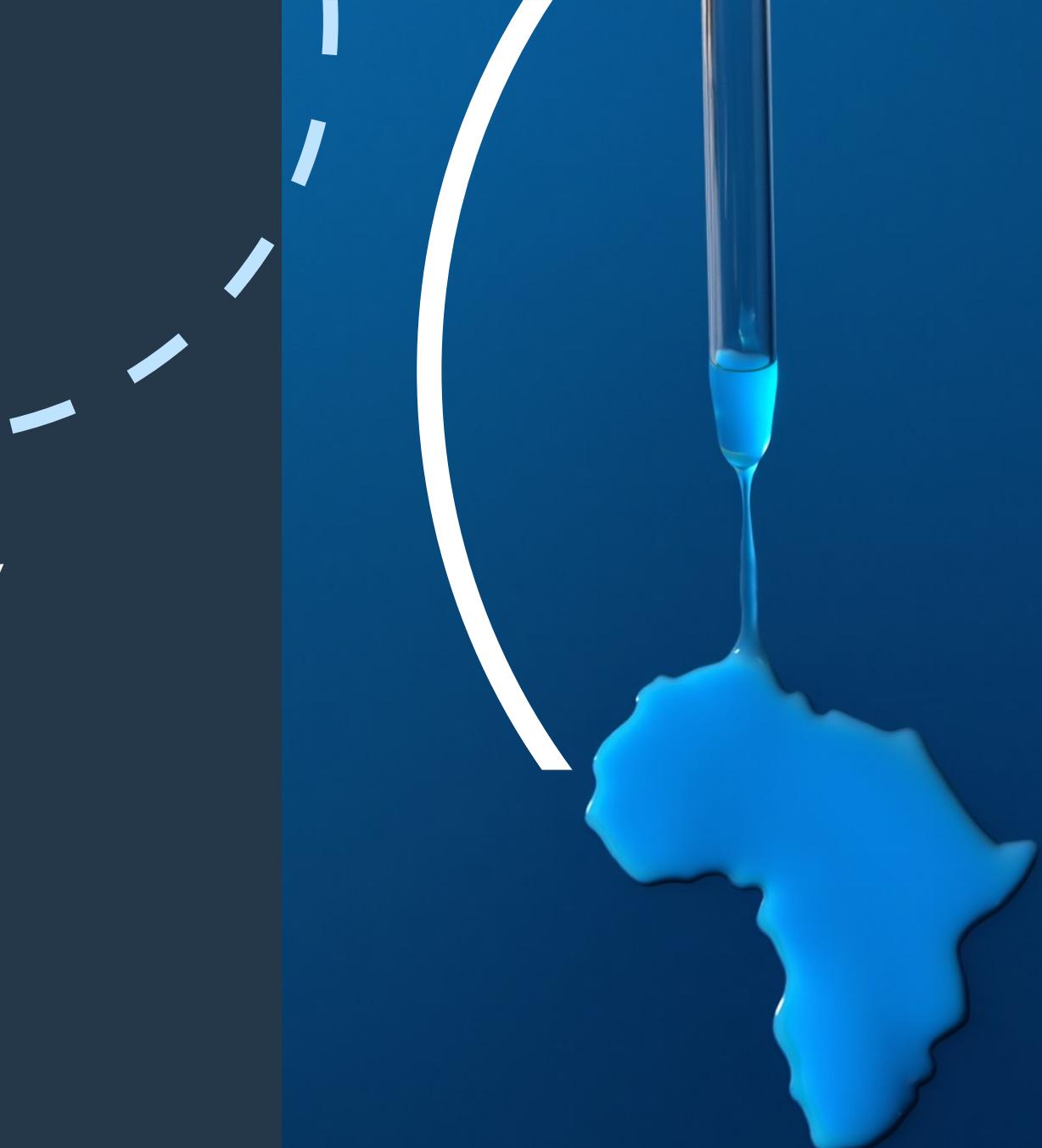


Africa HealthTech Growth & Exit Outlook for 2026

Africa HealthTech's rapid growth is creating a booming investment landscape – primed for accelerated M&A, liquidity events, and enhanced investor returns



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Shaping the Next Decade of Value Creation in African Healthcare

Africa's HealthTech sector is entering a breakout phase. Adoption is accelerating, investor confidence is strengthening, and the foundations for scaled M&A, secondary exits and IPO readiness are rapidly coming together. What was once a frontier category is now a core driver of Africa's technology and healthcare investment landscape.

This ICON report explores the forces shaping this momentum and the emerging pathways that will define investor returns over the next five years – from integrated care platforms and digital diagnostics to the growing convergence of healthcare, insurance and InsurTech.

Produced in partnership with **Cliffe Dekker Hofmeyr (CDH)**, the edition includes a legal perspective on regulatory and deal considerations across African HealthTech (see slide 12), alongside insights from their recent podcast conversation with Edward Burbidge.

We also feature an interview with **Biju Mohandas, Partner & Head of Healthcare at LeapFrog Investments**, reflecting on scaling GoodLife Pharmacies, LeapFrog's exit to CFAO, and where the next opportunities lie.

