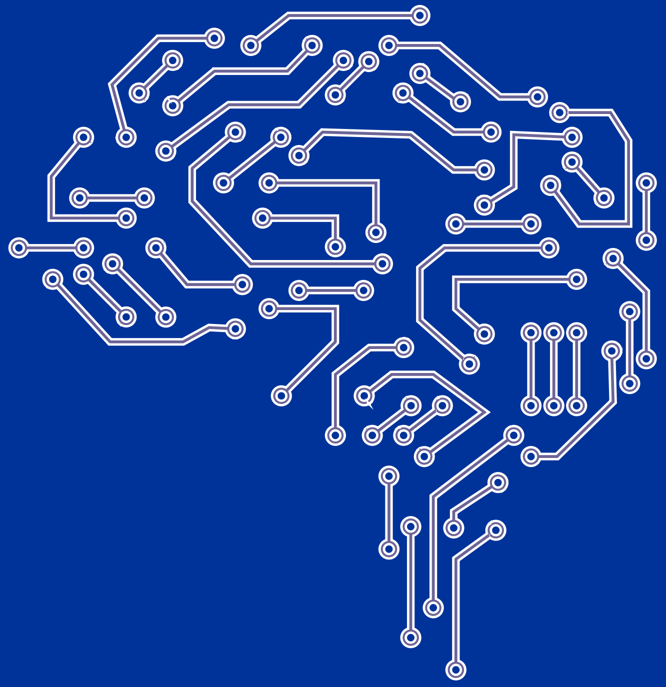
ANGOLA
DATA CENTER MARKET BRIEFING



A strategic overview of the data center investment opportunity in Angola

A Xalam Analytics Country Report

July 2025

DATA
GOVERNANCE
IN AFRICA

This report is part of a series of market briefs developed by Xalam Analytics at the behest of Digital Investment Facility (DIF) under the Data Governance in Africa Initiative, on the data center market opportunity in sub-Saharan Africa ("SSA"). This analysis aims to provide key insights into market demand and supply patterns for data center markets, business landscape, regulatory impact and investment returns. The research aims to provide potential investors and stakeholders with the latest information on the data center market in the SSA region.

This country review is based on our assessment of information and data as available to our research. It is further underpinned by our understanding of the marketplace along with market data and insights collected through continuous research. The numbers and estimates in this report are derived from a mix of sources, including estimates from Xalam Analytics' economic models, data providers, regulator data and other sources as may be indicated.

This report is prepared with funds from the Data Governance in Africa Initiative, a project financed by the European Union, Germany, Belgium, Estonia, Finland and France under the Digital for Development (D4D) Hub. Its contents are the sole responsibility of Xalam Analytics and do not necessarily reflect the views of the funders.

DATA GOVERNANCE IN AFRICA

XALAM FRONTIER MARKETS

The Angolan data center investment case

Deep-seated reforms in top-ten sub-Saharan Africa economy are transforming the business landscape, creating a foundation for robust data center demand

THE OPPORTUNITY

- **Scale and depth**: the sixth largest economy in sub-Saharan Africa.
- One of Africa’s largest oil producers, and an economy on a recovery path.
- A $300m+ enterprise and wholesale services market.
- **Strong upside**, tied to deeper Internet penetration, cloud adoption.
- Market liberalization reforms, Relatively stable political outlook.
- Relatively low power costs.
- Data center market projected to expand nearly 3x.

CHALLENGES & RISKS

- **Some persistent inflationary and FX pressures**.
- A still early-stage data center market, with some moderate demand risk.
- Large-scale hyperscaler deployments unlikely over the medium term (but small-scale deployments remain possible).
- Still some pockets of concentration in the fiber segment.

