



**CAPE
TOWN**
START-UP CAPITAL
OF AFRICA

UPDATED

SOUTH AFRICA: INNOVATIVE, BUSINESS FRIENDLY COUNTRY

POPULATION

56,5 Million

MEDIAN AGE

26,8 Years

GDP PER CAPITA

\$5266

TIMEZONE

EUROPEAN

BUSINESS LANGUAGE

ENGLISH

FDI GROWTH RATE / ANNUM

8.3%

South Africa was the **Top African destination for FDI**, attracting 139 projects in 2016

WORLD ECONOMIC FORUM
'17/18 OUT OF 137

61st most competitive country

39th in capacity for innovation

South Africa was the **second best African country for business** in 2017 after Morocco

TECH IN SOUTH AFRICA

South Africa has the
**largest telecoms
market in Africa**

MOBILE PENETRATION
+150%

SMART MOBILE PENETRATION
37%

MOBILE SUBSCRIBERS
87 Million

South Africa has
**robust mobile
infrastructure**

INTERNET PENETRATION
52 %

INTERNET ACTIVITY FROM
MOBILE DEVICES
57%

4th fastest growing mobile
communication market
in the world

WORLD-CLASS PROFESSIONAL SERVICES & FINANCIAL MARKETS

Some of the best local and international financial services, audit, law and consulting firms, have established offices in Cape Town and operate across South Africa and the continent.

WORLD ECONOMIC FORUM RANKS SOUTH AFRICA

30th in strength of auditing & reporting standards

25th in financing through local equity markets

32nd availability of financial services

11th in internet bandwidth (kb/s/user)

CAPE TOWN: SOPHISTICATED, WELL RUN, GLOBALLY FOCUSSED CITY

POPULATION
4,1 Million

POPULATION UNDER 35
61%

INTERNET PENETRATION
63%

GROWTH IN PROPERTY
VALUES PER YEAR
12%
over last decade -
2x national average

CAPE TOWN HAS...

One of the **largest open
access fibre networks**
in Africa

**Lowest unemployment
rate** in South Africa

**Fastest Growing
Economy** in South Africa

THE BEST RUN CITY

FIBRE LAID TO DATE
848 km

NETWORK TO SPAN
+1800 km

FREE WIFI HOTSPOTS
AROUND THE CITY
715

FREE WIFI HOTSPOTS
LOCATIONS
225

START-UP FUNDING CAPITAL OF AFRICA - 2015-2016

VALUE OF SOUTH AFRICAN VC INVESTMENTS

R872 million
in 2016 an increase of 134% since 2015

67%

MORE FUND MANAGERS ACTIVELY SEEKING INVESTMENT

NUMBER OF SOUTH AFRICAN VC INVESTMENTS

114 in 2016 an increase of 23% since 2015

56%

OF SOUTH AFRICAN VC TRANSACTIONS CONCLUDED IN SA COMPANIES ARE HEADQUARTERED IN CAPE TOWN

SOUTH AFRICA VC RATES OF RETURN

Ave ROI / per annum

20%

Number of exits increased to 14,
increase 42% since 2015

Deals involving the ICT sectors account for the largest portion of SA investments

ACTIVE ANGEL INVESTOR COMMUNITY

South Africa has an active angel and family office investing community and the potential for more:

+49 000 South African US\$ millionaires

INVESTORS ARE ATTRACTED TO CAPE TOWN BY



ECOSYSTEMS
OF QUALITY
STARTUPS



ACCESS TO
AFRICA



LIFESTYLE



TAX
INCENTIVES



TALENT &
CULTURE

ENTREPRENEURS BUILDING GLOBAL BUSINESSES

1 high growth tech enabled business
creates 200+ direct jobs

60% of South African Start ups
call Cape Town home.