Inside the report:

- Fundraising and M&A trends in African HealthTech
- Emerging exit patterns and value drivers
- Expert insights from LeapFrog and CDH
- ICON's forward view on the sector's next growth chapter

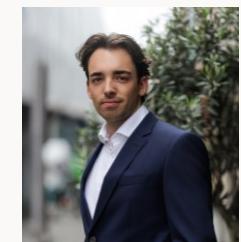
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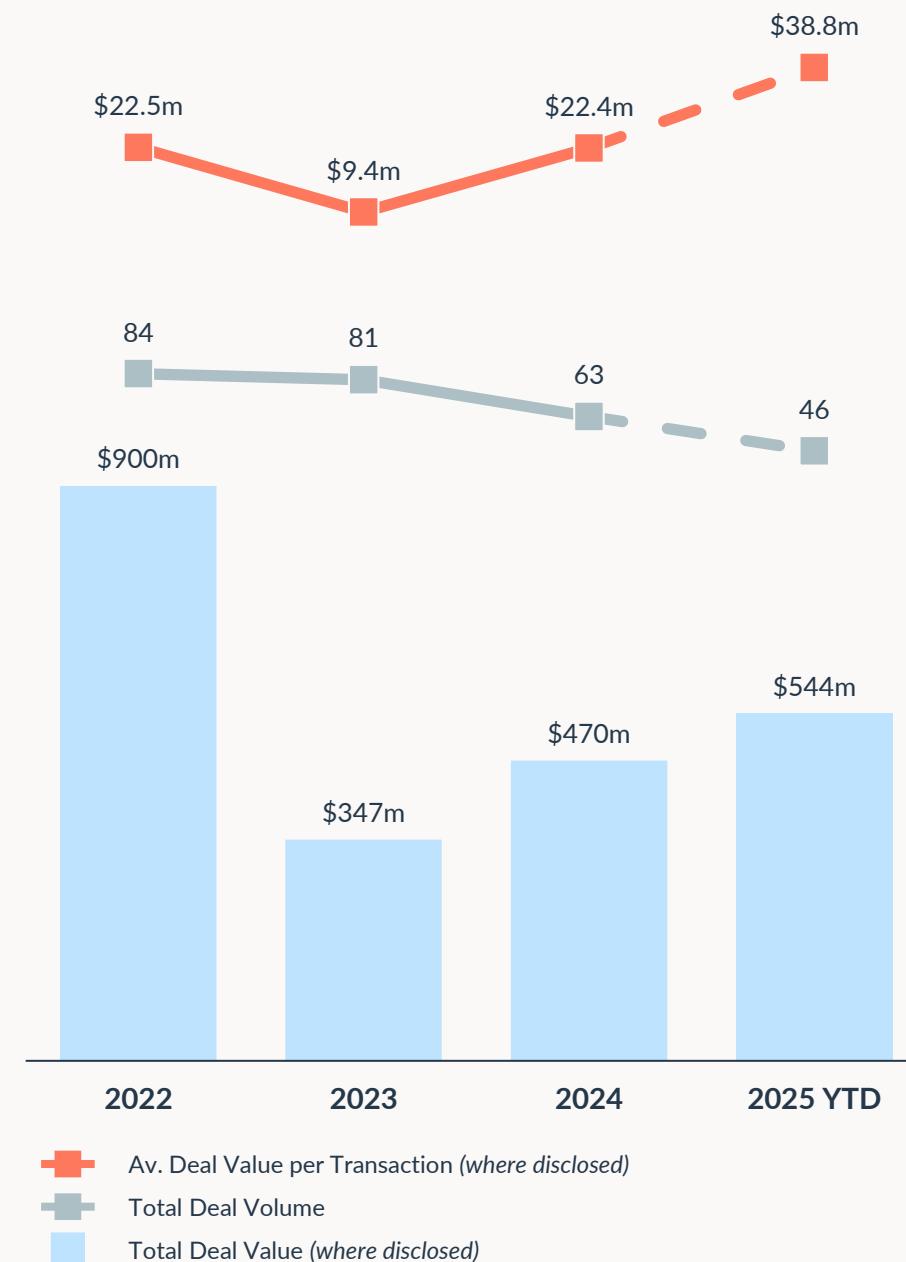
Three years of consecutive deal growth and persistent international interest are creating a positive outlook

Following the Post-COVID Dealmaking Hangover, Activity is Rebounding

After a steep post-COVID decline, healthcare dealmaking in Africa has rebounded strongly

Over the past three years, capital deployed across M&A, growth-stage venture, private equity, debt and secondary transactions has risen each year

At the same time, the number of deals has fallen, indicating that investors are concentrating capital into fewer, larger, and higher-quality assets



2025 has been exceptionally strong so far, with disclosed deal value already surpassing the full-year 2024 total by June. The year is expected to close significantly higher than 2024, driven by growing investor interest in consumer healthcare services, insurance, and health data solutions.

