ 3. Provides a package of operational support to build companies
- ✓ 4. Provides financial support
- ✓ 5. Takes an equity stake in return for the operationalisation effort

**1) Develops companies from an idea stage into an operational stage.** Business ideas are transformed into a functioning business through the intensive operationalisation process at a venture studio. Even if ideas are sourced externally (e.g., studios run a hackathon or founder bootcamp to bring founders with business ideas), the studio’s main value add is operationalising an idea into a functioning company. This overlaps with the incubator model that helps ideation-stage entrepreneurs build the minimum viable product (MVP). The main difference is that venture studios stay on much longer than incubators, beyond the MVP stage and provide hands-on support to grow the companies.

## Box 1. Venture studio process timeline



Note: More in-depth information about the venture process timeline can be found in the [annex](#).

**2) Brings in co-founders who will run the company in the long run.** Venture studios are institutional co-founders, meaning studios do not just build companies by themselves, but with co-founding entrepreneurs who will build the company together and run the company in the long run, even after the studio’s hands-on operationalisation is over. The timing of when a co-founder joins differs by studio models.

**3) Provides a package of operational support to build companies.** Venture studios provide a suite of operational support to build the companies. This suite of support differs by each venture studio, but usually includes testing ideas, building MVPs, fractional c-suite input, technology development, administrative support, and hiring support. Their support usually overlaps with some support by accelerators or angel investors, such as advisory and investment-readiness, but usually goes beyond their support through the dedicated teams of tech development, bespoke masterclasses, fundraising, and advisory teams that specialise in building that specific venture. Box 2 below further explains the operational support provided by venture studios.

## Box 2. Types of operational support by venture studios

- **Venture building support:** Operational support specific to building sound and sustainable businesses. This usually includes both structured knowledge sharing as well as specialised support for each venture. This “in-kind” support takes up about 50-80% of their total support cost to companies.

**Examples:** market study, building MVP & testing, helping build the team, product and tech stack development, partial C-suite support across business operations, entrepreneurs-in-residence support, growth and exit strategy, CRM tools, playbooks, bespoke masterclasses or customised workshops.

- **Capital stack support:** Venture studios support companies on navigating the complex capital stack environment by helping them fundraise for follow-on funding and to plan their growth and eventual exit.

**Examples:** Investor-readiness support, offshore registration, fundraising & exit strategies, founder-studio equity design, early engagements with investors, acquirers, and offtakers.

- **Market creation support:** Ecosystem building & facilitation efforts, especially in new or unproven markets, including supply chain and partnership building.

**Examples:** Build market information and expertise in the market or sectors they operate in, recruitment of entrepreneurial circles and domain experts around studio activities, and entrepreneur capacity building through bootcamps or hackathons.

**4) Provides financial support.** Venture studios also function as early financiers of the ventures they build. Financing companies helps build the “skin in the game” throughout the MVP testing and growth stages. On average, **African venture studios invest between 20-50% of their support package, roughly equivalent to \$60K-150K, as a cash injection into the companies.** The cash injection is often used for equipment purchase, tech development needed outside the studio, marketing, legal, hiring, customer acquisition costs, and covering other company overhead beyond the MVP stage. This continued cash injection over the period of 2 years is what differentiates studios from incubators that usually inject a small sum at the MVP stage, or accelerators that provide equity investment in exchange for in-kind assistance to programme cohorts. In-studio financing is designed to help companies build without additional funders at an early stage, and avoid early dilution and rushing to make returns.

**5) Takes an equity stake in return for the operationalisation effort.** The financial support and in-kind operational support usually translate to an equity stake in the company, or equity derivatives like SAFE instruments. When venture studios build successful companies, they feed the returns from the institutional co-founder stakes back to the studio to build the next companies. The equity stake that venture studios take and keep depends on the type of follow-on funding or the types of companies studios build, but more VC-leaning venture studios will keep under 30% (non-controlling stakes), and some studios that depend more on the dividends from the companies will keep a larger share. Most studios stay on as shareholders, early investors, and advisors even when the businesses raise follow-on funding.

## Applying the venture studios checklist to other early-stage venture supporters

Venture studios are often confused with incubators, accelerators, and service providers. While venture studios share some similarities with other early-stage venture supporters in the entrepreneurship ecosystem, their unique value proposition is building ventures from the ground up and staying on as an early investor and a co-founder into later stages. A detailed comparison between venture studios and other venture supporters will be discussed in [Chapter 3](#). The table below concisely summarises how venture studios differ from other actors by their model and primary objectives.

Table 1.A. Venture studios compared to other early-stage actors

|                          | Venture Studio                                                      | Service Providers                                            | Support Organisations                                     | Embedded Investors                                               |
|--------------------------|---------------------------------------------------------------------|--------------------------------------------------------------|-----------------------------------------------------------|------------------------------------------------------------------|
| <b>Model</b>             | Originate and build companies directly as institutional co-founders | On-demand, specialised services (e.g. product, hiring, tech) | Structured venture support programmes, often grant-funded | Capital + post-investment support to improve portfolio companies |
| <b>Primary Objective</b> | Build investable companies from the ground up                       | Deliver services to companies                                | Improve venture survival and readiness                    | Maximise portfolio returns                                       |

Given the different models and primary objectives, venture studios stand out as an institutional co-founder that builds companies from the ground up, provides operational and financial

support to grow the company suitable for the investment pipeline in the ecosystem, hands over the company to the co-founder, and stays as a long-term advisor and shareholder of the company until they exit. This makes venture studios differ from other early-stage actors. The table below compares them using the venture studio checklist.

Table 1.B. Venture studios checklist compared to other early-stage actors

|                                                                      | Venture Studio | Service Providers | Embedded Support Organisations | Embedded Investors |
|----------------------------------------------------------------------|----------------|-------------------|--------------------------------|--------------------|
| 1. Develops companies from an idea stage into an operational stage   | ✓              |                   | ✓                              |                    |
| 2. Brings in co-founders who will run the company in the long run    | ✓              |                   |                                |                    |
| 3. Provides a package of operational support to build companies      | ✓              | ✓                 | ✓                              | ✓                  |
| 4. Provides financial support                                        | ✓              |                   | ✓                              | ✓                  |
| 5. Takes an equity stake in return for the operationalisation effort | ✓              |                   | Sometimes                      | ✓                  |

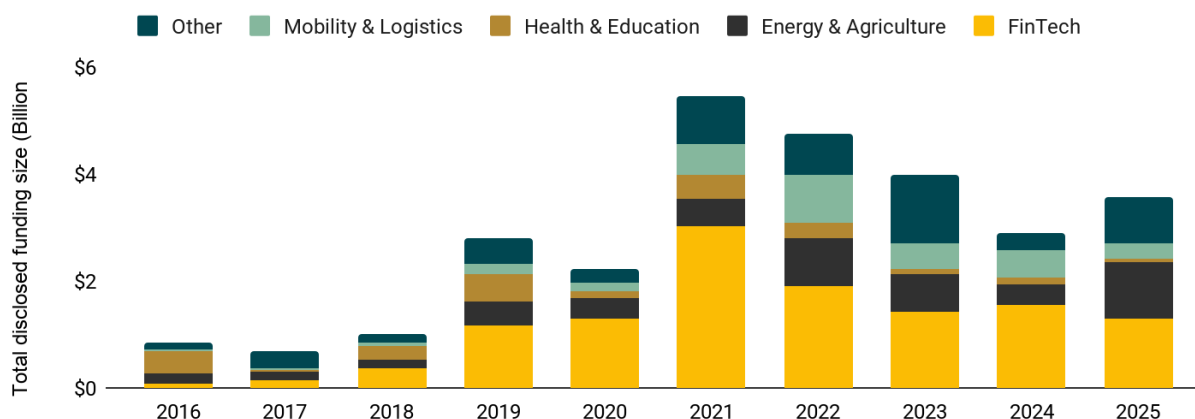
This chapter defines what venture studios do and how they stand out amongst early-stage venture builders. African venture builders do not differ in their core objectives or the models compared to the global venture studio models, but the context in which they operate makes nuanced differences in how they contribute to the ecosystem. The next chapter explores the context in which venture studios operate and the structural gaps they fill.

## Chapter 2. Contextualising the Innovation Ecosystem in Africa

### The African Innovation Ecosystem

Over the past decade, Africa's startup ecosystem has experienced significant growth, both in scale and sophistication. Annual venture funding surged from under \$1 billion in 2016 to a consistent \$3 billion between 2021 and 2025, alongside the emergence of a new generation of high-growth companies across fintech, e-commerce, mobility, climate, and other sectors. This growth reflects not only increasing investor interest but also the expansion of entrepreneurial activity across a wider range of geographies and problem areas. As highlighted in the report, the ecosystem today encompasses over 3,600 startups and a diverse set of actors, including venture capital funds, development finance institutions, accelerators, incubators, and venture studios.

Figure 1: Total disclosed funding volume by sector



Source: Briter Intelligence (2026)

Note: Inclusive of all disclosed funding across Africa

**Beyond headline growth, the ecosystem has also matured in its composition.** Startups are increasingly addressing complex, system-level challenges across financial inclusion, agriculture, energy access, and logistics, often building integrated solutions that combine digital and physical infrastructure. Sectoral diversity has expanded, and new markets beyond the “Big Four” (Nigeria, Kenya, South Africa, and Egypt) are gradually gaining traction. At the same time, venture studios and other venture-building organisations are contributing to the development

of new companies and sectors, supporting the emergence of more structured venture creation pathways.

**While the ecosystem has grown, it remains structurally early.** Africa still represents less than 1% of global venture capital flows<sup>1</sup>, and capital availability remains significantly shallower than in more mature ecosystems. As a result, the growth of the ecosystem has not yet translated into depth or resilience. Capital is fragmented, unevenly distributed, and heavily concentrated at the earliest stages of venture development. A substantial share of funding flows through early-stage support organisations such as incubators, accelerators, and grant programmes, which provide small amounts of capital, often around \$100,000, alongside in-kind support.

The early-stage nature of the ecosystem gives rise to a set of structural challenges that shape how capital is deployed and how ventures evolve.

- **First, funding is highly concentrated, geographically, sectorally, and across companies.** A small number of markets and sectors, particularly fintech, capture a disproportionate share of capital, while other sectors, such as agriculture, climate, and logistics, rely more heavily on concessional and impact-oriented funding. This concentration reflects both investor preferences and underlying market conditions, but it also limits diversification and slows the development of new sectors.
- **Second, the “missing middle” in early-stage financing constrains venture progression.** Startups often face a sharp drop-off between initial support and institutional investment, preventing many promising ideas from reaching scale. This gap is not only financial, but also operational, as ventures lack the structured support needed to move from experimentation to execution.
- **Third, the ecosystem relies heavily on concessional and grant funding to sustain early-stage activity.** Grants play a critical role in absorbing risk and enabling venture creation in sectors and markets that are not yet commercially viable. Although they represent a small share of total funding volume, they account for a significant proportion of early-stage capital and are often the primary source of funding for first-time founders. However, this reliance raises questions about long-term sustainability, particularly in the absence of sufficient commercial capital to replace or complement concessional flows.

