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VENTURE CAPITAL ASSET CLASS STUDY

South African Venture Capital: Exit & Performance Analysis

An analysis of South African venture capital exit and performance data, drawn from the 2026 SA SME Fund/Endeavor/SAVCA Exits case study data and the annual SAVCA VC survey.

THE MARKET · 2016–25

R16.1Bn
TOTAL CAPITAL INVESTED

1,142
PORTFOLIO COMPANIES FUNDED

REALISED PERFORMANCE · 2009–26

226
REALISED EXITS ANALYSED

R4.9Bn
REALISED PROCEEDS
Fully disclosed deals

2.45x
REALISED MOIC
Fully disclosed deals

Data sources: Annual SAVCA VC survey responses since 2010, the 2026 SA SME Fund/Endeavor/SAVCA Exits Case Study data.

DISCLAIMER

This report is based on deal information supplied by fund managers who have conducted exits from early-stage deals, and is believed to be reliable. However, the SA SME Fund, Endeavor and SAVCA make no guarantee as to its accuracy. Neither the SA SME Fund, Endeavor nor SAVCA, nor their research partner, can be held responsible for the consequences of relying on any content in this report.

Triangulating exit and performance data across three primary sources

“Lies, damned lies, and statistics.” – Mark Twain

SOURCE 1

SAVCA VC Survey

Fund manager responses to the annual SAVCA VC survey, from 2010.

Respondents have historically been reluctant to share complete exit and performance data, due in part to confidentiality constraints and investor non-disclosure agreements.

SOURCE 2

2026 Supplemental Exits Data Survey

A separate survey run alongside the 2026 SAVCA VC survey, asking respondents for exit-specific data covering all exits conducted to date.

Improved on historic SAVCA exit data by capturing data from respondents not asked in earlier surveys, or not previously shared. 2026 data took priority over earlier data to avoid double counting.

SOURCE 3

SA SME Fund/Endeavor/SAVCA Case Studies

Insights and data points from the SA SME Fund/Endeavor/SAVCA exit case studies conducted in early 2026, supplementing the survey-based sources.

NOTE

This research reports only the portion of exit value attributable to the reporting fund manager’s equity stake in the underlying investment. The SA SME Fund/Endeavor/SAVCA case studies report the full market valuation of companies at exit, which may include value attributable to founders and other investors.

How undisclosed profitable exits are treated across the three scenarios

226 realised exits
2009–2026

206 deals with a reported Deal Amount
20 excluded — no Deal Amount disclosed

131 deals
Exit Amount also disclosed
Counted identically in all three scenarios

75 deals
43 confirmed profitable, but Exit Amount undisclosed
Treated differently in each scenario ↓
32 losses, but Loss Amount undisclosed

SCENARIO A · REPORTED
The 43 deals are **excluded** — only **fully-disclosed** deals count.

SCENARIO B · CAPITAL PRESERVATION
Assumes each of the 43 returned **just its Deal Amount** (break-even).

SCENARIO C · CONSERVATIVE UPLIFT
Estimates proceeds for the 43 using **Scenario B's more conservative MOIC**.

Realised returns substantially exceed invested capital, across all three scenarios

SCENARIO A · REPORTED

Counts only deals with both a disclosed investment amount and a disclosed exit value.

R2.014bn
Total invested capital

R4.926bn
Total realised cash returned

R2.912bn
Net wealth created

2.45x
Capital-weighted realised MOIC

SCENARIO B · CAPITAL PRESERVATION

For profitable exits with no disclosed value, assumes only the original capital was returned.

R2.792bn
Total invested capital

R5.608bn
Total realised cash returned

R2.817bn
Net wealth created

2.01x
Capital-weighted realised MOIC

SCENARIO C · CONSERVATIVE UPLIFT

Estimates those undisclosed exits using Scenario B's more conservative MOIC (2.01x), instead of break-even.

R2.792bn
Total invested capital

R6.286bn
Total realised cash returned

R3.494bn
Net wealth created

2.25x
Capital-weighted realised MOIC

For every R1.00 invested in exited deals, the reported portfolio (Scenario A) has returned R2.45 in realised cash proceeds – generating ~R2.91bn of net realised value creation before fund-level costs, fees and taxes.

What the three scenarios tell us

REPORTED (A)	2.45x
CAPITAL PRESERVATION (B)	2.01x
CONSERVATIVE UPLIFT (C)	2.25x

FINDINGS

- The majority of exits were profitable.
- Losses and write-offs occur at expected levels for VC investing.
- The median realised investment is modestly profitable.
- Realised returns substantially exceed invested capital.
- A relatively small number of high-performing investments drive a significant share of total value creation, mirroring the power-law return profile observed internationally (“1 in 10”).