Changing Investment Preferences

Average disclosed deal value has risen more than four-fold since 2023, signalling a clear shift toward **concentrating capital in higher-quality businesses**. This reflects a broader global trend in which:

- Investors are **prioritising scale-ups** over numerous early-stage bets
- Heightened macro risks are driving a **focus on resilient, proven operators**
- Capital is flowing into more capital-intensive segments such as infrastructure, pharma, MedTech, and hospital networks
- Increased participation from institutional and strategic investors is **pushing up ticket sizes**

2025 Highlights

DISLOG GROUP

Jul-25 Dislog Dispositifs Médicaux, a medical-device platform, raised \$58m with CDG Invest Growth to accelerate growth

MYDAWA
we deliver care

Apr-25 MYDAWA raised \$10m for regional expansion, open new physical stores and scale its online services

Goodlife

Jul-25 Leading Kenyan pharma chain, Goodlife, was acquired this year by the healthcare arm of Franco-Japanese strategic, CFAO n.d.

Private Market Activity – Notable Deals in Past Three Years I/III

A review of select private market deals in African HealthTech from 2022 to the present



\$13m
Series A

Leading East-African health insurance platform raised a strategic series A from Reinsurance Group of America



n.d.
Company sale

CFAO (subsidiary of Toyota) Healthcare division acquired Goodlife Pharmacy to vertically integrate its pharma value chain

HQ	Date	Company	Description	Investors	Deal Value	Transaction Type
KE	Apr-23		Crafts tech products that improve efficiency, quality, and affordability of Kenyan healthcare	 Hope for Better World	\$20m	Growth Equity
KE	Sep-24		Tech platform streamlining health insurance operations, reducing costs, and improving member experience in Africa	 Health Insurance Fund	\$13m	Growth Equity
EG	Dec-23		GPS-enabled, patient-centric pharmacy benefits platform for medication orders and delivery in Egypt	 GMS CAPITAL PARTNERS LLC & GMS HOLDING COMPANY	\$5.25m	Growth Equity
SA	Oct-25	CONTRO	Digital health platform offering confidential sexual wellness advice and products in South Africa		n.d.	M&A
EG	Jul-25		Provides women's health information and digital fertility, pregnancy, and wellness resources		n.d.	Growth Equity
MA	Jul-25		AI-powered medical imaging platform advancing early diagnosis in maternal and reproductive health		n.d.	Growth Equity
MA	Jul-25		Morocco-based distributor making essential products accessible through retail and logistics services	 M MEDITERRANIA CAPITAL PARTNERS	\$57.97m	Private Equity
SN	Jul-25		Delivers digital health management software and e-health solutions for African healthcare providers		\$4.82m	Growth Equity
NG	Sep-23		Modernizes pharmacy supply chains with tech-driven inventory, financing, and logistics for Africa		n.d.	Growth Equity
KE	Jul-25		East Africa's largest pharmacy chain offering medicines, wellness products, and primary healthcare solutions		n.d.	M&A
NG	Sep-22		Nigeria's leading pharmacy chain with holistic, integrative health and wellness services		n.d.	M&A
SA	Mar-23		Supports digital transformation of healthcare and life sciences across markets with healthtech solutions		n.d.	Private Equity
SA	Mar-25		Develops mobile hearing solutions and screening devices for accessible hearing healthcare	 PATIENT SQUARE	n.d.	Private Equity

Private Market Activity – Notable Deals in Past Three Years II/III

A review of select private market deals in African HealthTech from 2022 to the present

KASHA

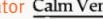
n.d.
Post-B

Following their \$21m series B in 2023, Kasha, the leading women's health platform in Kenya received investment from French healthcare giant, Sanofi

mPharma

n.d.
Convertible

Growth Investment Partners backed mPharma to scale its Mutti franchise into Francophone West Africa

HQ	Date	Company	Description	Investors	Deal Value	Transaction Type
NG	Sep-23	 REMEDIAL HEALTH	Empowers pharmacies with inventory solutions, financing, and supply chain innovations in Africa	 bossa INVEST  Combinator  Calm Ventures	\$12m	Growth Equity
KE	Feb-24	 ILARA HEALTH	Supplies affordable diagnostic and digital health tools to frontline clinics across Africa	 AAIC Investment  Angaza Capital	\$2.5m	Growth Equity
KE	Sep-24	 KASHA	E-commerce platform providing women's health and wellness products for underserved markets in Africa	 SANOFI	n.d.	Growth Equity
NG	Oct-22	 LIFESTORES HEALTHCARE	Digitizes pharmacy operations to democratize access to affordable, quality healthcare in Nigeria	 health54 WITH AFRICA FOR AFRICA cfao group	\$3m	Growth Equity
NG	Mar-24	 mdaasglobal	Builds and operates convenient, affordable diagnostic centers for underserved populations in Africa	 ARUWA CAPITAL MANAGEMENT  NEWTOWN PARTNERS INSTITUTE CAPITAL FOR ENTREPRENEURS	\$3m	Growth Equity
CI	Mar-24	 Meditect	Digital platform enhancing access to authentic medicines and combating counterfeits in Africa	 JAMBAAR CAPITAL  beenak  PROPARCO  LAUNCH AFRICA	n.d.	Growth Equity
GH	Sep-23	 MICRO ENSURE	Specialist provider of health insurance products for underserved, low-income mass market globally	 tuacu	n.d.	M&A
GH	Nov-25	 mPharma	Improves medicine access with inventory management, financing, and supply chain solutions in Africa	 GROWTH INVESTMENT PARTNERS	n.d.	Growth Equity
KE	Jul-23	 myDAWA	Kenya-based online pharmacy offering fast, secure delivery of authentic medications and health products	 ALTA SEMPER CAPITAL	\$20m	Private Equity
EG	Apr-25	 Wayak	Fintech platform for managing healthcare and pharmacy payments in North Africa	 LAUNCH AFRICA	n.d.	Growth Equity
NG	Jul-24	 OneHealth	Comprehensive digital pharmacy delivering licensed medicine, health products, and consultations online	 Chui Ventures	n.d.	Growth Equity
SA	Jun-24	 onespark	Next-generation South African insurtech offering flexible, affordable life and health insurance products	 Dis-Chem	\$8.46m	M&A
UG	Mar-25	 PPL PHARMA VILLE LTD	AI-driven digital platform enabling pharmacies to optimize operations and improve patient health outcomes	 XRP Healthcare	n.d.	M&A