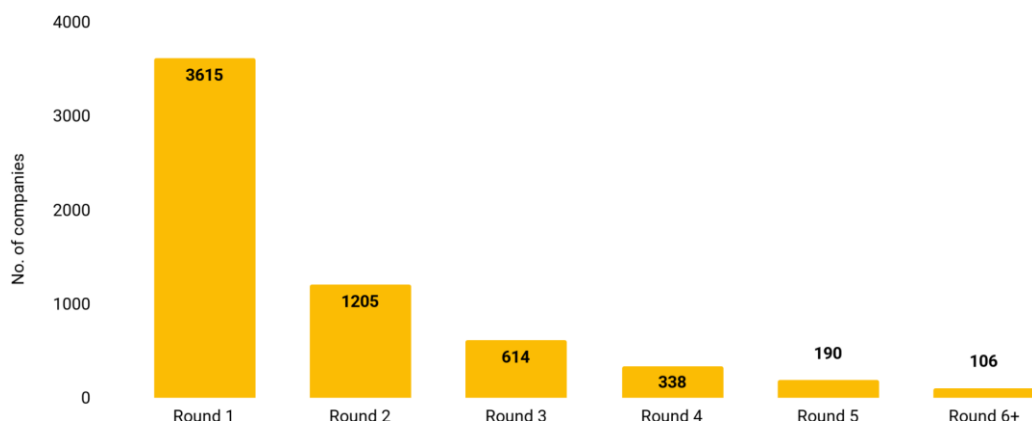
Together, these dynamics concentrate capital in a limited set of markets and sectors, rely on concessional funding to support early-stage activity elsewhere, and leave a structural gap in follow-on capital, contributing to the high rate of ventures that do not progress beyond initial

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<sup>1</sup> Briter Investment Report (2025), Partech investment report (2025). The average median ticket size for African ventures is \$300K across sectors, while the global median VC funding is \$3.5M.

funding. The result is a pronounced drop-off in venture progression, with nearly 70% of ventures in Africa failing to secure follow-on funding after their initial round, as illustrated in the figure below.

Figure 2: No. Companies by total disclosed funding rounds (2016-2025 cumulative)



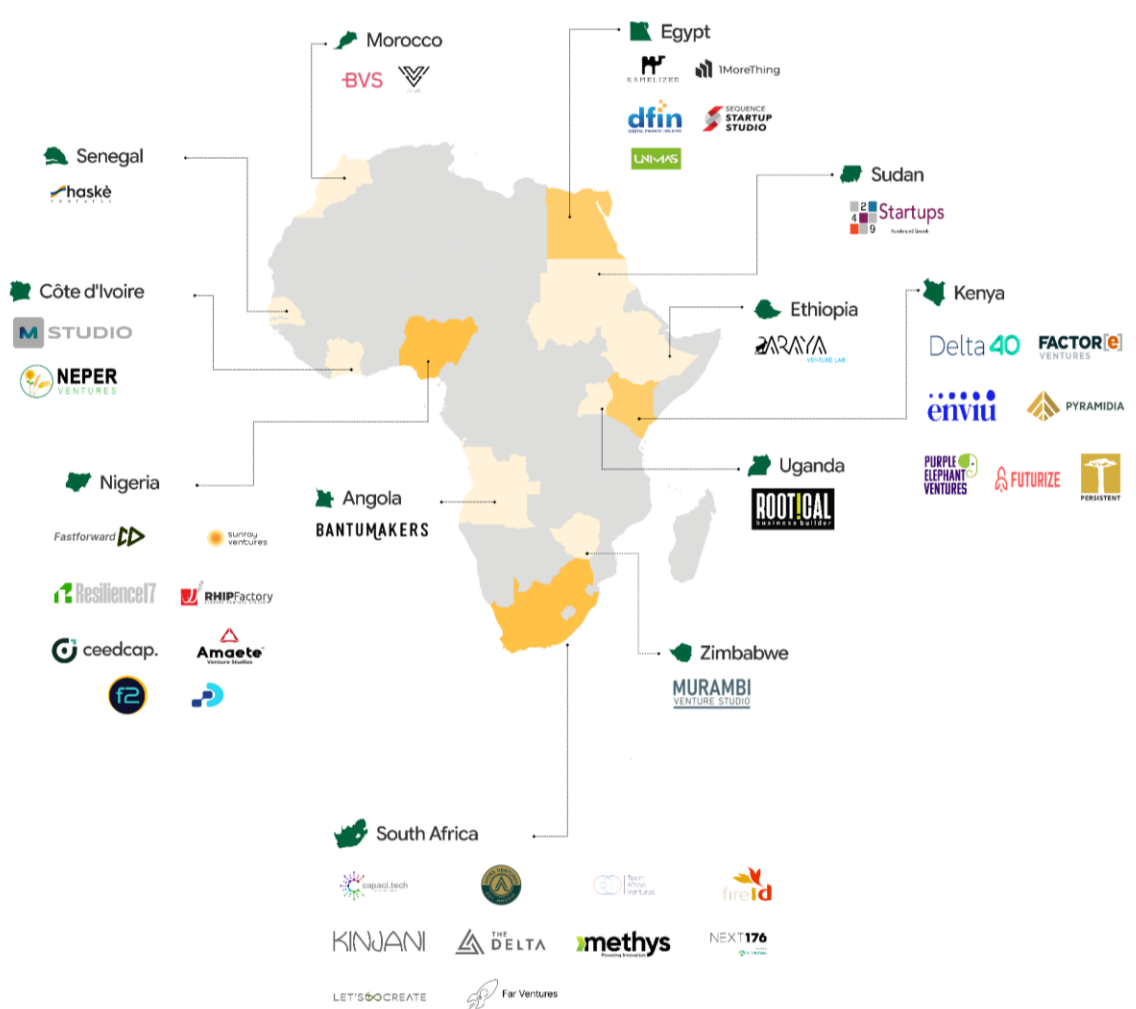
Source: Briter Intelligence (2026)

Note: Includes all disclosed funding across African ventures, excludes companies that do not have any disclosed funding information

## African venture studios' role in the ecosystem

**In response to these structural constraints, venture studios are emerging organically as a distinct model within the African ecosystem.** The study mapped over 40 venture studios operating across Africa, listed in the map below and in more detail in the [directory in the Annex](#). The mapping identified over 200 ventures that were built through or supported by venture studios. 20% of the venture studio companies offered Fintech solutions, the top VC-funded sector in Africa. Other VC-friendly sectors, such as health, mobility, and e-commerce companies, also show up amongst venture studio portfolios. Examples of studios working on these VC-friendly sectors are Resilience17, Next176, and MStudio. But venture studios also develop SME-leaning companies in key sectors such as agriculture, renewable energy, and logistics. Studios such as Purple Elephants, Haske Ventures, and Pyramidia build more SME-leaning ventures. Studios such as Enviu focus on developing low-tech but high-impact circular economy ventures.

Figure 3: Map of venture studios in Africa



Source: Briter Intelligence (2026)

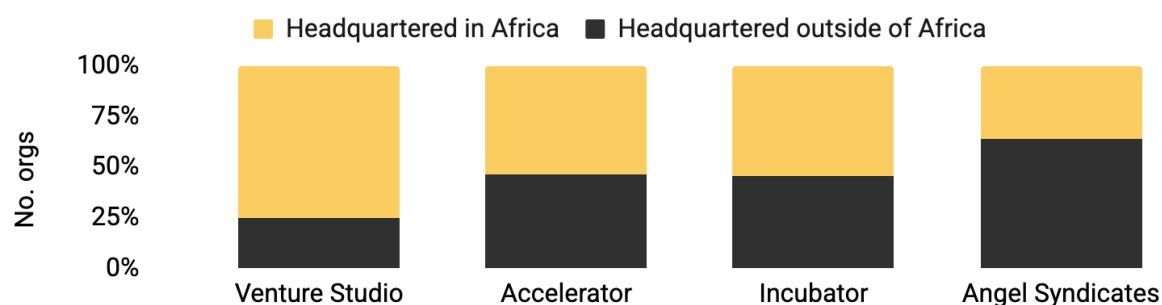
Note: This mapping includes venture studios currently operating in Africa. Venture studios that are no longer operating, like 54Collective (Founders Factory Africa), and those that have pivoted away from studio models, like Satgana, are excluded from the map.

**Unlike traditional early-stage support organisations, venture studios are designed to address both capital and execution gaps simultaneously.** By acting as institutional co-founders, they take a hands-on role in building companies from ideation through early scale, embedding operational capacity, strategic direction, and access to capital within the venture from the outset. This model directly responds to several of the ecosystem's core challenges.<sup>2</sup>

<sup>2</sup> The studios who validated their information include: Mstudio, Delta40, Pyramidia, Enviu, Rootical, Next176, and 249Startups. All others have been included based on public sources.

- First, venture studios help mitigate the lack of repeat founders and experienced operators by providing centralised expertise and institutional knowledge. For example, Adanian Labs was founded by a team that previously worked on building Afya Rekod, Paylend, and COBbA; the general partner of Fast Forward has worked on building Moneymie, GO54, and Jobberman; Pyramidia's co-founders bring experience from McKinsey & Company, Victory Farms, and EIDU; and Delta40's founder has also built Fenix Intl. Funders of venture studios, such as GIZ SAIS, consider this “founder-to-backer” characteristic of venture studios as an important differentiating criterion when investing in venture studios.
- Second, they address the “missing middle” by directly funding companies at the early stages and contributing to developing a pipeline of ventures to a level of maturity where they are more likely to attract follow-on investment.
- Third, they enable venture creation in underfunded sectors and geographies by de-risking early-stage opportunities for investors. Unlike traditional incubators and accelerators, a third of which are headquartered outside of Africa, most venture studios' key operations and personnel are based in the African market in which they operate. While a larger proportion of studios operate in the “Big Four” (Egypt, Kenya, Nigeria, and South Africa), they also operate in smaller venture markets like Côte d'Ivoire and Uganda.
- Fourth, they respond to systems-level gaps in value chains and sectors by building synergistic portfolios. Venture studios can build multiple companies that can form mutually beneficial partnerships, especially in sectors like agriculture, where the ventures need to address multiple value chain gaps by being vertically or horizontally integrated. Building a complementary cluster of solutions can help the overall portfolio and de-risk the investment. Examples are Rootical that build farmer-facing ventures across agriculture and energy sectors or 249Startups that enable bundles of SMEs that serve fragile and conflicted markets.

Figure 4: Headquarters locations of early-stage venture supporters operating in Africa



Source: Briter Intelligence (2026)

Note: Headquarters information reported by each organisation is defined as an office location where key personnel and decision-making take place. Venture studios often have other administrative and

financial offices outside of Africa, but many report their headquarters to be within Africa, where the key operators and C-Suite are based.

**Venture studios also play a broader ecosystem role.** Beyond building individual ventures, they contribute to developing local entrepreneurial capacity, strengthening value chains, and generating investment pipelines in markets where venture activity remains limited. This role is particularly important in sectors such as climate, agriculture, and the circular economy, where venture creation requires deeper operational involvement and longer time horizons. In practice, venture studios often act as ecosystem catalysts. In Côte d'Ivoire, ventures built by MStudio accounted for over half of VC deals in the country in the past year. In markets such as Uganda, Rootical combines venture building with ecosystem activation, including training programmes and founder development initiatives to support the emergence of “VC-ready” companies. Similarly, Enviu engages in system-level interventions, including legislative advocacy, to enable the development of circular economy solutions.