D4D HUB

DATA GOVERNANCE IN AFRICA

Angola data center market overview

Estimates as of 2024

~8-10
Live DC facilities

3.5 MW
Live critical IT load (1)

3 MW
Capacity in construction (2)

~3 MW+
Long term pipeline (3)

~4
Facilities in construction or in pipeline

~60%
Facility occupancy (4)

$11m
Annual Commercial Data Center Revenue

17%
Data center market CAGR (2024-30)

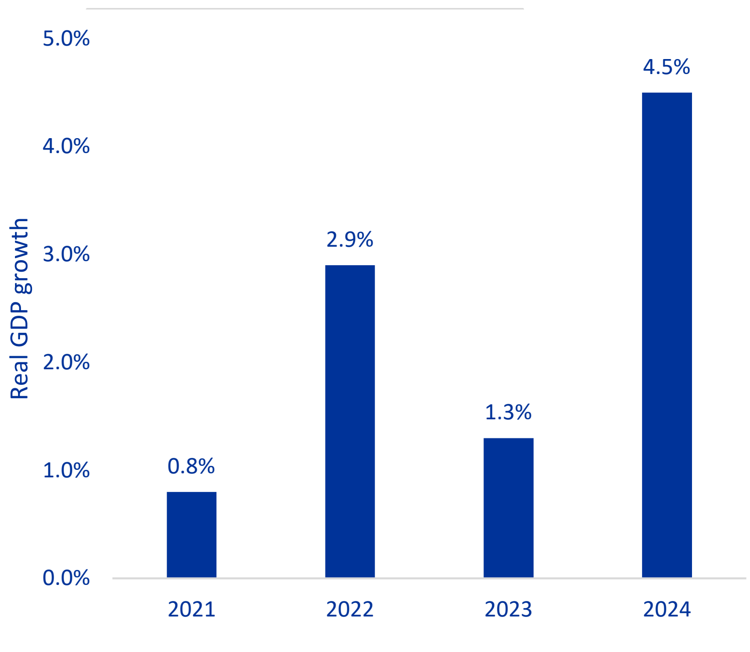
(1)Capacity that is active, under lease or readily available for lease by third-party customers.
(2)IT load capacity from facilities currently in construction; construction has broken ground; ongoing civil works, installation and commissioning phases are in progress.
(3)Facilities explicitly announced or listed as in development. Some execution phases have been initiated (e.g. land control, energy supply commitments, etc.), but no actual civil works have been undertaken. Capacity expected to be available by the end of 2030.
(4) Percent of available capacity that is effectively being used by third party customers.
Sources: Xalam Analytics estimates, provider data

Key drivers of demand for data centers

The Angolan market is witnessing faster digital services adoption, buoyed by market reforms and a revived economy, despite high inflation

A rebounding economy

Real GDP growth – Annual, %



Solid growth in inflationary environment

Sample Angola economic indicators - 2024

~$85bn
GDP

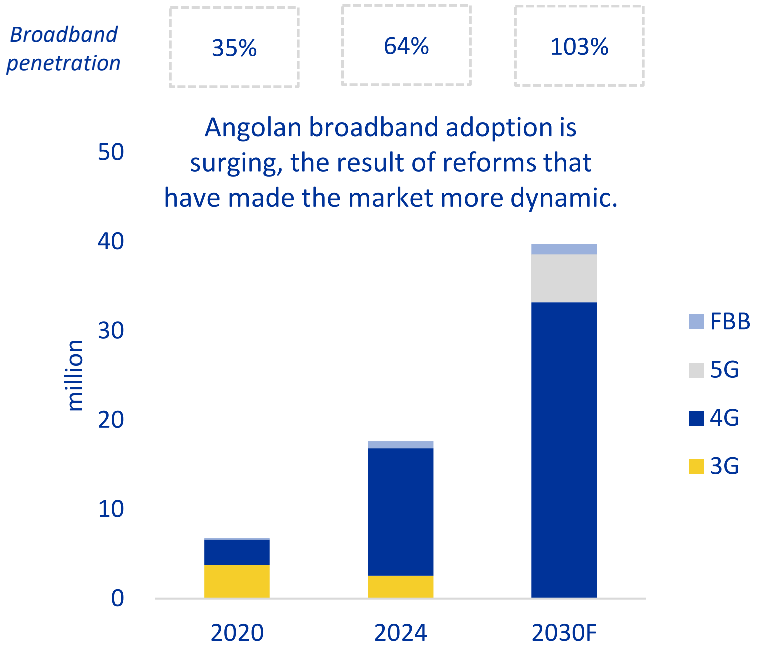
4.5%
Real GDP growth

18m
Broadband connections

28%
Annual inflation

A fast-growing digital base

- broadband connections by type - million



Sources: INE, BNA, IMF; Xalam Analytics estimates, provider data

DATA GOVERNANCE IN AFRICA

Data center market conditions

Investment and operating conditions in Angola's data center sector are gradually improving, but some supply-side pressures remain