Private Market Activity – Notable Deals in Past Three Years

III/III

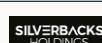
A review of select private market deals in African HealthTech from 2022 to the present

 **Helium Health** \$30m Series-B

AXA Investment Managers invested in Helium Health to scale its fintech arm, leveraging SaaS data to underwrite provider lending and deepen its strategic insurance-fintech ecosystem

 **ODM** \$21.8m Growth Equity

The Danish DFI invested to expand ODM's oncology network and diversify services, aligning with Morocco's national health-strategy

HQ	Date	Company	Description	Investors	Deal Value	Transaction Type
KE	Jun-23	Provexa Pharma Kenya	Kenyan pharmaceutical distributor supplying a wide range of ethical and OTC medicines nationwide	 Shalina Healthcare	n.d.	M&A
SA	Mar-24	 RECOMED	South African platform for healthcare appointment booking and patient-provider connections	 Eisai	n.d.	Growth Equity
NG	Jun-23	 Helium Health	Africa's top healthtech provider of EMR, hospital management, and digital health solutions	 AXA Investment Managers	\$30m	Growth Equity
UG	Sep-25	 SIGNALY+IC	Provides digital tools for tracking, monitoring, and optimizing medication distribution in Africa	 Johnson & Johnson	n.d.	Growth Equity
SA	Oct-23	 simply	South African insurtech automating access to life and funeral insurance for underserved populations	 Hollard.	n.d.	M&A
NG	Jun-24	 TALAMUS	Cloud-based patient records management and telehealth platform serving African clinics and hospitals	 525 Five Two Five	n.d.	Growth Equity
SN	Dec-24	 VaxSen	Senegalese digital tool for improving vaccination record management in health facilities	n.a.	\$45m	Debt
SA	Jan-25	 VULA	Develops and delivers high-quality medical devices for diagnostics and patient monitoring in Africa	 Steele Foundation for Hope	\$3m	Growth Equity
GH	Apr-24	 Waffle	Digital health wallet enabling parents to manage child healthcare expenses and benefits in Ghana	 RIVIA	n.d.	M&A
MA	Nov-23	 ODM	Moroccan digital medical solutions provider focusing on patient management and healthcare IT	 IMPACT FUND DENMARK	\$21.8m	Private Equity
NG	May-23	 wellahealth	Tech-powered platform providing affordable malaria and emergency insurance cover in Nigeria	 VestedWorld  Silverbacks Holdings	n.d.	Growth Equity
EG	Jan-24	 Yodawy	Egypt's leading digital pharmacy platform for prescription delivery and benefits management	 algebra ventures  DUBAI INVESTMENT	\$10m	Private Equity

Global Strategic Investment in Africa's HealthTech Sector Is at an All-Time High

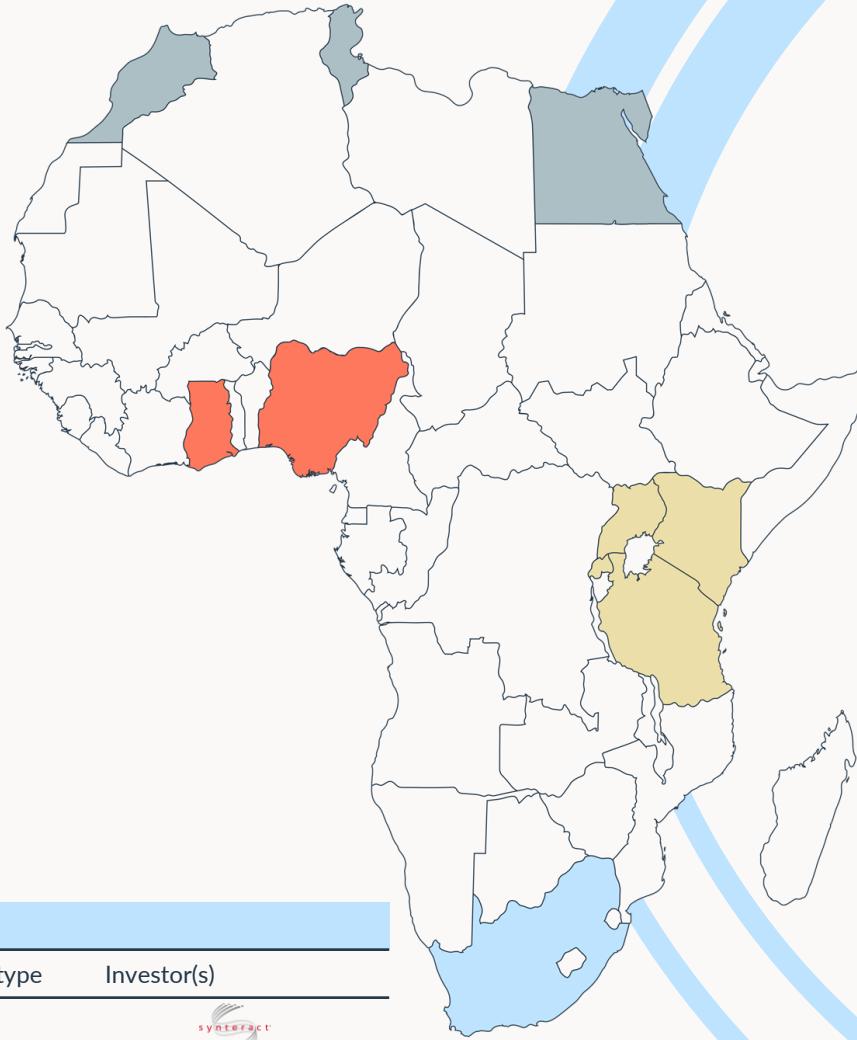
An overview of key strategic and financial investors that have invested in or acquired African HealthTech companies – global appetite has spiked in the past few years