NOTES ON THE SCENARIOS ABOVE

Invested capital base — figures speak only to capital invested in deals that have been exited, and only where Deal Amount and Exit Outcome and/or Exit Value were reported.

Column A – Reported is based on 131 deals where the respondent supplied values for both Deal Amount and Exit Amount.

Column B – Capital Preservation is based on 206 deals. For the 43 deals confirmed profitable but with no Exit Amount disclosed, Deal Amount was substituted for Exit Amount — i.e. returned capital is treated as at least equal to invested capital. The 32 loss-making deals with no disclosed Loss Amount are included in the invested capital base; their realised proceeds reflect amounts as reported. These treatments are conservative and dilute the resulting MOIC relative to actual outcomes.

Column C – Conservative Uplift is based on the same 206 deals as Column B, except that for the 43 deals with an undisclosed Exit Amount, the Exit Amount is instead estimated by applying Column B’s more conservative MOIC to the Deal Amount. All other deals, including the 32 undisclosed losses, are treated as in Column B.

1,142 portfolio companies funded since 2016 – the next wave of exits is still to come

YEAR	CAPITAL INVESTED (RM)	INVESTMENT DEALS	ENTITIES FUNDED[1]	EXITS REPORTED
2016	933	116	113	**14**
2017	968	147	143	**15**
2018	1,067	134	130	**9**
2019	1,225	162	142	**38**
2020	1,387	167	120	**43**
2021	1,306	186	129	**24**
2022	1,117	195	70	**11**
2023	3,280	181	94	**10**
2024	2,618	222	110	**3**
2025	2,232	212	91	**10**
Total	**16,133[2]**	**1,722**	**1,142**	**177**

1,142 underlying portfolio companies received capital across the 2016 to 2025 years, with 177 realised exits completed to date.

[1]**Entities Funded** — Investment Deals exceed Entities Funded because many companies raised from multiple investors or in multiple rounds. The gap has widened in recent years as longer holding periods and fewer follow-on funding options keep investors in deals for longer.

[2]**Capital Invested** — SAVCA 2025 reports R13.5bn in AUM; AUM is calculated as annual capital invested (Column 2) less the capital value of deals exited each year.

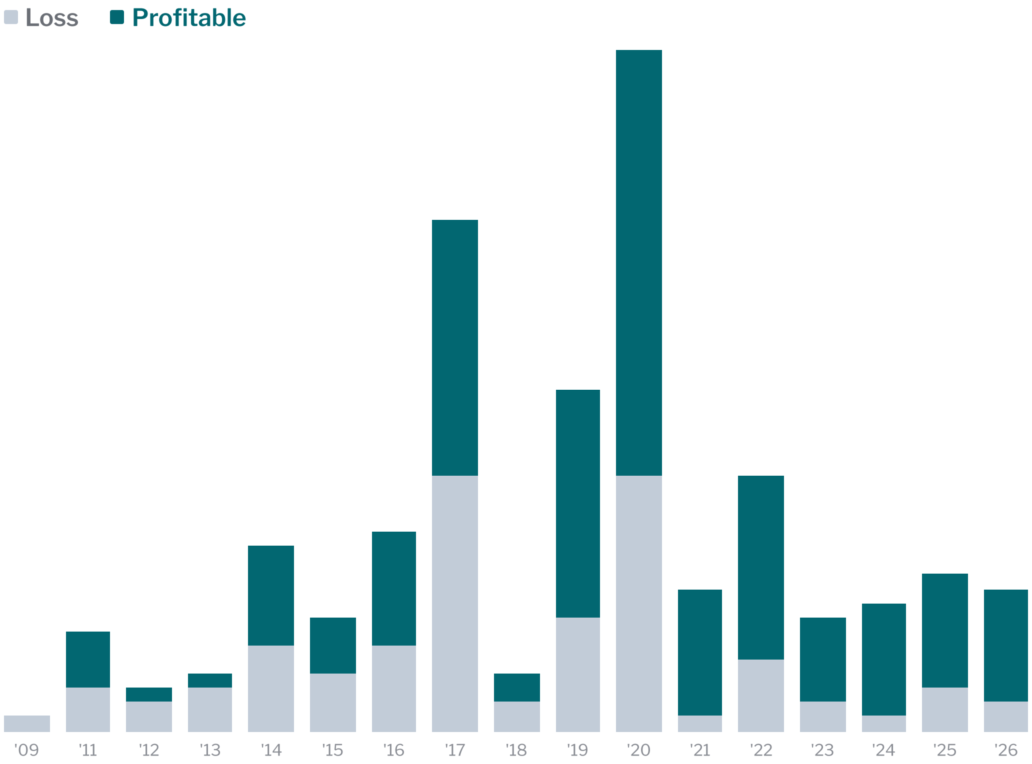
6 yrs
Median holding period

2.01x
Realised MOIC (exited deals)