Data privacy, hosting & environmental regulations

- The Angolan Data Protection Law of 2011 is the core framework for data protection in Angola; establishes Data Protection Authority.
- No explicit, broad data localization requirements, though guidelines may exist in specific sectors (e.g. banking sector).
- Key sectors (banking, oil and gas) mostly host data locally.
- Data transfer is subject to the "adequate protection" principle (ensuring that the hosting country offers adequate level of protection); also subject to notification of the Data Protection Authority.

Investment Incentives

- Infrastructure investments to support Long Term Development Strategy 2050 and National Development Plan.
- Efforts to lower corporate tax rate to ~20%.
- Development of Free Zones, with lower taxes and duties.

Electricity & Fiber Markets

- Angola has a power generation capacity around 6.5 GW.
- Angolan power prices are among the lowest in Africa, at less than $0.02/kWh (partly due to recent devaluations); price increases are expected in the future.
- ~70% energy is generated from hydro sources; hydro and solar are the focus of electricity development projects.
- An ambitious infrastructure plan in the power sector seeks to bring generation capacity to nearly 10 GW, through dozens of capacity buildout projects.
- Angola has a highly diverse international capacity infrastructure - 3 international cables (to Europe and the Americas).
- The country is a regional connectivity hub; provides an alternate route to the Americas and fiber diversity to regional carriers.
- Relatively tight telecom licensing framework favors fiber market concentration.

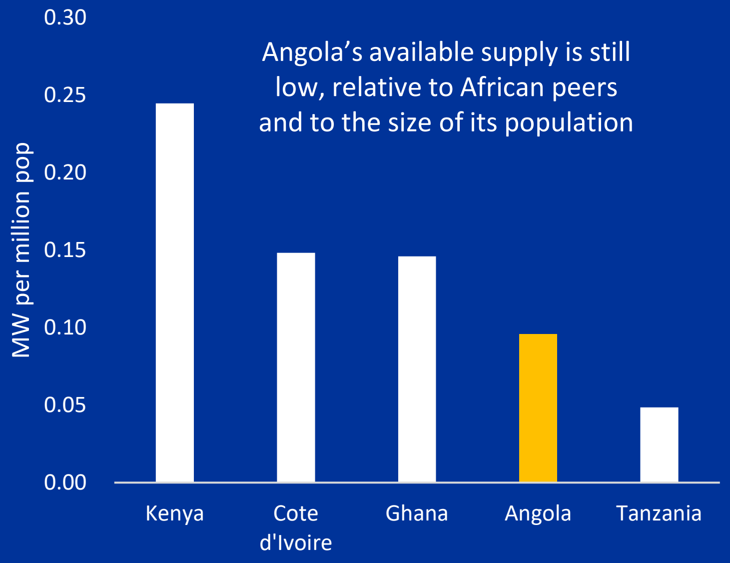
State of data center supply

Angola's available data center supply is still relatively sub-scale, relative to peers and to the country's economic size

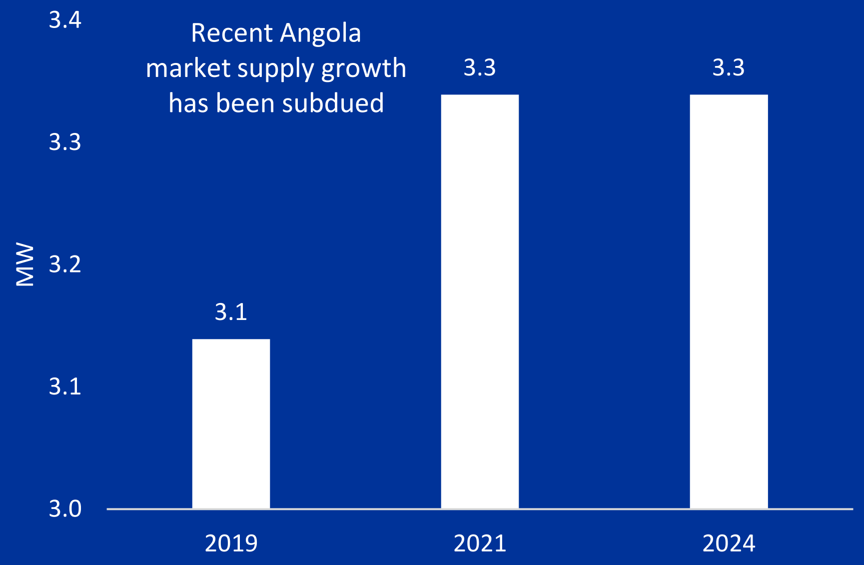
Angola data center supply – 2024E
Sample market indicators (1)