West Africa

Company	Deal type	Investor(s)
mPharma	Growth Equity	CITI SOCIAL CAPITAL
Reliance Health	Growth Equity	M3
Helium Health	Growth Equity	Investment Managers Tencent 腾讯
REMEDIAL HEALTH	Growth Equity	bossa QED INVESTORS

South Africa

Company	Deal type	Investor(s)
clindata	M&A	synteract
hearX	Growth Equity	PATIENT SQUARE CAPITAL
IVC HEALTH	Growth Equity	KINGSON/
On	M&A	P95 Eisai
RECOMED	Growth Equity	



North Africa

Company	Deal type	Investor(s)
DILENY TECH	M&A	ASTUTE IMAGING
Vezeeta.com	Growth Equity	NUV GLOBAL
Yodawy	Growth Equity	Alphabet
chefaa	Growth Equity	M3
DabaDoc	M&A	orange
T2S Group	M&A	SIEMENS Healthineers
SGHAR TOON	Growth Equity	Qatar Investment Authority

East Africa

Company	Deal type	Investor(s)
Access Afya	Growth Equity	IMPACT ASSETS INVEST WITH MEANING
CA Medlyns	Growth Equity	TAUNS
Living Goods	Growth Equity	Draper Richards Kaplan DEERFIELD
TibuHealth	Growth Equity	Alphabet
ILARA HEALTH	Growth Equity	Philips Foundation
VIEBEG Medical	Growth Equity	sanofi
Yego	M&A	medicamen
PV PHARMA VILLE LTD	M&A	XRP Healthcare
Afiya	M&A	XCELERATE, INC.
KASHA	Growth Equity	sanofi



Process Composition

Insights on transactional, legal, and operational
readiness from industry experts

Interview with Biju Mohandas of LeapFrog Investments

Featuring...



Biju Mohandas
Partner and Global Head of Healthcare Investments



Edward Burbidge
Head of Emerging Markets



Njeri Wagacha
Partner, East Africa Lead: Industrials, Manufacturing and Trade Sector



ICON's Head of Emerging Markets, Edward Burbidge, and Njeri Wagacha, Partner at leading commercial law firm CDH, sat down with Biju Mohandas of Leapfrog Investments to **share key insights on preparing a HealthTech business for exit**. Drawing on his **experience exiting the leading East African pharma retailer Goodlife to CFAO**, Biju discussed the critical factors behind successful exits and shared his perspective on the HealthTech sector, **highlighting key trends and opportunities**, including:

- **Health insurance as a major opportunity in emerging markets** – Platforms that help insurers design health-centric products are particularly promising. Insurance, typically a 'push' product, needs to be packaged in a way that is accessible and appealing to middle- and lower-middle-class consumers
- **The need for patient capital** – Developing the HealthTech ecosystem requires investment horizons beyond 4–5 years. Development Finance Institutions, impact funds, and strategic players all have key roles to play
- **Expanding addressable markets** – Rising incomes across the Global South have created a new cohort of consumers who previously could not afford healthcare, representing a significant opportunity for HealthTech platforms
- **Preventive diagnostics** – More effective preventive diagnostics are proving valuable in identifying common health issues early. While widely adopted in developed markets, they are still underutilized in emerging economies, presenting substantial growth potential
- **Insurtech as a major growth area** – Technology, apps, and wearables will be critical to lowering premiums and increasing insurance penetration, which currently stands at c. 2% in Africa



From the exit perspective, Biju emphasised that **commitment to international standards of products and governance** was central to value creation in the Goodlife transaction. Additionally, the combination of international and local management teams played a significant role in driving success

LISTEN HERE

Legal Opinion - Building Credibility Through Diligence in Africa's Health- Tech Sector

Why regulatory alignment and rigorous preparedness are now the core drivers of investor confidence and scalable growth