**Venture studios in Africa respond to structural gaps in the ecosystem, positioning themselves to build both the ecosystem capacity and investment pipeline.**

Taken together, these activities highlight how venture studios respond to structural gaps in the ecosystem not only by building companies but by supporting the broader conditions required for venture creation and investment. The next chapter assesses the performance of the venture studio model by benchmarking studio-backed companies against other early-stage pathways.

## Chapter 3. Benchmarking Venture Studios in Africa

As discussed in the above chapters, African venture studios, along with other traditional early-stage venture supporters that provide venture building services, such as incubators, accelerators, angels, and early-stage VCs with post-investment support, all work toward building a better pipeline of innovative companies in a challenging environment. This chapter benchmarks African venture studios with other early-stage venture supporters across Africa by discussing their intensive model, and then explores whether venture studios in Africa have successfully translated their operational intensity to a more efficient growth of the companies they build. We do this by looking at how companies built by venture studios mobilise follow-on funding, as a sign of reaching commercial and growth potential, compared to companies that do not go through venture studios.

African venture studios have carved out their speciality amongst other early-stage venture supporters by operationalising companies from the ideation to growth stage, injecting knowledge, expertise, and cash into the companies they co-found. Their operationalisation process is intensive and is designed to introduce more efficiency in building, funding, and growing the companies, especially in underserved market segments, compared to venture creation without concentrated operational support. The table on the next page summarises the main differences between venture studios and other early-stage venture supporters.

**Venture studios build more deeply than widely.** Venture studios in Africa usually build 2 to 3 companies per year, focusing on businesses with high potential to grow. They focus on sectors or market segments they have expertise in, and invest heavily in building the solutions. This differs from incubators and accelerators that work at a larger scale through a cohort design. Incubators and accelerators often work with a cohort of 5 to 10 companies. Incubators and accelerators have a much broader and scaled reach compared to venture studios, which requires a larger allocation of human capital per company they build. The studio's internal team functions as the startup's nervous system until the venture reaches operational maturity. The high human capital requirement prevents studios from scaling volume without compromising depth.

**Venture studios support companies longer.** Venture studios, on average, spend 2 years or more with a company from the ideation stage, through the in-house operationalisation, and graduating them by growing them outside of the studio, raising follow-on funding, and/or selling them. This is a longer timeline compared to incubators and accelerators that work with the

cohort through a 3 to 18-month support programme. Venture studios stay on with companies longer as an investor and shareholder, even after their companies “graduate” from the studio, similarly to how investors stay on with their portfolio companies until exiting.

Table 2. Venture studios compared to other early-stage venture supporters

|                         | Venture Studios                                   | Incubator                                                    | Accelerator                                                 | Angel                                                        | Pre-seed and seed VC                                                |
|-------------------------|---------------------------------------------------|--------------------------------------------------------------|-------------------------------------------------------------|--------------------------------------------------------------|---------------------------------------------------------------------|
| No. entities            | 40+                                               | 60+                                                          | 120+                                                        | 80+<br>(syndicates + individuals)                            | 350+                                                                |
| No. supported companies | 160+                                              | 170+                                                         | 1200+                                                       | 160+                                                         | 700+                                                                |
| Support ratio           | 1:3                                               | 1:6                                                          | 1:8                                                         | 1:3                                                          | 1:5                                                                 |
| Support time            | 2-3 years                                         | 3-18 months                                                  | 3-6 months                                                  | 1-2 years                                                    | 3-5+ years                                                          |
| Operational investment  | 50-80% of their investment is operational support | Building companies from the ground up and supporting the MVP | Business & investment readiness for companies with traction | Network, advising                                            | Post-investment support (platform function), paid by management fee |
| Financial investment    | \$60-150K, equity stake                           | \$1-5K at MVP stage                                          | \$5K-100K, mix of grants, in-kind, and equity stake         | \$45K - \$350K (syndicates involved in 100K and above deals) | Pre-seed: \$150K-250K<br><br>Seed: \$250K-1M                        |
| Equity stake            | 20-50%+                                           | 0-5%                                                         | 5-10%+                                                      | Depends, often SAFE                                          | 10-25%+                                                             |

Source: Briter Intelligence (2026), Note: Funding information from 2016 to 2025.

### Box 3: Methodology and data attribution for benchmarking

## Methodology & data attribution

**Scope of follow-on funding:** This analysis tracks subsequent capital raised after the initial support stage. This includes equity, grants, debt, and blended finance. We compare the performance of companies emerging from venture studios against those from incubators, accelerators, angels (individual and syndicates), and pre-seed VCs.

**"In-house" vs. "external" distinction:**

"In-house" companies are built and operationalised with studios as institutional co-founders. Our benchmarking focuses exclusively on these "in-house" ventures. The majority of the 120+ companies in this study are "in-house" companies.

"External" companies are companies not built by venture studios but financed or supported by venture studios. Some entities (e.g., 54Collective, Delta40, Resilience 17, and Persistent) operate hybrid models or have pivoted toward early-stage VC structures. To maintain data integrity, investments in existing "external" ventures are categorised as early-stage VC activity rather than venture studio support.

**Model transitions:** For venture studios that have pivoted, data is disaggregated based on the model active at the time of investment. Where this distinction was unavailable, companies were omitted to prevent misinterpretation.

**Note on data limitations & engagement bias:**

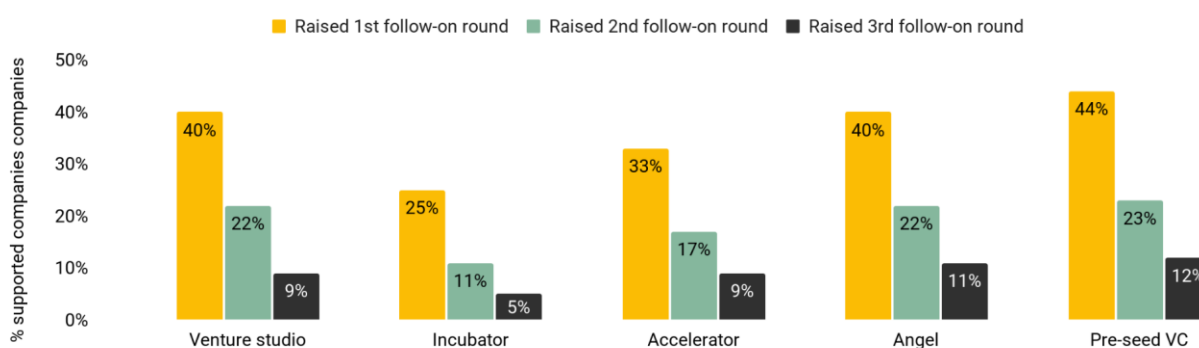
Due to the prevalence of "stealth mode" startups and non-disclosed deal flow in African markets, these benchmarks are indicative of trends rather than an exhaustive census.

The authors acknowledge a deeper level of engagement with venture studio operators, including four focus groups and a dedicated summit, than with other ecosystem actors. This results in a higher granularity of data for the studio model compared to other support structures.

**A select number of studio-backed companies raise follow-on funding.** Venture studios introduce institutional discipline throughout the venture creation process, turning heavy investments into returns. During ideation and MVP testing, studios kill weak ideas and only operationalise high-potential ones. Across Africa, studios report that about 80% of ideas do not progress to the operational stage, and 15-20% of those that do still fail. This type of institutional selection also exists in incubators, which help pivot ideas, accelerators with rigorous cohort selection, and angel investors who back a small number of founders. The follow-on outcomes below examine companies from their initial investment and assess whether they showed sufficient growth to attract additional funding. The underlying data uses fundraising records of disclosed companies that went through a programme or received funding, though some under-reporting may exist for companies that dissolved before raising funds.

**But those that do fundraise show better follow-on funding mobilisation outcomes.** The intensive support for a select number of companies for a longer period of time translates to a better outcome when mobilising follow-on funding. One in two companies built by venture studios go on to raise follow-on funding, which is higher than incubators (one in five) and accelerators (one in three). The incubator and accelerator model is designed for a few of the many companies to succeed, while venture studios put intensive resources into only 2 or 3 companies for several years, which results in the difference in the follow-on rates. Venture studios' follow-on success rate is more similar to other early-stage investors, whose follow-on funding rates are between 39-45%, suggesting that the mix of investment and in-kind support from venture studios helps bring companies to an investment-ready stage.

Figure 5: Follow-on funding rates, by early-stage venture support types



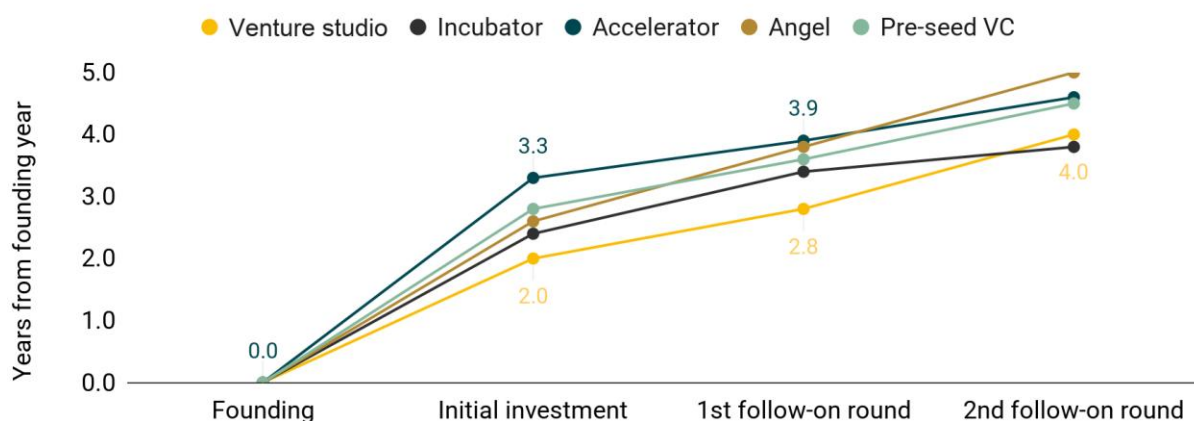
Source: Briter Intelligence (2026)

Note: Includes disclosed funding information between 2016 and 2025.

**Companies built by venture studios raise follow-on funding faster.** They raise follow-on funding one year faster than other early-stage pathways, reducing the time it takes to reach pre-seed and seed readiness. Companies built by venture studios on average raise pre-seed follow-on funding around year 3, after 2 years of the venture studio programme. Companies, on

average, participate in an accelerator programme at around the 3-year mark, and a third of them raise follow-on funding within a year after the accelerator programme. This means that post-acceleration companies that raise pre-seed follow-on are at year 4, compared to venture studio companies that raise at the year 3 mark. Companies built by venture studios also raise follow-on funding earlier than angel-funded companies, which raise their follow-on pre-seed between years 3 and 4.