~8-10 Live commercial DC facilities	**~3.5 MW** Live IT load
7 MW Potential/Full-build IT load (2)	**~45%** % of supply that is carrier-neutral

Angola vs. Sub-Saharan Africa peers
Critical IT load – MW per million population



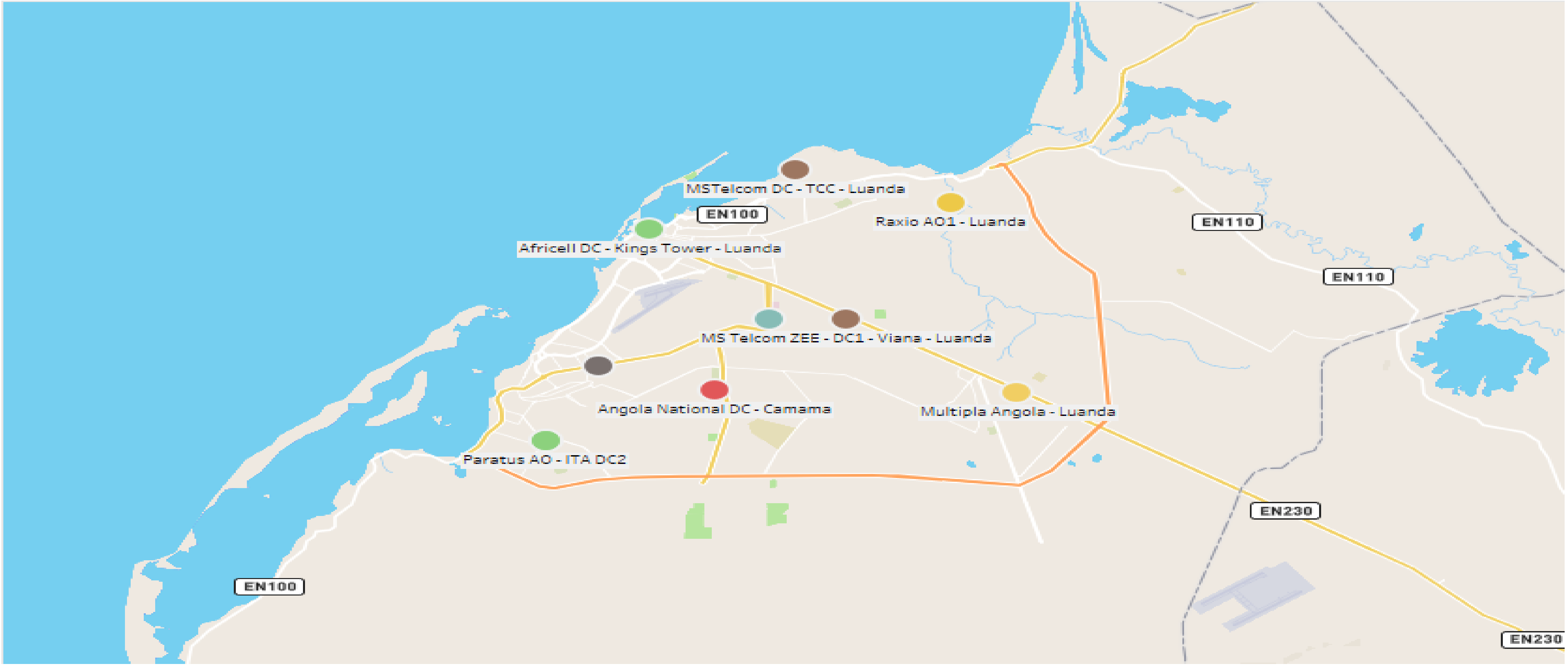
Angola data center – evolution of live supply
Critical IT load - in MW