In Africa's tightening investment climate, diligence and regulatory alignment have become essential to building credibility. **Health-tech ventures face complex requirements** - from clinical validation to data governance - but meeting these standards **strengthens defensibility, boosts investor confidence, and increases valuation**

Blended-finance structures and stricter due-diligence processes show how **compliance increasingly directs capital flows**. Investors prioritise **verifiable impact, patient-safety safeguards, and strong governance**, favouring ventures that document operational maturity and regulatory progress

With fragmented regulation and persistent data gaps across African markets, adaptive compliance offers a competitive edge. **Health-tech companies able to secure multi-country approvals and maintain reliable data stand out as scalable, resilient, and investable**

As requirements broaden - spanning regulation, contracts, IP, and data governance - **specialised guidance is becoming essential**. Many high-performing ventures quietly rely on legal advisers to structure diligence materials, anticipate regulatory risks, and streamline transactions, ensuring smoother fundraising and M&A engagement

Because health ventures require longer validation and regulatory cycles, **planning for exit must begin at entry**. Companies with strong compliance, transparent data, and scalable operations are best positioned to attract strategic buyers. As liquidity improves, disciplined, **exit-ready businesses will capture higher valuations**



Cliffe Dekker Hofmeyr is a leading commercial law firm specialising in enabling business across Africa, with deep expertise in cross-border, government, and corporate matters. CDH advises their clients from offices in South Africa, Kenya, and Namibia

Njeri Wagacha

Partner, Nairobi

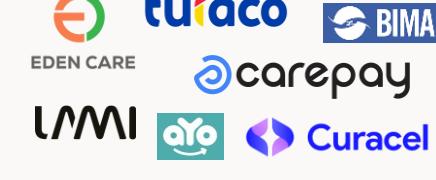
Njeri.Wagacha@cdhlegal.com

What Creates Success?

What is spurring the success of African HealthTech, and what are the inferences from global capital trends

Key Healthcare Verticals and Investor Expectations

Leading players across pharma access, diagnostics, insurance, and admin software - and what drives valuation expectations

<u>Access to Pharma</u>	<u>Health Diagnostics</u>	<u>Health Insurance</u>	<u>Hospital/Patient Admin</u>
<p>What they do</p> <ul style="list-style-type: none"> Provide digital platforms for supply chain management, inventory tracking, and e-pharmacy solutions Enable market access and regulatory compliance for pharmaceutical companies in Africa <p>Selected key players</p>  <p>What investors are looking for</p> <p>Financial profile</p> <ul style="list-style-type: none"> Attractive unit economics Healthy gross margin on products Predictable revenue streams and margins <p>Operational profile</p> <ul style="list-style-type: none"> Supply chain efficiency Rural access capability Regulatory compliance Contacts with key pharma clients 	<p>What they do</p> <ul style="list-style-type: none"> Offer digital lab management, test result platforms, and integration with hospital systems Deploy point-of-care or mobile diagnostic solutions for remote and underserved regions <p>Selected key players</p>  <p>What investors are looking for</p> <p>Financial profile</p> <ul style="list-style-type: none"> Multiple revenue streams Margins and capital efficiency Clear and attainable growth trajectory <p>Operational profile</p> <ul style="list-style-type: none"> Provider system compatibility Regulatory compliance Large testing capacity and efficiency 	<p>What they do</p> <ul style="list-style-type: none"> Build digital platforms for enrollment, claims processing, underwriting, and fraud detection Use AI, mobile apps, and APIs to expand access and embed insurance in other services <p>Selected key players</p>  <p>What investors are looking for</p> <p>Financial profile</p> <ul style="list-style-type: none"> Low claim -to-premium ratio Recurring revenue from premiums Unit economics per customer Diversified revenue streams <p>Operational profile</p> <ul style="list-style-type: none"> Efficient claims and user onboarding Wide healthcare network Asset light 	<p>What they do</p> <ul style="list-style-type: none"> Develop Hospital Information Systems (HIS) for patient registration, EMR, billing and labs Integrate with insurance, diagnostics, and workflows for operational efficiency in hospitals <p>Selected key players</p>  <p>What investors are looking for</p> <p>Financial profile</p> <ul style="list-style-type: none"> Strong recurring revenue stream High profit margins Low deployment costs and scalability potential <p>Operational profile</p> <ul style="list-style-type: none"> Seamless integration capabilities Regulatory and data compliance Implementation process efficiency

Structural Catalysts for African HealthTech Growth – Market Background

Structural demand, demographic pressure points and system-wide inefficiencies creating a scalable entry point for technology-led healthcare platforms across Africa



Large, underserved demand base with structurally low health spend

- ✓ Sub-Saharan Africa accounts for c. 25% of the global disease burden but less than 1% of global health expenditure and only c.3% of the world's health workers, creating a persistent supply-demand imbalance that digital and asset-light models can address.
- ✓ Over 600m Africans – roughly half the continent – still lack access to essential health services; this access gap is concentrated in primary care, diagnostics and chronic disease management, which are precisely the segments where HealthTech models (telemedicine, e-pharmacy, remote monitoring) are scaling.