WHY GLOBAL START UPS CHOOSE CAPE TOWN



COMMUNITY



CULTURE OF
CREATIVITY



LIFESTYLE

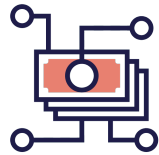


ACCESS TO
FUNDING



TALENT

AREAS OF INNOVATION



FINTECH



EDUTECH



TRAVELTECH



GAMING



eCOMMERCE

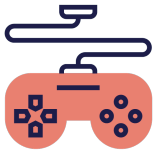


DIGITAL SERVICES



HEALTH & BIOTECH

AREAS OF TECH INNOVATION



GAMING, APPS & ENTERTAINMENT



NICHE STREET M



eCOMMERCE



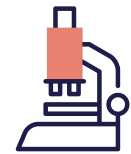
SUPERBALIST.COM



DIGITAL SERVICES



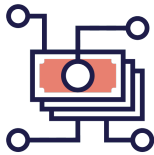
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HEALTH & BIOTECH



AREAS OF TECH INNOVATION



FINTECH



EDUTECH



TRAVEL TECH



TIMBUKTU



HIGHEST NUMBER OF ACCELERATION & CO-WORKING SPACES IN AFRICA



Cape Town is home to **The oldest tech incubator** in Africa.

INCUBATED BUSINESSES
+2000

ENTREPRENEURS SUPPORTED
+3000

CAPE TOWN HAS...

25+ CO-WORKING SPACES

20+ LOCAL & INTERNATIONAL ACCELERATORS



GRINDSTONE ACCELERATOR



WORKSHOPI7



ACCELERATION PROGRAMS SUPPORT

10 - 15

Start ups per annum

AFFORDABLE, TALENTED PEOPLE & GLOBALLY RECOGNISED UNIVERSITIES

In a 50km radius there are 4 world-class universities, 2 globally recognized business Schools, research councils, private & public coding schools.

GLOBALLY RANKED UNIVERSITIES

STELLENBOSCH UNIVERSITY & BUSINESS SCHOOL

UNIVERSITY OF CAPE TOWN & GRADUATE SCHOOL OF BUSINESS

+12000

graduates produced annually in **ENGINEERING, SCIENCE. TECH MATHEMATICS**

+500

Coders trained per annum

Software engineers & developers in Cape Town are

40-80%

less expensive than developed markets

KEY SECTORS & CORPORATE ACTIVITY

25 Johannesburg Stock Exchange (JSE) listed companies are headquartered in Cape Town.



RETAIL



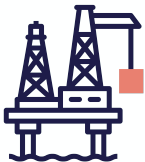
TOURISM



BPO



TECH



**OIL &
GAS**



**AGRI
PROCESSING**



**ASSET
MANAGEMENT**



**SUSTAINABLE
ENERGY**

CAPE TOWN IS HOME TO GLOBAL INNOVATORS



The largest global media company
out side of the USA.



Globally voted as
"the world's best bank".



EC2 cloud built in Cape Town & Amazon
Web Services operates from the city.

GLOBAL INVESTORS INTO THE CAPE TOWN TECH SECTOR



THOMSON REUTERS



Microsoft |



amazon
web services



Hisense



BARCLAYS

KEY ECOSYSTEM ENABLERS PUBLIC & PRIVATE COMPANIES ENABLING THE TECH SECTOR



Founded in 1998, with the goal of positioning Cape Town as a global technology cluster and hub of innovation.



Largest tech entrepreneurship network, lead by local entrepreneurs, focused on branding and promoting tech in Cape Town.



WESGRO is the official Tourism, Trade & Investment Promotion agency for Cape Town and Western Cape.



City of Cape Town plays a critical role in positioning Cape Town as a globally competitive destination through a compelling narrative about Cape Town as a high quality place to invest, live, work and visit as well as enabling an environment for economic growth and job creation through various interventions that are directed at encouraging business opportunities, skills and industry development (including infrastructure provision) by initiating, implementing and collaborating with strategic partners and stakeholders.

For more information on the tech ecosystem visit

www.capetown.gov.za

www.wesgro.co.za

www.siliconcape.com

www.citi.org.za