Figure 6: Months taken from founding to raising funding rounds, by early-stage venture support types



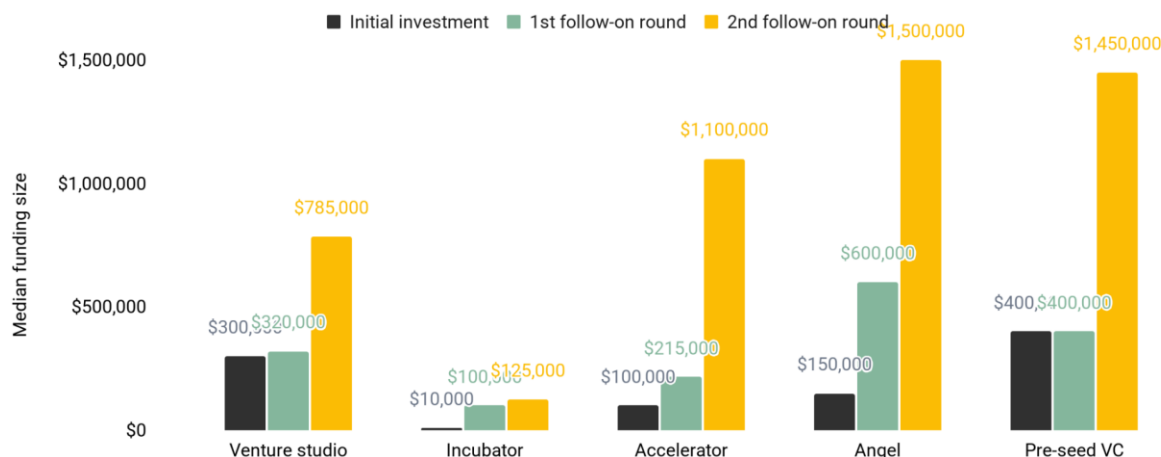
Source: Briter Intelligence (2026)

Note: Includes disclosed funding information between 2016 and 2025.

**Venture studios achieve investment-readiness efficiently.** Co-founders who decided to join venture studios rather than to “build it on their own” highlighted that venture studios help them reach their milestones faster and help to avoid mistakes earlier on. Founders pointed out that operators in the venture studio leverage their domain expertise to help them make stronger choices and build investor readiness earlier, such as incorporating at a more capital-accessible market earlier, getting fractional CTO support to build a scalable product earlier, or pivoting earlier. Founders that fundraise with venture studios also pointed out that venture studios help build the capital stack by socialising the company to potential investors earlier on, and by guiding the founder through the fundraising process.

**First follow-on ticket size is higher.** Most companies coming out of venture studios raise their first follow-on at a pre-seed stage. The median ticket size of the first follow-on funding raised by studio-backed companies is \$320K, which is higher than \$215K by post-accelerator companies and \$400K by companies that raised a pre-seed deal independently.

Figure 7: Median funding size throughout rounds, by early-stage venture support types



Source: Briter Intelligence (2026)

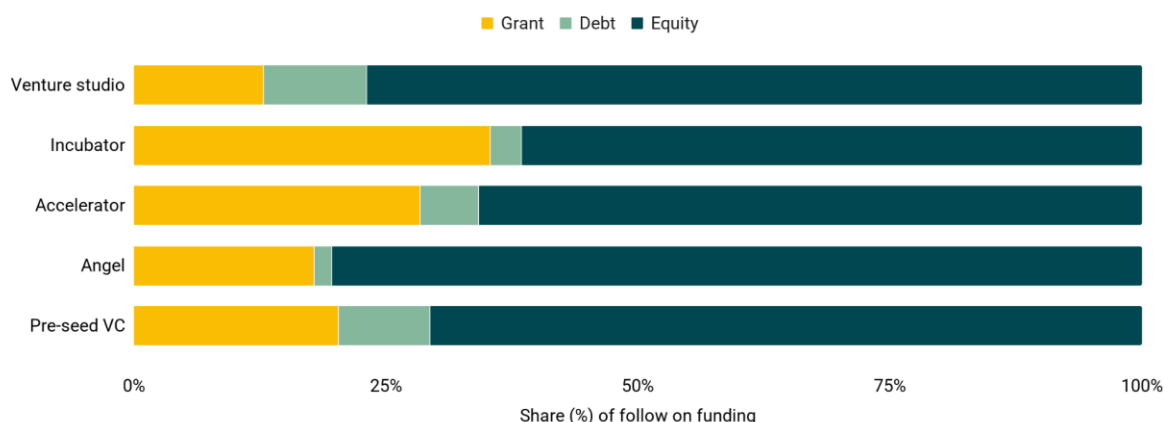
Note: Includes disclosed funding information between 2016 and 2025. The median deal size of the 2nd follow-on fundraising of venture studio companies is from a small sample size of fewer than 10 deals.

**The Further Follow-on ticket sizes are more normalised.** Because venture studios invest more intensively in a smaller number of companies, venture studios reduce the variance rather than rely on the power law for return. Venture studios that build SME-leading companies build funder networks outside of VC financing and mobilise working capital more fit for SMEs. As a result, the follow-on ticket sizes of studio-backed companies grow more like a normal curve compared to accelerator, angel, or VC-backed companies. Even accounting for the fact that most African venture studios have been operational for less than 7 years and have a small number of companies that raised their 2nd and 3rd follow-on funding, the median ticket sizes of venture-backed companies show a moderate growth compared to the exponential growth in ticket sizes raised by companies backed by accelerators or angels. This does not mean venture studios do not create companies with an exponential growth trajectory. Jumia was developed and later exited by the German venture studio Rocket Internet. Flutterwave's CEO later started the Resilience17 venture studio, and Spiro has received early investment from Persistent Venture Studio. But at the earlier stage, venture studios, especially those working in environments with little VC presence, focus on building investable companies that build the necessary track records within their environment.

**More commercial follow-on funding.** 90% companies built by venture studios raise equity and debt follow-on funding, compared to about 55% post-incubator companies and 75% of post-accelerator companies. Venture studios' follow-on funding looks more similar to how VC-funded companies raise follow-on funding at the seed stage onwards, indicating that venture studio portfolio companies are uniquely positioned to raise VC-leaning commercial funding.

Commercial funding at the early stage not only provides the resources for companies to test their commercial potential but also provides a signal of investment readiness to additional commercial investors.

Figure 8: Composition of follow-on funding instruments, by early-stage venture support types



Source: Briter Intelligence (2026)

Note: Includes disclosed funding information between 2016 and 2025.

**Equipped for a more complex follow-on funding structure.** Compared to angel-funded companies, companies built by venture studios raise more debt follow-on funding. This is driven by the DFI-led loans to renewable energy companies. Persistent, as a studio for Candi Solar<sup>3</sup> and UpOwa<sup>4</sup>, worked with companies to navigate the complex capital stacks involving DFIs and blended finance instruments. Similarly, Powered by People, a B2B commerce company built by FastForward, received \$330K worth of grants from FCDO, Unilever and EY to facilitate better wholesale connection products.

**Venture studios help mobilise follow-on funding faster and help leverage more commercial funding instruments. But venture studios work with a much smaller number of companies compared to other traditional support models like incubators and accelerators.**

<sup>3</sup> Candi Solar raised a multi-currency loan worth \$24M from a climate fund backed by Belgian DFI to fuel their production of solar energy facilities. <https://www.candi.solar/our-news/candi-solar-receives-follow-on-usd-14-million-loan>

<sup>4</sup> UpOwa got \$1.2M equity funding from REPP, a UK government-led climate fund for SSA, followed by a \$500K convertible loan to help their growth. <https://repp.energy/project/upowa-solar-home-systems/>

Combining this with the above section, venture studios can be benchmarked against other early-stage venture support models as follows:

- Venture studios work with smaller groups for longer, concentrating their resources on a few rather than a larger scale of companies.
- A higher proportion of companies successfully mobilise follow-on funding.
- They do so faster, sometimes shaving off a year.
- Follow-on funding is more on the normal curve, highlighting their de-risking role
- They help mobilise more commercially-leaning and complex funding rounds,
- These efficiencies reflect their sector specialisation, regional focus, and diversified portfolio of VC-backable companies and SME-leaning companies.

Their overall follow-on funding performance shows that venture studios are succeeding in efficiently building investment-ready companies. They contribute to the broader early-stage venture support ecosystem by creating investable companies for the VC pipeline and connecting viable SMEs to suitable working capital.

**Improved efficiency with structural trade-offs.** Benchmarking venture studios to other early-stage companies shows that venture studios are able to build companies that raise follow-on funding faster, larger, and through more commercial routes. This efficiency is reached through intensive capital and operational resource investment into a small batch of companies. As a result, studios support a limited number of ventures at any given time, constraining overall throughput. Higher per-company investment leads to greater downside exposure when ventures fail, concentrating risk relative to portfolio-based models. This reflects a structural trade-off between efficiency and scalability, where deeper involvement improves outcomes but limits the number of companies built.

**But the fundamental trade-off, where deep involvement drives venture efficiency but limits institutional scalability, defines the core challenge for the model.**

**Intensive investment also means concentrated risk per company.** Despite intensive support, about 15-20% of venture studio companies still fail after reaching the operational stage, highlighting that execution risk is reduced but not eliminated. The cost of a single company failing is high for venture studios that work with a handful of companies. They manage this risk by being selective about the companies they operationalise. Venture studios vet through many ideas and MVPs before a selected few become fully operational and investment-ready.

While venture studios effectively build investment-ready companies, this fundamental trade-off, where deep involvement drives venture efficiency but limits institutional scalability, defines the core challenge for the model. The next chapter will explore the specific financial, operational, and ecosystem constraints that prevent African venture studios from achieving greater institutional scale and long-term sustainability.

## Chapter 4. Structural constraints affecting African venture studios

As outlined in the previous section, venture studios in Africa bring efficiency in building investment-ready companies but are limited in their scalability. While venture studios demonstrate strong performance in building investment-ready ventures, their ability to scale remains constrained by a combination of financial, operational, and ecosystem-level factors. Limited liquidity, restricted access to follow-on capital, and the need for ongoing capital recycling shape how studios sustain their activities over time. This chapter explores these key structural constraints affecting African venture studios.

**Venture studios operate under a fundamentally different sustainability model compared to both venture capital funds and accelerator programmes.** While venture capital firms rely on management fees and large, infrequent exits, and accelerators operate through programme-based funding (often supported by grants or corporate partnerships), venture studios combine high operational intensity with long-term capital exposure.

This creates a structural challenge where venture studios incur significantly higher operating costs than VCs due to their hands-on role in building companies, but they cannot rely on management fees alone to sustain operations. At the same time, unlike accelerators, they are expected to generate financial returns from the ventures they create. Venture studios need ongoing capital recycling to sustain their operations and develop more ventures.

As a result, venture studios depend more heavily on earlier and more frequent liquidity events to cover operating costs and reinvest in new ventures, including:

- Interim and transitional capital
- Partial exits via secondary share sales
- Dividends in revenue-generating ventures
- Corporate M&A or handover to strategic partners
- Focusing on growing existing ventures while pausing new venture creations

## Venture studios rely on more frequent liquidity events for ongoing capital recycling to sustain their operations and develop more ventures.

**Grant funding in venture studios often functions as transitional capital**, supporting operations in early-stage ecosystems and studio models. The role of grants in venture studio models differs from their role in accelerators. While accelerators are often designed as programme-based models that can operate sustainably with ongoing grant support, venture studios are structured to generate returns through venture creation and capital recycling. Grants provide liquidity in the interim terms while venture studios generate liquidity from their portfolio companies. In certain sectors, particularly those requiring sustained de-risking, grants may remain a persistent component of the funding structure.

**Capital thinness as a structural bottleneck.** The effectiveness of the venture studio model is highly dependent on the availability of downstream capital. As highlighted in the broader ecosystem analysis, African venture markets are characterised by limited capital availability and a “missing middle” at the pre-seed and seed stages. This constraint extends into later stages, where:

- Growth-stage investors are limited
- Secondary markets are underdeveloped
- Follow-on capital is concentrated in a narrow set of sectors

As a result, partial exits are difficult to execute, liquidity events are delayed or discounted, and capital recycling becomes constrained. This creates a structural tension where venture studios can effectively build companies, but face challenges in realising liquidity to sustain and scale their model.