Young, urbanising population accelerating digital healthcare adoption

- ✓ Africa's population exceeded 1.5bn in 2024 and is projected to reach c.2.5bn by 2050, increasing the continent's share of global population from 10% in 1960 to 28% by 2050; the demographic skew is towards a young, mobile-native cohort.
- ✓ Rapid urbanisation and rising prevalence of non-communicable diseases (NCDs) – now c.37% of deaths in Sub-Saharan Africa and on track to be the leading cause of death by 2030 – are shifting demand from episodic acute care to continuous, data-heavy care models where technology can reduce unit costs and improve adherence.



Health financing gaps forcing payor and provider innovation

- ✓ Many African countries still spend materially below the Abuja 15% budget allocation target on health; government health expenditure in Sub-Saharan Africa averages 5–6% of GDP versus 9–10% in OECD markets, constraining traditional bricks-and-mortar expansion.
- ✓ Out-of-pocket payments regularly exceed 25–40% of current health expenditure in Sub-Saharan Africa, and WHO/World Bank analysis links these costs to millions being pushed into poverty annually – creating demand for HealthTech solutions that lower out-of-pocket burden through triage, price transparency, micro-insurance and pay-as-you-go models.



Private sector already provides a large share of care delivery

- ✓ In several African markets, private providers (including pharmacies, clinics and mission hospitals) already account for over 50% of healthcare provision; fragmented networks and uneven quality create a natural entry point for platforms that digitise workflows, integrate supply chains and standardise clinical protocols.
- ✓ HealthTech innovators are increasingly embedded in public systems via PPPs (e.g., digital supply-chain platforms and telehealth pilots), giving them access to scale distribution while allowing governments to "rent" capabilities rather than build them from scratch.

Global Healthcare & HealthTech: Strong Performance Supporting Capital Rotation

Global capital flows, return profiles and transaction benchmarks reinforcing healthcare and HealthTech as high-conviction deployment categories

01

Healthcare private equity remains a high-conviction, high-deployment sector

- ✓ Global healthcare private equity deal value reached an estimated \$115bn in 2024, the second-highest year on record after 2021, with five buyouts above \$5bn; this is a sharp contrast to muted deal activity in many other sectors and underlines sustained sponsor appetite for healthcare exposure.
- ✓ Mid- and large-cap healthcare specialist funds have been heavily oversubscribed, raising above target by a weighted average of ~110% in 2024–2025, signalling that LPs are actively increasing allocations to healthcare-focused GPs despite broader fundraising headwinds.

02

Digital health and AI-enabled healthcare continue to attract disproportionate VC capital

- ✓ In the US, digital health companies raised \$5.7bn across 266 deals in H1 2024; if trends continue, full-year 2024 would exceed 2019 and 2023 totals, confirming that investors are still funding scaled software and data-driven health models through the cycle.
- ✓ AI-enabled digital health platforms are now capturing the majority of new capital: AI-enabled startups represented 34% of US digital health funding in H1 2024, rising to 62% of venture funding in H1 2025, with average round sizes ~80%+ higher than non-AI peers – a clear signal of investor willingness to pay up for data-rich healthcare technology assets.

03

Large-cap healthcare transactions validate exit pathways and valuation support

- ✓ Sponsors continue to execute multi-billion-dollar healthcare buyouts and exits: 2025 transactions include CapVest's ~€10bn acquisition of Stada, KKR's ~€2.6bn acquisition of Karo Healthcare and the announced take-private of Hologic by Blackstone/TPG at up to \$18.3bn enterprise value.
- ✓ Public-to-private and secondary PE exits in healthcare, alongside strategic acquisitions by large pharma, medtech and payors, provide a deep exit market and visible valuation benchmarks, lowering perceived risk for health-focused funds considering earlier-stage or emerging-market HealthTech.

04

Specialist healthcare funds and platforms are outperforming broader alternatives

- ✓ Analysis indicates that sector-specialist buyout funds in B2B, tech and healthcare have historically outperformed generalist managers on TVPI, with healthcare specialists also achieving faster deployment and more resilient distributions, which reinforces LP appetite for the strategy.
- ✓ Leading healthcare-focused private equity managers now manage multi-billion-dollar sector-only pools (e.g., European healthcare specialists at ~€9bn AUM), creating a structural bid for scaled healthcare and HealthTech assets globally and heightening the search for underpenetrated geographies and sub-sectors.

How Global Performance Translates into Investments in African HealthTech

How global performance, proven operating models and aligned capital pools translate into a differentiated investment opportunity in African HealthTech

01

Capital is seeking yield in under-penetrated, structurally growing health markets

- ✓ With healthcare PE deal value already near peak levels in North America and Europe and competition driving up entry multiples in traditional sub-sectors (provider services, pharma services, medtech), sponsors are increasingly looking to emerging markets and asset-light HealthTech for incremental alpha and multiple expansion.
- ✓ Africa combines high structural health demand (c.25% of global disease burden, >600m people lacking essential services) with low current spend (<1% of global health expenditure), positioning well-executed HealthTech platforms as potential “growth at reasonable price” opportunities relative to fully-priced developed-market assets.