(1)Numbers are rounded up (2) Potential/Full-build load is facility capacity assuming that all phases of development have been completed. Additional CapEx would be needed to make the residual capacity operational.
Sources: Xalam Analytics estimates, provider data

DATA GOVERNANCE IN AFRICA

Angola facility mapping –Luanda metro



D4D HUB

DATA GOVERNANCE IN AFRICA

Key data center market players

Angola has a diverse data center marketplace; once relatively marginal, carrier-neutral facilities are gaining in importance

Telcos, Infracos and MSPs

Focused on mobility, IT and fiber - colocation is an adjacent opportunity.

The carrier-neutral

Fibercos operating as carrier-neutral

Government

State agency offering a range of IT services, including colocation

New entrants

More specialist providers expected to launch over the next 2-3 years

A highly competitive market

- The Angolan supply base is relatively diverse, mixing fiber infracos, IT companies and telcos.
- For most providers, the commercial colocation business is secondary to their core connectivity or IT businesses.
- Paratus and Angola Cables, two fiber providers, largely operate as carrier-neutral facilities.
- All primary facilities are concentrated in the Luanda metropolitan area.

DATA GOVERNANCE IN AFRICA

GLOSSARY & KEY DEFINITIONS

Key definitions

Data center	While there are a variety of definitions for data centers, this market review is focused on commercial facilities , that is, facilities that lease colocation white space and power capacity to third-party customers on open, commercial terms, and in exchange for a fee. Captive facilities (bank data centers, telco switch sites and similar) are excluded from this assessment. Estimates focus on facilities at Tier II standard and above, unless otherwise indicated. Where applicable, these estimates include cloud hyperscaler self-built facilities.
Live critical IT load	Capacity that is active, under lease or readily available for lease.
Full build capacity	Data center facilities are typically built in phases; the full-build capacity is capacity assuming all potential phases of build have been completed and are live.
Capacity in construction	Facilities that have broken ground; ongoing civil works, installation and commissioning phases.
Pipeline	Facilities explicitly announced or listed as in development. Some execution phases have been initiated (e.g. land acquisition, power supply commitments, etc.), but no actual civil works have been undertaken.
Carrier-neutral	Facilities not specifically affiliated to a connectivity or cloud vendor, with capacity available to all third-party customers, on equal commercial terms, without explicit or implicit constraints or favoritism. This market review uses a loose definition for carrier-neutral, referring to facilities that are purely carrier-neutral, recognized by the market or effectively managed as such.

DATA GOVERNANCE IN AFRICA

Glossary

Below are some of the key abbreviations used in this report

AI	Artificial Intelligence
ASN	Autonomous System Number
bn	billion
CAGR	Compound Annual Growth Rate
CapEx	Capital Expenditures
CDN	Content Delivery Network
Colo	Colocation
DC	Data Center
DIF	Digital Investment Facility
EAC	East African Community
EU	European Union
F	Forecast
FBB	Fixed Broadband
FDI	Foreign Direct Investment
FX	Foreign Exchange
GDP	Gross Domestic Product
GDPR	General Data Protection Regulation
ICT	Information, Communications and Technology
ISP	Internet Service Provider
IPP	Independent Power Producer
IT	Information Technology

kW	Kilowatt
kWh	Kilowatt Hour
LLM	Large Language Models
m	million
MNC	Multinational Corporation
MNO	Mobile Network Operator
MRR	Monthly Recurring Revenue
MSP	Managed Service Provider
MW	Megawatts
NDC	National Data Center
OEM	Original Equipment Manufacturer
POP	Point of Presence
PUE	Power Usage Effectiveness
RFS	Ready For Service
SEZ	Special Economic Zone
SSA	Sub-Saharan Africa
USD	US dollar
PUE	Power Usage Effectiveness
RFS	Ready For Service
SSA	Sub-Saharan Africa
YE	Year end

DATA GOVERNANCE IN AFRICA

DATA
GOVERNANCE
IN AFRICA

Learn more:

https://d4dhub.eu/initiatives/data-governance-in-africa