These constraints can be grouped into several key areas:

- **Capital and liquidity constraints:** Venture studios depend on early and frequent liquidity events to recycle capital. In capital-constrained ecosystems, limited follow-on funding and underdeveloped secondary markets restrict the ability to execute partial exits and generate liquidity for studio operations, constraining sustainability.
- **Operational intensity:** The model requires significant human and financial resources per venture over extended time horizons. Several African venture studios reported that they spend a high proportion of annual cost on C-suite & management overhead. This limits the number of companies a studio can support at any given time and makes scaling dependent on proportional increases in internal capacity.

- **Concentrated risk exposure:** African studios have reported investing significant capital in companies that have failed, between 25K (early failure) to 800K (later stage failure). Higher per-company investment and a smaller portfolio increase the impact of individual venture failure, placing additional pressure on studios to recover costs through limited liquidity events or external funding.
- **Ecosystem gaps:** Studios often operate in environments with limited experienced founders, fragmented value chains, and insufficient downstream capital. As a result, they take on additional roles in market creation, talent development, and ecosystem coordination, increasing complexity and cost.
- **Model drift under scaling pressure:** As studios seek to scale, pressure to increase throughput and attract capital can lead to a shift toward more deal-driven or investment-oriented approaches. This can reduce the depth of venture building support and blur the distinction between venture studios and early-stage investment funds.

Taken together, these factors highlight a structural trade-off that, while venture studios can improve the efficiency and quality of early-stage venture creation, their model remains difficult to scale in the absence of deeper capital markets and supporting ecosystem infrastructure.

**Whether venture studios will ultimately transition to fully self-sustaining models remains an open question. This will depend on the development of deeper capital markets over time.**

Faced with the constraints and the question of sustainability, venture studios across Africa are experimenting with operational and financing models to become more resilient. While this evolution towards resilience is a global trend rather than Africa-specific<sup>5</sup>, the next chapter looks at how African venture studios respond to the constraints that affect the African ecosystem.

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<sup>5</sup> Maksim Malyy, PhD and Max Pog. Big Venture Studio Research 2024: <https://inniches.com/research24>

## Chapter 5. Business model responses and variations

The constraints outlined above do not affect all venture studios equally, but they significantly influence how studios structure their operations and financing models. In particular, limited liquidity, capital thinness, and the need for ongoing capital recycling strongly encourage venture studios to adopt different structural configurations. These configurations reflect trade-offs between operational flexibility, access to capital, and investor alignment.

In response, **venture studios have not converged on a single operating model**. Instead, they have developed a range of structural and financial configurations to adapt to these constraints. These variations reflect different approaches to:

- Managing capital recycling and liquidity
- Balancing operational and investment functions
- Attracting and structuring external capital

As a result, venture studios in Africa are best understood not as a single model, but as a set of evolving structures responding to ecosystem conditions.

**Venture studios in Africa are best understood not as a single model, but as a set of evolving structures responding to ecosystem conditions.**

### Single entity model

The single-entity model reflects a structure that prioritises operational flexibility and simplicity, particularly in environments where external capital is limited and venture studios rely on internally managed capital and alternative return pathways such as dividends.

In this “traditional” venture studio model, the studio operates as a single entity (HoldCo), making decisions on both venture building and capital allocation from a unified pool of resources. This integrated structure allows studios to maintain high levels of control over both operational and investment decisions.

This model is most effective in contexts where studios are not required to compete directly with venture capital funds for external fundraising. It is commonly observed among:

- SME-oriented studios (e.g., Purple Elephant Ventures, Pyramidia)
- Corporate-embedded studios (e.g., Next176 by Old Mutual)
- Specialist or sector-focused studios backed by philanthropic or concessional capital (e.g., Enviu)

Return pathways in this model are typically more flexible and may include partial exits, dividend or revenue-based returns, or integration of ventures into a corporate ecosystem.

For investors, the model offers structural simplicity as capital is deployed at the studio level, and investors gain exposure to the full portfolio of ventures over time. However, this pooled structure can also make it more difficult to isolate performance and define clear liquidity pathways, particularly as studios scale. The pooled resource structure can make valuation increasingly complex, as it becomes difficult to separate the value of the studio from that of its underlying ventures. This can reduce clarity for investors around performance and liquidity pathways.

In addition, the model may lack alignment with conventional investment structures. LPs may perceive the model as lacking transparency in its liquidity policy, while concessional and blended funders may question how grant capital is deployed, recovered, and recycled within the studio. Commercial investors, in particular, may view the model as too far removed from the standard 2/20 venture capital structure<sup>6</sup>.

As a result, in capital-constrained environments, reflecting the reality of many African markets, the single-entity model can limit fundraising capacity over time. While it is often effective as an initial structure, particularly for studios entering new markets, its scalability may be constrained as studios seek to attract more diverse or institutional capital.

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<sup>6</sup> '2/20' refers to a standard venture capital fee structure comprising a 2% annual management fee and 20% carried interest on fund profits.

## Case study: Pyramidia Ventures

## PYRAMIDIA VENTURES

**Year of operation:** 4 years**Operational countries:** Kenya**Investment per venture:** Up to \$50K at the early piloting phase, and up to \$250K in cash + in-kind at the build phase, followed by external capital raises after 18 months**Return pathways:** Equity exits via spinning out of the studio once ventures are venture-backable + follow-on rounds**Ecosystem role:** Agri-food venture builder; streamlines fundraising, legal, HR and recruiting in-house so founders can focus on scaling; creating an investible pipeline for investors

Pyramidia Ventures is a Kenya-based venture studio focused on agriculture and food systems. It operates as a single-entity holding structure (HoldCo), raising capital at the studio level and allocating it across ventures. The studio builds tech-enabled businesses, reflecting the realities of agricultural value chains in East Africa.

With a team of 5–10 operators, Pyramidia supports ventures over a ~2-year build period, providing ~\$150K–\$200K. Its model targets 10–50% equity stakes, with returns generated through a mix of M&A, dividends, private equity, and venture capital pathways.

|                         |                                                                                                                                                                                                                                                                                            |
|-------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Ventures Built</b>   | Acre Insights, Savannah Seritech, Nasaru Naturals, Womega, Stable Foods                                                                                                                                                                                                                    |
| <b>Funders/backers</b>  | Dutch Good Growth Fund, angel investors, Loyal VC (INSEAD-linked angel network)                                                                                                                                                                                                            |
| <b>Target sector(s)</b> | Climate, Agrifood                                                                                                                                                                                                                                                                          |
| <b>Exits</b>            | One exit. Strongest validation to date is Stable Foods securing external seed capital within 15 months of launch, plus Nasaru Naturals securing DOEN Foundation backing. The other validation is their market-funded portfolio is now 3x all capital the studio has spent since inception. |

SOURCE: Self-reporting from the studio

## Dual-entity model

A progression from the single-entity structure is the dual-entity model, in which venture building operations are separated from investment activities. This structure introduces greater clarity around cost allocation, performance measurement, and liquidity pathways.

Under this model, one entity focuses on venture creation and studio operations, while a second entity, typically structured as a fund, focuses on capital deployment into ventures. This separation allows for clearer delineation between operational expenditure and investment performance, and enables investors to more intentionally allocate capital across venture building and investment functions. Within the Dual-entity models, two primary structures are emerging: (1) Dual-entity with an internal fund and (2) Dual-entity with a sidecar fund.

### (1) Dual entity with an internal fund

In this model, the venture studio establishes an internally managed investment fund while retaining control over both the studio and fund entities. The studio is responsible for funding and fundraising for both entities, venture building operations, and investment decision-making (often through an internal investment committee). This structure allows studios to leverage their deep operational involvement in ventures to inform investment decisions, often resulting in stronger due diligence capabilities compared to traditional investors. In addition, internal funds may invest beyond studio-built ventures, enabling healthier competition, portfolio diversification, expanded deal flow, network access, and more diversified revenue streams. Studios adopt different variations of this model depending on their strategy. For example:

- Resilience17 operates with an evergreen fund structure
- dFin Holdings incorporates a venture debt facility through Camel Ventures
- Other studios, such as Persistent, 249Startups and Delta40, have adopted blended finance approaches within dual-entity structures.
- 54Collective also had pivoted from a studio-only model to operating a fund in their later years of operations, before they closed down.

These models allow studios to expand beyond venture creation into broader investment platforms, strengthening both their financial resilience and ecosystem positioning.

While the dual-entity model improves structural clarity, it also introduces additional complexity. Studios operating this model need to fund and manage both the venture studio entity and the investment fund, build capabilities as both operators and fund managers, and establish internal governance structures, including investment committees and fund administration. This requires

significantly greater capital mobilisation capacity, operational infrastructure, and investor management. In addition, the combination of venture building and investment activities can create ambiguity in positioning. As studios expand their investment activities, particularly into externally originated companies, they may begin to resemble traditional venture capital funds, potentially diluting the distinctiveness of the venture studio model.

This introduces a broader trade-off that, while dual-entity models can improve access to capital and investor alignment, they may also shift studios away from their core venture-building focus.

## Case study: Delta40

### DELTA 40



**Year of operation:** 3 years

**Operational countries:** Kenya and Nigeria

**Investment per venture:** \$100K–\$300K, with follow-on up to \$600K and a minimum of 2 years of in-kind Venture Studio support.

**Return pathways:** Equity exits via M&A, follow-on VC rounds. Targets 25% IRR. Reports 5.5x leverage catalysed on capital deployed.

**Ecosystem role:** Venture studio + early-stage VC fund; provides Venture Studio Support from a team of shared operators and entrepreneurs including shared CFO, CCO, and COO across capital and finance, commercial and product strategy, talent and recruiting, and growth advisory services across the portfolio; runs physical studio spaces in both Kenya and Nigeria where it provides support out of.

Delta40 is a Venture Studio focused on climate and real-economy sectors, including energy and mobility, agriculture and sustainable food systems, and data/fintech/AI as it relates to sustainability sectors. It has adopted a dual-entity structure, combining venture building & support with its own VC fund to diversify funding pathways and be able to invest and follow-on directly in ventures they build and support.

The studio operates with a team of 15–20 operators and supports ventures over a ~2-year build cycle, alongside additional capital through its investment arm. Its model targets 10–30% equity stakes, with exits through M&A, venture capital, and private equity.

|                          |                                                                                                                                                                                    |
|--------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Ventures Built</b>    | GreenBay, Flowt, Clean Crop Africa, Samaking                                                                                                                                       |
| <b>Ventures Invested</b> | GreenBay, Flowt, Samaking, Farm to Feed, SunFi, Giraffe Bioenergy, PowerUP, Eyango Foods, Lori, Instollar, Terralima<br>Post-investment support: Angaza, Nithio, Gridless, BioLite |
| <b>Fund size</b>         | ~\$20M institutional raise (2026)                                                                                                                                                  |
| <b>Funders/backers</b>   | DFIs, foundations, family offices, HNWI's, founders, and global investors across multiple countries                                                                                |
| <b>Target sector(s)</b>  | Energy & mobility, agriculture & food systems, climate fintech/data/AI                                                                                                             |
| <b>Gender lens</b>       | 51% of capital committed to female-founded / female-C-suite ventures.                                                                                                              |

SOURCE: Self-reporting from the studio

## (2) Dual entity model with a sidecar fund

A further evolution of the dual-entity structure is the dual-entity model with a sidecar fund, which has emerged more recently in both global and African contexts. In this model, venture building activities remain within the studio, while investment decisions are made through a separately managed fund, often with an independent or external GP. This structure creates a clearer separation between the venture building (studio function) and investment decision-making (fund function) and allows the sidecar fund to operate with greater independence in evaluating and investing in ventures.