02

Proven global playbooks are directly applicable to African HealthTech

- ✓ Global health IT and revenue-cycle platforms (e.g., Ensemble Health, Waystar, R1 RCM) have demonstrated that software- and data-driven tools can unlock operating leverage in hospitals and payors; Ensemble alone is being prepared for a potential ~\$13bn sale or IPO on the back of ~\$700m EBITDA.
- ✓ Many of the same value-creation levers – digitising claims, standardising clinical pathways, integrating fragmented providers and supply chains – are relevant in African systems, but start from a lower digital baseline, allowing investors to deploy proven playbooks with more headroom for operational uplift.

03

Demonstrated resilience of health and HealthTech through funding cycles

- ✓ In Africa specifically, healthtech funding contracted only ~2% in 2023 vs. a ~39% drop in the broader tech ecosystem, while deal count grew ~17%; this confirms that health-linked revenue streams and mission-critical workflows receive capital even in risk-off environments.
- ✓ Globally, digital health funding is again tracking ahead of prior years and AI-enabled health platforms capture the majority of new dollars, underscoring the durability of the theme and supporting the case for strategies that combine AI/data with emerging-market health demand.

04

Growing alignment between DFIs, global health donors and commercial capital

- ✓ Donors and DFIs are quantifying a ~\$4.1bn digital-health investment gap in African low- and lower-middle-income countries and actively seeking private-sector partners to deliver interoperable platforms for data, logistics and telehealth.
- ✓ As DFIs, global health funds and impact-oriented VCs co-invest alongside commercial sponsors in African HealthTech, they de-risk early infrastructure, establish reference customers (often Ministries of Health) and create a pipeline of scaled assets that can ultimately be acquired by global healthcare platforms or sector-specialist PE funds seeking emerging-market exposure.

Closing Thoughts

Stronger fundamentals, larger ticket sizes, and scalable demand
are unlocking new exit pathways

Africa HealthTech Exits Enter a New Growth Cycle

Rising global investor participation and strong structural fundamentals are driving larger, higher-quality exits across the continent

Africa HealthTech Exits Are Entering a New Growth Phase

HealthTech exits are gaining momentum as Africa's healthcare dealmaking rebounds sharply from the post-COVID slowdown. Capital deployed across M&A, growth equity, private equity, debt, and secondary transactions has risen for three consecutive years

Patient capital is essential. Some HealthTech sub-sectors in Africa require investment horizons beyond the traditional 4–5 years

International strategic and institutional interest is at an all-time high. Google (Yodawy and Tibu Health), Sanofi (VieBeg and Kasha), Elsai (RecoMed), and Siemens Healthineers (T2S Group) are among the growing pool of global players acquiring or funding African HealthTech platforms

Rising incomes across the Global South are expanding the addressable market, bringing millions of new consumers into reach and strengthening the commercial case for scalable HealthTech models

Average disclosed deal value has increased more than four-fold since 2023, as investors prioritise scale-ups over early-stage experimentation and back resilient operators

As capital concentrates, regulatory readiness, data integrity, and clinical validation have become essential differentiators. Ventures capable of navigating multi-country approvals, maintaining robust data practices, and demonstrating real-world health outcomes are winning

Large structural tailwinds continue to create scalable entry points:

- Vast, underserved patient populations and low per-capita health spend
- Young, urbanising consumers accelerating digital adoption
- Health financing gaps driving payer and provider innovation
- Strong role of the private sector in care delivery

Strong Fundamentals + Global Investor Appetite = Sustained Exit Momentum

Africa's HealthTech sector is now defined by growing ticket sizes, deepening international participation, better-aligned regulatory pathways, and proven operational models. With structural demand rising and global capital actively seeking yield in under-penetrated healthcare markets, the next five years are set to deliver more frequent, larger, and higher-quality exits—cementing HealthTech as one of Africa's highest-conviction investment themes

Preparation for Exits in the HealthTech Space

Tech exits are accelerating across Africa, driven by improved public equity performance, increased fund closures, and falling interest rates, with secondary transactions rising and strong market positioning and regional presence key for M&A appeal

Recent data shows that deal activity in Africa's HealthTech sector has been steadily rising over the past three years, even though it has not yet returned to the peak levels seen in 2021 during the global tech boom

More broadly, healthcare remains the second most active sector for transactions across the continent, supported by both developmental priorities and growing commercial momentum. Emerging growth themes include e-commerce, insurtech, and other tech-enabled models

Insights from our interview with Biju Mohandas regarding the Goodlife exit highlight several critical elements for preparing a business for a successful exit in Africa:

- Strong market position
- Blend of high-calibre local and international leadership
- Robust governance aligned to global standards
- Unwavering commitment to brand delivery and customer trust
- The effective use of technology and AI

These factors help address the persistent challenge of exits - an issue frequently cited by both LPs and GPs - while legal developments continue to create a more supportive environment

Looking ahead, several trends are expected to drive an increase in exits across Africa:

- Growing IPO appetite in the tech sector, particularly in North and South Africa
- Declining interest rates that may spur capital flows and M&A as investors seek yield and corporates pursue growth
- Rising levels of committed capital for African private equity
- Improved capability among PE and VC funds to support the evolution of businesses from venture-backed to mature PE assets
- The emergence of specialist secondary funds focused on Africa
- Continued acquisition interest from Indian and Japanese corporates, especially in East Africa



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