

# Olumide Soyombo launches Voltron Capital - a Pan-African seed firm

Olumide Soyombo, one of Africa's most active early-stage investors in tech startups, has launched Voltron Capital - a Pan-African pre-seed and seed firm. Co-founded alongside Abe Choi, CEO of Simple Dealer, the new firm will deploy capital in up to 30 startups across a range of sectors and marks a major bid to address the severe lack of access to early-stage funding for African tech companies.



Early-stage investor Olumide Soyombo | Image supplied

With a ticket size of \$20,000 (R297,658) - \$100,000 (R1,4m) per company, Voltron Capital's portfolio will primarily focus on startups in Nigeria, Kenya, South Africa and Northern Africa, and is headed by a founding team with a robust investment track record.

Speaking on the launch of his new firm, Soyombo, co-founder at Voltron Capital, says: "Voltron Capital is the beginning of another incredibly exciting journey for Choi and me, but it is also a celebration of the road Africa's entire tech space has travelled to-date."

Soyombo continues, "We hold a track record of identifying and supporting some of Africa's most high-growth startups to date with capital at the pre-seed stage and also hold long-established relationships with corporates and regulators, which can make what can often be a difficult path for African startups much smoother. We want the next wave of African tech success stories to not only make an impact on the continent but to be truly global; through Abe's strategic connections to the USA, we're confident we can provide our portfolio with the best possible opportunities to achieve this through our US and global network."



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Despite total funding for African tech startups passing the \$1bn mark last year, according to Briter Bridges, more than half of these deals were attracted by a select group of late-stage startups, leaving numerous early-stage tech firms competing for a limited share of funds. According to the IFC, 82% of African tech startups face major problems in accessing capital with insufficient seed funding and a lack of angel investors, some of the most prominent issues mentioned.

With Africa's internet economy projected to contribute over \$180bn by 2025, emerging tech companies are set to play a crucial role in unlocking this value across the continent's key verticals. However, without early-stage funding, many of the startups primed to drive this growth are missing out on vital capital to support their early operations and generate revenue, which is a key requirement for securing later rounds of funding and a larger scale. The end result of this could not only impact the immediate lifespans of these businesses but also result in a major loss in value for Africa's consumers, wider tech ecosystem and ultimately, its economy

## **More about Soyombo**

In Soyombo, who is also the co-founder of LeadPath Nigeria and Bluechip Technologies, the team has over 10 years of experience in early-stage investing, with a portfolio of 33 African tech startups including Mono, PiggyVest, Spleet, Migo, TeamApt and Paystack. During his time as an investor, Soyombo's portfolio has raised over \$70m (R1bn), ranging from pre-seed to Series A, and he has also overseen two secondary and one primary exits. Choi has also invested in 15 tech startups - two of which have been exited and collectively, the founders' existing portfolio spreads across a vast range of sectors including finance, energy, logistics, retail and education.

Soyombo was an early investor in Paystack, the fintech company that exited Stripe in October 2020. The exit and subsequent liquidity event revealed a maturing in the African tech market, validating early investment decisions. His work in corporate Nigeria has also allowed him to access non-traditional capital for the tech VC ecosystem.

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