The model offers several advantages. Sidecar funds can provide specialised investment capabilities, including due diligence and capital deployment, support fundraising through a dedicated investment vehicle and diversify beyond studio-built companies, expanding portfolio exposure. Importantly, the relative independence of the sidecar fund can help reduce perceived “studio bias” toward internally developed ventures. As a result, investment from a sidecar fund can serve as a signal of external validation, which may attract additional investors and support secondary transactions.

Despite these advantages, adoption of this model remains limited in African markets. One constraint is the availability of capital. Venture studios need to build a strong partnership with a fund that can be an “offtaker” for the studio ventures while maintaining independent decision-making. There are not as many examples of sidecar funds in the African context. MStudio partners with Ring Capital’s 65M EUR African Fund, which invests in a broader set of African early-stage ventures, including companies built by MStudio. Given that the studio pipeline is limited and the fund size relatively smaller, if the sidecar funds strategy is concentrated primarily on studio-built companies, their pipeline may be too narrow to support diversified portfolio construction.

In addition, this model introduces further structural and governance complexity. Establishing a separate fund requires a distinct investor base and shareholder structure, independent governance and decision-making processes and clear management of potential conflicts of interest between the studio and the fund. This can reduce the operational flexibility of the studio and increase the overall burden of capital raising and fund management.

As a result, while the model is more common in mature ecosystems, its application in Africa remains more limited.

## Case study: MStudio

## MSTUDIO



**Year of operation:** 3 years

**Operational countries:** Côte d'Ivoire, targets broader Francophone West Africa.

**Investment per venture:** 3-month Entrepreneur-in-Residence stipend of €15K. On entry to the studio: €250K pre-seed cash from sidecar fund + €500K in-kind assistance from Mstudio over 12 months

**Return pathways:** Equity stakes in spun-out ventures; upside through follow-on VC rounds and exits

**Ecosystem role:** Venture studio + co-founder + fund (Ring Capital)

MStudio is a dual-entity venture studio operating in Francophone West Africa, focused on mobile-driven, venture-backable companies. It combines venture building with a sidecar fund (Ring Africa), allowing it to both build and co-invest in ventures. The studio operates with a team of 5–10 full-time operators and supports ventures over a ~2-year build cycle, providing \$500K–\$1M in combined funding and support. Its ventures account for a significant share of early-stage funding in its core market, capturing ~68% of early-stage funding in Côte d'Ivoire, highlighting its catalytic role in underserved ecosystems. The model targets ~7x MOIC, with 25% equity stakes and exit pathways through M&A and venture capital.

|                          |                                                                                                                                     |
|--------------------------|-------------------------------------------------------------------------------------------------------------------------------------|
| <b>Ventures Built</b>    | Djoli, Tajiri, doo!, Waribei, Danaya, Tuzzo, BLOK, Flot, Jèko, Revvo, Barapay, Soa, Fanga, Mecafix, Credifarm, Afialab, Lonya, Kutu |
| <b>Ventures Invested</b> | Djoli, Tajiri, doo!, Waribei, Danaya, Tuzzo, BLOK, Flot, Jèko, Revvo                                                                |
| <b>Fund size</b>         | €12m                                                                                                                                |
| <b>Funders/backers</b>   | High net worth individuals / Development partners                                                                                   |
| <b>Target sector(s)</b>  | Mobile-first solutions targeting the Francophone informal sector (fintech, edtech, agri, mobility, insurance, energy, health).      |

SOURCE: Self-reporting from the studio

The table below summarises the three different operational models and how they respond to the structural constraints in the ecosystem.

Table 3: Three major structures of venture studios in Africa

|                                 | Single Entity                                                                                                                                                                                                                               | Dual entity, internal fund                                                                                                                                                                                                                                                                                                            | Dual entity, sidecar fund                                                                                                                                                                                                                                                |
|---------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Model</b>                    | Build + invest in one entity                                                                                                                                                                                                                | Build in studio + invest via in-house fund                                                                                                                                                                                                                                                                                            | Build in studio, invest via an external fund                                                                                                                                                                                                                             |
| <b>Structure</b>                | Studio capital (incl. grants)                                                                                                                                                                                                               | Studio + internally managed fund (aligned IC)                                                                                                                                                                                                                                                                                         | Studio + external fund (independent IC)                                                                                                                                                                                                                                  |
| <b>Sustainability pathways</b>  | Dividends, partial exits, M&A                                                                                                                                                                                                               | Partial exits, M&A, management fees                                                                                                                                                                                                                                                                                                   | Partial exits, M&A                                                                                                                                                                                                                                                       |
| <b>Implications for funders</b> | <ul style="list-style-type: none"> <li>● Direct exposure to the full portfolio</li> <li>● Simpler structure</li> <li>● Less transparency on performance and liquidity</li> </ul>                                                            | <ul style="list-style-type: none"> <li>● Clearer separation of roles</li> <li>● Stronger, operationally informed investment processes</li> <li>● Ability to invest beyond studio-built ventures</li> </ul>                                                                                                                            | <ul style="list-style-type: none"> <li>● Independent decision</li> <li>● External validation</li> </ul>                                                                                                                                                                  |
| <b>Pros and cons</b>            | <ul style="list-style-type: none"> <li>● Lower complexity and greater control</li> <li>● Stronger alignment between capital and venture-building priorities</li> <li>● More difficult to attract institutional capital and scale</li> </ul> | <ul style="list-style-type: none"> <li>● Greater access to capital and diversification</li> <li>● Helpful benchmarking and competition between studio-backed companies and external companies</li> <li>● Increased operational and governance complexity</li> <li>● Potential for model drift toward investment activities</li> </ul> | <ul style="list-style-type: none"> <li>● Adds commercial investor on cap table earlier on</li> <li>● Studio can focus on building functions</li> <li>● Suitable for VC-backable models</li> <li>● Dependent on capital availability and aligned fund partners</li> </ul> |
| <b>Examples</b>                 | Pyramidia Ventures                                                                                                                                                                                                                          | Delta40                                                                                                                                                                                                                                                                                                                               | MStudio + Ring Capital                                                                                                                                                                                                                                                   |

## Chapter 6. Implications for the ecosystem

Venture studios demonstrate strong performance in early-stage venture development, with studio-backed companies more likely to raise follow-on funding, do so more quickly, and access commercial capital earlier than other early-stage pathways. However, the business models required to sustain and scale venture studios in capital-constrained ecosystems remain under development.

As a result, much of the innovation in the African venture studio landscape is taking place at the level of business model design, how studios are structured, financed, and sustained, rather than in venture building itself.

**Capital thinness shapes both venture outcomes and studio models.** The structure and sustainability of venture studios are fundamentally shaped by capital availability across the funding lifecycle. Limited follow-on capital, underdeveloped secondary markets, and constrained exit pathways reduce the ability of studios to recycle capital and generate liquidity. As a result, venture studios adapt their models, rather than follow standard venture capital structures, leading to variation in how they are financed and operated.

**Venture studios function as both venture builders and ecosystem infrastructure.** In many African markets, venture studios play a dual role of building and scaling ventures and addressing gaps in the broader ecosystem. This includes talent development, market creation and value chain coordination. While this expands their impact, it also increases operational complexity and cost. Venture studios, therefore, act not only as company builders but as enablers of early-stage ecosystem development.

**Venture studios improve funding outcomes and accelerate investor readiness.** Evidence from this report shows that venture studio-backed companies are more likely to raise follow-on funding and to do so more quickly than ventures supported through other early-stage pathways. Approximately one in two studio-built companies raise follow-on funding, compared to lower rates among incubator- and accelerator-supported companies. In addition, venture studio companies reach follow-on funding faster, reducing time to pre-seed and seed readiness by approximately one year. Further, these companies are more likely to access commercial capital (equity and debt) earlier and are more likely to attract VC-aligned follow-on funding rather than relying on grants. This is particularly important in capital-constrained ecosystems, where early-stage ventures often struggle to become investment-ready. Venture studios,

therefore, act as a bridge between concessional and commercial capital, improving the flow of private investment into underserved sectors.

**Grants play a critical but nuanced role in sustainability.** Concessional funding, particularly grants, plays a central role in supporting venture studio operations and enabling venture creation in underserved sectors. At the studio level, grants function as working capital, bridging the gap between upfront investment and delayed returns. At the ecosystem level, they enable risk absorption, supporting ventures that are not yet commercially viable. However, grants do not inherently create sustainable venture studio models. In many cases, they function as transitional capital, supporting early-stage ecosystem and model development. In certain sectors requiring sustained de-risking, they may remain a persistent component of the funding structure. The key challenge is therefore not the presence of grant funding, but how it is structured to enable transition toward sustainable capital recycling, rather than substituting for it indefinitely.

**Anchor capital is critical in capital-constrained environments.** Corporate and DFI partners play an important role in stabilising venture studio models by providing long-term, patient capital, reduced pressure for immediate financial returns and strategic or ecosystem-driven objectives. This is particularly important in sectors where ventures are not primarily driven by profit maximisation, but by capital preservation, indirect value creation, or ecosystem development outcomes.

**Scaling venture creation does not equate to scaling venture studios.** A key distinction emerges between scaling venture creation activity and scaling venture studios as financially sustainable institutions. While grant funding, blended finance, and anchor partnerships can enable the expansion of venture creation, they do not necessarily lead to self-sustaining venture studio models. Sustainability ultimately depends on reliable liquidity pathways, capital recycling mechanisms and access to follow-on funding.

**Venture studios face structural limits to scaling.** Despite their effectiveness in building investment-ready ventures, venture studios face structural constraints to scaling their models. These constraints arise from a combination of factors:

- **Operational intensity**, as venture building requires sustained, hands-on involvement and significant internal resources
- **Dependence on liquidity**, with limited exit pathways constraining capital recycling
- **Ecosystem gaps**, including limited follow-on funding and underdeveloped markets

As a result, venture studios are often able to scale venture creation activity, but not necessarily their own financial sustainability or institutional scale. In addition, as studios attempt to scale, they may face pressure to increase throughput or attract capital, which can lead to shifts toward more investment-driven or deal-flow-oriented approaches. This introduces a tension between scaling and maintaining the core venture building model.

This tension presents the ecosystem with a clear challenge. The model of intensive, high-quality venture creation demonstrates strong efficacy, but the institutional structure to sustain and scale this model has yet to be solidified. The next phase of research, therefore, should shift focus from validating the model's performance to understanding how to support its sustainability.