VINTAGE	CAPITAL	POSITION	OUTLOOK
2016–20	R5.6bn	Mature	Majority of expected exits already realised
2021–25	R10.5bn	Immature	**Significant future exits expected from 2026 onwards**
Total	**R16.1bn**		

The median exit occurs in **Year 6** (using actual SAVCA data with deal values and numbers for the last ten years).
The expected future exits from the immature portion of the SAVCA AUM assume that 80% of remaining deals will have exited by year 7.

Exit activity signals the emergence of a second investment cycle



FIRST CYCLE: 2009–2019

A **first venture capital cycle reached maturity between 2017 and 2019**, followed by a temporary acceleration in 2020 as fund managers actively managed and consolidated portfolios during the COVID-19 period.

SECOND CYCLE: 2019 ONWARD

SAVCA investment data suggests the emergence of a second investment cycle from 2019 onwards, characterised by a marked increase in new deal activity. As these investments mature, the **first wave of related exits is beginning to emerge from 2024 onwards.**

Note: Reflects only deals since 2009 for which the fund manager reported an exit outcome. 2026 exits reflect the half-year up to time of publication. Source: SAVCA VC survey.

Profitable exits take the longest

- Companies held for **8–14 years** generated some of the largest outcomes, including the highest multiples, although a handful of investments produced exceptionally large exits within just 1–4 years.
- **Losses** happen much earlier — clustering heavily between 0 and 4 years.
- **Break-even** exits are the quickest; **write-offs** are generally recognised relatively early, though a few remain in portfolios much longer.

> **KEY PATTERN**
>
> Profitable exits are spread widely across the holding-period range, with the heaviest concentration between years 7 and 10. Losses, by contrast, are front-loaded in the first four years.

Note: The dataset captures realised investments where fund managers reported an exit outcome, categorised as break-even, loss-making, written-off, or profitable.

South African VC returns are broadly consistent with international venture capital experience

South Africa's realised gross MOIC of 2.01–2.45× compared with the last ten years' stated MOIC ranges for each region:

United States
2.0–2.3×
SA comparable to the US.

Europe
1.7–2.1×
SA slightly better on average.

United Kingdom
2.2×
SA very similar.

India
1.8–2.5×
Some years better, some years similar.

Chile & Latin America
1.5–2.0×
SA better on average

AVCA / Africa
Favourable
Few African datasets publish investment-level realised MOICs, making this survey particularly valuable.

South African venture capital exhibits realised return characteristics comparable to more mature international ecosystems – a credible, conservative basis for forecasting future value creation.

Note: The above benchmark ranges are based on a synthesis of published venture capital performance reports, including NVCA & PitchBook (2025), Invest Europe (2024), BVCA (2024), IVCA & EY (2024), LAVCA (2024) and AVCA (2024). As these organisations generally report aggregate fund performance rather than directly comparable realised portfolio MOICs, the ranges should be regarded as indicative benchmarks. On this basis, the realised portfolio MOIC reported in this study is considered consistent with, and compares favourably to, venture capital performance in comparable developed and emerging markets.

The dataset is built for consistency, credibility, and conservative estimation

Cleaned and cross-correlated

Data supplied directly by fund managers, then cleaned, validated and cross-correlated across investment amounts, exits, holding periods, IRRs and MOICs to maximise consistency and credibility.

Highly representative sample

226 exits are included in the dataset, of which 206 have capital investment values and 132 are classified as profitable.

The 132 profitable exits are considered extremely representative of all exits in the period — there is no awareness of any exit not included or reported by known South African fund managers.

Disclosure is conservatively handled

Of the 132 respondent-confirmed profitable exits, 88.6% included capital invested, and of those 63.2% supplied both capital invested and capital returned, allowing direct calculation of realised MOICs.

A further 43 profitable exits did not disclose exit values. As these were confirmed profitable, reported aggregate exit proceeds almost certainly **understate** actual realised value.