

EVOLUTION OF CRYPTO STARTUPS IN AFRICA: A HISTORICAL PERSPECTIVE

Cryptocurrency startups in Africa emerged in the early to mid-2010s, with South Africa, Nigeria, Kenya, and Ghana seeing increased prevalence.

In H1 2024, Seychelles led the continent with 44.3% of blockchain VC funding (approximately \$15 million), followed by Nigeria at 37.6% (about \$13 million) and South Africa at 17.3% (around \$6 million).

Source: chainalysis

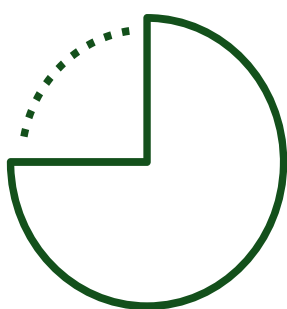
Despite accounting for only 3% of total crypto trade, Africa ranks as the second-fastest growing region, according to the Global Economic Prospects report released by the World Bank



370 M

370 million (47%) Africans are currently classified as unbanked, there exists a potential opportunity for entry into the peer-to-peer (P2P) marketplace.

Africa is emerging as a key hub for crypto and blockchain development, driven by a growing startup ecosystem. In 2021, African blockchain startups raised \$127 million, representing 0.5% of global blockchain funding, with 96% of this funding concentrated in Nigeria, Kenya, South Africa, and Seychelles, primarily in the fintech and exchange sectors.



In terms of overall venture capital, blockchain funding accounted for 6.1% of all venture funding in Africa in 2023, increasing to 6.4% in H1 2024. The number of blockchain deals represented 12.5% of total deals in Africa during H1 2024, compared to global averages of 5.9%.

4.9%



Blockchain was the 3rd most funded category accounting for 4.9% of the total African fintech funding between 2015-2024

Notable deals include MARA raising \$23 million, Jambo securing \$30 million, and VALR's \$50 million Series B round, the largest African crypto funding round to date

370 M

The first half of 2024 saw a total of \$34.7 million raised across 12 deals, marking a 70% decrease in funding compared to H1 2023, which had raised about \$115 million.