**The model of intensive, high-quality venture creation is clearer from the research, but the institutional structure to sustain and scale this model is not. The next phase should shift focus from validating the model to understanding how to support its sustainability.**

The evidence in this white paper shows that African venture studios are effectively diversifying their models to survive the ecosystem's structural constraints. However, their ultimate success and the continued flow of high-quality, investment-ready ventures depend on achieving genuine financial sustainability. The next phase of research requires the ecosystem to collaboratively address the following critical questions:

- **Financial resilience:** What are the critical aspects of an African venture studio's financial operations, including operating costs, liquidity policies, financial success benchmarks (IRR or MOIC), and exit records? How should the ecosystem define sustainability and best practices for the model?
- **Capital mobilisation strategies:** What are the effective funding sources and instruments for African venture studios? How should venture studios position themselves to compete for capital versus where they should be uniquely positioned?
- **Visibility of African founders:** Many venture studio founders in Africa have an anchor presence outside of Africa, or have founders with international backgrounds and experiences. How can African venture studios better increase visibility of African founders and talent to build locally-rooted businesses? Which external factors, such as the globalising funder landscape, affect who builds and sustains venture studios?

- **Institutional sustainability:** What are the market conditions and financial instruments that help studios build companies more efficiently, mobilise sustainable funding, and scale out their operations?
- **Defining fit-for-purpose capital:** How should investment vehicles be structured to support the sustainability of venture studios and the companies they build? Who are the consortium of funders and instruments needed to build innovations through the studio model across Africa?
- **Navigating the early-stage venture landscape:** How are venture studios complementary versus competitive with other early-stage venture supporters? What are some best practices for LPs as they navigate the expanding venture creation landscape?

The findings of this report establish the African venture studio model as a compelling pathway for venture building and a contributing ecosystem infrastructure. While the efficacy and efficiency of its venture-building services are clearer, the long-term institutional sustainability of the studio model is still to be developed through deepening capital availability and developing more funding suitable for the ecosystem.

We welcome the opportunity to continue this conversation with all stakeholders. Whether you are an LP, follow-on funders, founders, studios, or other early-stage venture supporters, the white paper and the questions presented above are an invitation to learn together. The authors invite interested stakeholders to further this dialogue by contacting Hangyul Lee-Song at [shangyul@briterbridges.com](mailto:shangyul@briterbridges.com).

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# Annex

## I. Directory of African venture studios

The list of African venture studios below shows the venture studios featured in [Figure 3. Map of venture studios in Africa](#). The directory also lists additional office locations to showcase that Many African studios have an “anchor” location outside of Africa. The founders' information is based on publicly available information to demonstrate that many of the founders have previous entrepreneurial and/or international experience. The directory includes publicly available information, and is marked as “unknown” if some information is missing. Where available, venture studios validated their information<sup>7</sup>.

Table A1. Directory of African venture studios (by country)

| Studio name             | African HQ    | Additional offices             | Founders                                                                | Note                      |
|-------------------------|---------------|--------------------------------|-------------------------------------------------------------------------|---------------------------|
| Bantu Makers            | Angola        | Unknown                        | Vanda Soliv                                                             |                           |
| MStudio                 | Côte d'Ivoire | France                         | Cedric Mangaud, Leslie Ossete                                           |                           |
| Neper Ventures          | Côte d'Ivoire | Unknown                        | Nadine Ebelle Kotto, Issa Sidibe, Angel Pete                            |                           |
| 1MoreThingVentures      | Egypt         | Tunisia, Morocco, Saudi Arabia | Yassir El Ismaili El Idrissi, Ebrahim Badran                            |                           |
| dfin Holding            | Egypt         | Unknown                        | Shehab Marzban, Mohammed El-Beltagy, Adel Boseli, Mahmoud Sameer Hassan |                           |
| Kamelizer               | Egypt         | Unknown                        | Hanan Abdel Meguid                                                      |                           |
| Sequence Startup Studio | Egypt         | Unknown                        | Mohamed Fahmy, Mohamed ElSherif, Karim Helal                            | Part of Sequence Ventures |
| UNIMAS Capital          | Egypt         | N/A                            | Ahmed Aboudoma                                                          |                           |
| Araya Venture Lab       | Ethiopia      | Unknown                        | Tigist Araya, Dawit Kebede Abera                                        |                           |
| Delta40                 | Kenya         | Nigeria                        | Lyndsay Holley Handler                                                  |                           |
| Enviu                   | Kenya         | India, Indonesia, Netherlands  | Stef van Dongen                                                         |                           |

<sup>7</sup> The studios who validated their information include: Mstudio, Delta40, Pyramidia, Enviu, Rootical, Next176, and 249Startups. All others have been included based on public sources.

| Studio name                        | African HQ             | Additional offices                          | Founders                                                           | Note                                |
|------------------------------------|------------------------|---------------------------------------------|--------------------------------------------------------------------|-------------------------------------|
| Factor[e] Ventures                 | Kenya                  | United Kingdom,<br>United States of America | Morgan DeFoort, Tenbite Ermias,                                    | Factor[e] Lab is the venture studio |
| Futurize                           | Kenya                  | United Kingdom,<br>United Arab Emirates     | Moritz Gripp, Rhea Singhla                                         |                                     |
| Persistent Energy                  | Kenya                  | Mauritius, Nigeria,<br>Switzerland, USA     | Christopher Aidun, Dirk Muench                                     |                                     |
| Purple Elephant Ventures           | Kenya                  | Unknown                                     | Jan van der Does de Willebois,<br>Ben Peterson,                    |                                     |
| Pyramidia                          | Kenya                  | Netherlands                                 | Ruth Bertens, Joseph Rehmann                                       |                                     |
| Ciconia Investment Partners        | Kenya,<br>Burkina Faso | United States                               | Zoe Sun, Moiun Chreif                                              | PE-handoff companies                |
| BVS                                | Morocco                | Unknown                                     | Maria Aït M'hamed (President),<br>Mehdi El Morjani, Dr. Reda Taleb |                                     |
| Volund Ventures                    | Morocco                | Unknown                                     | Zakaria Sabti                                                      |                                     |
| Amaete Venture Studios             | Nigeria                | United States of America                    | Amaete Umanah, Chika Okafor<br>Akintan                             |                                     |
| CeedCap                            | Nigeria                | United States of America                    | Kess Daniel                                                        |                                     |
| Fastforward                        | Nigeria                | United Kingdom,<br>United States of America | Opeyemi Awoyemi                                                    |                                     |
| FirstFounders                      | Nigeria                | Unknown                                     | Samuel Kemesi, Olajide-Jubril<br>Oguntade, David Lanre Messan      |                                     |
| Resilience17                       | Nigeria                | Unknown                                     | Olugbenga Agboola                                                  |                                     |
| RHIPFactory                        | Nigeria                | Nigeria, South Africa                       | Henri Onyemachi                                                    |                                     |
| Sunray Studio (by Sunray Ventures) | Nigeria                | United Arab Emirates                        | Jasper Graf von Hardenberg,<br>Christian Wessels                   |                                     |
| Dunia Ventures                     | Remote                 | Luxembourg                                  | Alain Nkurikiye, Arielle Iteriteka                                 |                                     |
| Haské Ventures                     | Senegal                | Unknown                                     | Madji Sock, Abdourahmane Diop                                      |                                     |
| Aions                              | South Africa           | Unknown                                     | Mitchan Adams, Kerry Campion                                       |                                     |
| CapaciTech                         | South Africa           | Unknown                                     | Mathew Emanuel (Managing Director)                                 |                                     |

| Studio name            | African HQ   | Additional offices                                  | Founders                                         | Note                              |
|------------------------|--------------|-----------------------------------------------------|--------------------------------------------------|-----------------------------------|
| FireID                 | South Africa | Netherlands                                         | Malan Joubert, Lindsay (Button) Joubert          |                                   |
| Kinjani                | South Africa | Unknown                                             | Caitlin Wale                                     |                                   |
| LetsCreate             | South Africa | Australia, United States of America, United Kingdom | Alex de Bruyn                                    |                                   |
| Methys                 | South Africa | Tunisia, France, United Kingdom                     | Christophe Viarnaud                              |                                   |
| Next176                | South Africa | Unknown                                             | Faedah Hendricks (Acting Managing Director)      | Backed by Old Mutual corporate    |
| OneBio                 | South Africa | Unknown                                             | Michael Fichardt, Nick Walker                    |                                   |
| Team Africa Ventures   | South Africa | Unknown                                             | Daniel Guasco, Wayne Gosling                     |                                   |
| The Delta              | South Africa | Germany                                             | Louis Buys, Julian Teicke                        |                                   |
| 249Startups            | Sudan        | Egypt, Uganda, GCC Doha & Dubai                     | Ahmed Elmurtada, Mutaz Mohamednour, Khansa Elhag | Foundation Arm in the Netherlands |
| Rootical               | Uganda       | Tanzania                                            | Hannes Van den Eeckhout                          |                                   |
| Murambi Venture Studio | Zimbabwe     | Unknown                                             | Bakani A. Moyo                                   |                                   |

## African venture studio case studies

The white paper studied 40+ African venture studios, which come in different models, focus, and geographical influence. The examples of venture studios are mentioned throughout the paper, and we include in-depth case studies to showcase different models and their operations. Venture studios reported and validated the case studios below, which are organised in alphabetical order.

## Case study: 249Startups

## 249STARTUPS



**Year of operation:** 8 years

**Operational countries:** Sudan, Egypt, Uganda, Qatar, UAE & Netherlands

**Investment per venture:** €5K incubation stage, and \$50-120K for pre-seed/Seed funding, larger ticket sizes for SMEs. The exact funding depends on the company and programme.

**Return pathways:** Founding equity upside (30-60% at inception, diluting through rounds), shared services fees ; Venture Fund carries 2.5% management fee + 20% carried interest on LP capital; generates impact returns via funded ecosystem programs with partners & private sector.

Equity upside via Rhino Investments (5%-30% equity per deal), and follow-on funding pipeline (\$700K+ raised by portfolio companies)

**Ecosystem role:** Building digitally-enabled startups and SMEs in frontier & fragile conflict affected countries.

The 249Startups builds regionally competitive, venture-scale technology companies by co-founding them with Sudanese and diaspora-led talent. Unlike a traditional fund or accelerator, the studio ideates opportunities internally, matches them with co-founders of ex founders & diaspora professionals, and provides full operational infrastructure (Technology, product, finance, legal, HR) to take ventures from idea to seed-funded company in 12-18 months.

Recently, 249Startup launched a Stichting 249Startups Foundation that is anchored in the Netherlands to continue their ecosystem impact work involving African diaspora, and to bring in more innovation financing for Africa.

|                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|--------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Ventures Built</b>    | Nil Pay, Agrowise, ReKarbon, SGB Revival (MAC), EZ Care                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>Ventures Invested</b> | Co-founds rather than investing externally from the Studio. Funds companies and invest from Rhino fund.                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>Fund size</b>         | Studio operating capital. Venture Fund: 20M USD target                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>Funders/backers</b>   | <b>Rhino Investments:</b> 249Startups' own capital & Sudanese diaspora HNW investors, impact-oriented family offices, strategic corporates.<br><b>Ecosystem partners:</b> Challenge Fund for Youth Employment. Orange Corners: Dutch Ministry of Foreign Affairs with private sector partners (Bank of Khartoum, DAL Group, Haggard Group, United Capital Bank, Al-Nefeidi Group, Saleh Yaqoub Group). Sudan SME Catalyser (BMZ via KfW, implemented by AECF in partnership with 249Startups) |
| <b>Target sector(s)</b>  | Generalist: agriculture, climate, fintech and health.                                                                                                                                                                                                                                                                                                                                                                                                                                         |

SOURCE: Self-reporting from the studio

## Case study: Enviu

## ENVIU



**Year of operation:** 22 years

**Operational countries:** Netherlands, Kenya, India, Indonesia

**Investment per venture:** Not a cash-ticket model. They co-create ventures and incubates with in-house technical + capital support until they are ready to raise externally.

**Return pathways:** Non-profit impact venture studio; operates across four domains (Agrifood, Textiles, Zero Waste, Mobility).

Enviu operates at the intersection of venture building and ecosystem development, focusing on agri-food systems and circular economy models. Rather than building companies in isolation, Enviu works to develop entire value chains and local ecosystems, combining venture creation with capacity building and stakeholder coordination.

Its model draws on multiple capital sources, including grants, partnerships, and equity, reflecting the complexity of the environments it operates in. White Enviu is a non-profit model, they generate a separate entity that registers the studio companies and recycles the dividends from the studio companies back into the studio. This allows Enviu to support ventures that require both local embeddedness and system-level change.

|                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|-------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Ventures Built</b>   | 30+ ventures built globally, Africa ventures: SokoFresh, Zawiri Foods, Shambani Pro, People's Pension Trust Global ventures: Future Proof Shipping, Marine Metals (formerly CMT, circular ship recycling), The Good Felt (India), Alner (Indonesia), Three Wheels United (India), Savia (Chile)                                                                                                                                                                                                                                             |
| <b>Fund size</b>        | Fund size not publicly disclosed. Funded primarily by philanthropic organisations and grant capital. Reports €5.6 leveraged per €1 invested in Agrifood ventures                                                                                                                                                                                                                                                                                                                                                                            |
| <b>Funders/backers</b>  | Philanthropic organisations, Foundations, development agencies                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>Target sector(s)</b> | Agrifood (food systems, post-harvest loss), Textiles (circular fashion), Zero Waste (plastics / reuse) and Mobility (maritime, urban transit). Africa exposure weighted toward Agrifood.                                                                                                                                                                                                                                                                                                                                                    |
| <b>Gender Lens</b>      | Enviu embeds a strong gender lens throughout its venture-building, from empowering women micro-entrepreneurs in waste management, where 60% of Alner's community workers are women, to centring gender and equitable access in collective impact initiatives with informal waste pickers, and actively supporting women-led agrifood ventures like SokoFresh to attract and retain more women across agricultural value chains, recognising that inclusive business models are not only more equitable, but more resilient and competitive. |
| <b>Exits</b>            | Enviu has exited more than 10 ventures, including Three Wheels United, Duurzaam Investeren, A&A Thuishulp and DesertSpring.                                                                                                                                                                                                                                                                                                                                                                                                                 |

SOURCE: Self-reporting from the studio

Case study: Next176

**NEXT176****NEXT176****Year of operation:** 5 years**Operational countries:** South Africa**Investment per venture:** Not disclosed**Return pathways:** Equity upside via follow-on rounds and eventual exits.**Ecosystem role:** Corporate-backed venture builder + investor + partnership platform

NEXT176 is a South Africa-based corporate venture building and investment platform, launched in 2021 as a subsidiary of Old Mutual, the South African financial services group. It operates across six priority ecosystems (financial services, health, education, HR, sustainability, insurance). It operates a joint venture studio called NextOrbit with product agency Byte Orbit and runs a partnership programme that has attracted the likes of Vodacom and Standard Chartered's SC Ventures.

|                          |                                                                                                                     |
|--------------------------|---------------------------------------------------------------------------------------------------------------------|
| <b>Ventures Built</b>    | NextData, QuickWill, Tweak, Craft, Reveal, Oystar Africa, Vault22 (formerly known as 22seven)                       |
| <b>Ventures Invested</b> | JobJack, Jem, Wizzit, CoverGo, Pumpkn.io, MyBento, The Awareness Company, Kena Health                               |
| <b>Fund size</b>         | Initial R300M (~\$17.5M) commitment from Old Mutual at launch (2021), which was increased to R600M (~\$32M) by 2025 |
| <b>Funders/backers</b>   | Old Mutual (sole capital provider), SC Ventures (Standard Chartered).                                               |
| <b>Target sector(s)</b>  | FinTech, Insurtech, Health, HR, Education                                                                           |

SOURCE: Self-reporting from the studio

## Case study: Persistent

### PERSISTENT



**Year of operation:** 14 years

**Funds managed:** Permanent capital vehicle investments from 2012-2025 and closed ended fund investments from 2026

**Operational countries:** Nigeria, Kenya, Mauritius, USA, pan-african venture building

**Investment per venture:** \$250K-1M

**Return pathways:** Secondary transactions, management fee, advisory fee

**Ecosystem role:** Climate VC investor, fund advisor and venture builder

Persistent is one of the longest-running investors and venture builders in Africa, focused on climate, energy and related infrastructure sectors. Founded in 2012, it has built over 20 ventures across areas such as residential, commercial & industrial solar, e-mobility and energy ecosystem enablers. Persistent operates with a team of 20+ full-time operators, combining venture building with an investment platform.

|                          |                                                                                                                                                                                                                                                    |
|--------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Ventures Built</b>    | Altech, Tri, Ecobodaa, CarbonClear, Candi Solar                                                                                                                                                                                                    |
| <b>Ventures Invested</b> | Altech, Tri, Ecobodaa, Agrails, EcoNetix, Rensource, Candi Solar, ASOBO, Glint, Solar Taxi, Beacon Power Services, Lori, CarbonClear, BOS                                                                                                          |
| <b>Fund size</b>         | \$175M assets advised or managed to date overall;<br>\$23M invested under the permanent capital vehicle;<br>\$52M first close of a \$70M Persistent Africa Climate Venture Fund (March 2026), including a dedicated \$5M Venture building facility |
| <b>Funders/ backers</b>  | FSD Africa Investments, Nordic Development Fund, AfDB's Sustainable Energy Fund for Africa, Kyuden International Corporation, BK Ventures BV, DPI Energy Ventures, SEDF, IFDK, JICAplus HNWIs, family offices and foundations                      |
| <b>Target sector(s)</b>  | <b>Climate:</b> Energy transition (e-mobility, residential, commercial and industrial solar)<br><b>Ecosystem enablers:</b> (Power Usage Effectiveness, energy efficiency)<br>Agriculture transition, Resource transition                           |
| <b>Gender lens</b>       | Persistent ACV Fund has a strong focus on gender inclusion and impact                                                                                                                                                                              |
| <b>Exits</b>             | 4 exits to date, reports 200%+ average portfolio growth rate post-investment                                                                                                                                                                       |

SOURCE: Self-reporting from the studio

## Case study: Rootical

### ROOTICAL



**Year of operation:** 3 years

**Operational countries:** Uganda, expanding to Tanzania

**Investment per venture:** \$150k in total support, including \$20k initial seed capital and \$130k in dedicated studio services (venture building, talent, legal, fundraising, etc.)

**Return pathways:** A steward-ownership model where financial returns are structured via redeemable equity and pre-defined multiples, ensuring investor liquidity while preserving the companies' independence and preventing hostile acquisition or mission drift.

**Ecosystem role:** Leverages catalytic capital to de-risk regenerative startups, serving as an institutional co-founder and ecosystem architect for East African agroecological business development.

Rootical operates as a venture studio focused on agriculture, food and climate, building ventures to drive deep ecological and social transformation. Its model reflects the need to work within fragmented value chains and underdeveloped markets, where ventures must be designed systemically alongside the ecosystems they operate in.

The studio uses a blended capital approach, combining grants, concessional funding, and equity to build and finance ventures. This enables Rootical to address sectors where traditional VC models struggle to operate effectively. The portfolio companies have collectively reached 3000+ farmers, generated \$46,000 in revenues and raised \$165,000 in additional capital.

|                         |                                                                                                                                                                          |
|-------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Ventures Built</b>   | Eden Seeds, Ecologic, Guarding Fresh, Regen Harvests, Water Farmers, ReGraze                                                                                             |
| <b>Fund size</b>        | After a pilot phase (2023-24) of \$400k , \$2.1 Million was raised to build ventures in Uganda and Tanzania (2025-2027).                                                 |
| <b>Funders/ backers</b> | DOEN Foundation, Biovision Foundation for Ecological Development, Liechtenstein Development Agency, Partnerships 4 Forests, French Embassy in Uganda, Mustardseed Trust. |
| <b>Target sector(s)</b> | Climate-resilient, regenerative agriculture and food businesses.                                                                                                         |

SOURCE: Self-reporting from the studio

#### Why Rootical is Different: *An impact-locked venture studio*

Rootical occupies a unique position in the African venture building ecosystem by treating impact not as a peripheral ESG metric, but as a core product of its financial architecture. While many studios pursue impact through traditional equity models or singular KPIs, Rootical implements irreversible steward-ownership mechanisms that permanently lock the portfolio companies' missions into their legal DNA. This approach rejects the false dichotomy of "impact-first" versus "profit-first". Instead, it views sustained profitability as a non-negotiable precondition for scaling food systems transformation by building viable agroecological businesses. By replacing speculative exit-logic with structured redeemable equity and pre-defined multiples, Rootical provides a clear, de-risked pathway for investor liquidity while ensuring the companies remain independent, profit-for-purpose engines for regenerative agriculture.

## Venture studio process explained further

### Venture studio process explained

Idea stage

**Starting point**

Studios ideate a high number of business ideas within the studio. Sometimes, studios will host pre-idea stage activities such as founder bootcamp or hackathons to develop an entrepreneur pipeline. At this stage, studios can come up several ideas but they go through an internal process to select a number of ideas that are worth testing.

Market research

**1-3 months**

Studios do rapid testing, deploying small sums of resources to conduct market research. Through this testing process, they “kill” the ideas that do not work and select the ideas that have the potential to be operationalised. Qualitative research shows that over 80% of ideas do not make it past the testing phase.

Pilot & validation

**3-6 months**

Studios build the minimal viable product or service (MVP) and test the MVP through pilots by attracting first users and customers. This stage is the first operational cash and support injection, where studios will test the MVP's product market fit, develop early prototypes and growth strategies. Studios will also recruit co-founders if they haven't already.

Traction & go to market

**6-18 months**

Studios invest intensive operational support during this phase to build a sound team, good tech stack, healthy business plans, and early investor-readiness. This is usually when companies are launched and registered, and studios also play an active strategy role in helping companies register in operational but also legal/financial markets such as Delaware and Mauritius.

Growth & scaling

**1-2 years**

Studios grow the customer base and also potentially pivot and develop additional products and services. The operational support is still intensive, with a fractional C-suite focused on growth strategy, customer acquisition, supply chain management, and legal support. Potential exit and spinout strategies become more solid at this stage. Some companies will also not move forward if the growth pathways are not clear or feasible.

Spinout & graduation

**2+ years**

The well-performing companies will then prepare for the “graduation” from the intensive venture studio support. Studios help companies fundraise for their pre-seed or seed stage, by socialising companies to potential funders, curating the potential funders, and strengthening the company's investor-readiness. Co-founders and the studio will often go into the follow-on fundraising rounds together, and studios often get involved in the follow-on rounds by negotiating their shares or bringing in additional funders. There are some SME-leading venture studios that may not spin out & graduate through a follow-on funding, but exit via dividends or revenue share.

Recycling of funds

**Back to the beginning**

Studios recycle the returns from graduating the companies or offtaking the companies to additional funders to reinvest into the studio so that they can build the next generation of companies.



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