



PRESS RELEASE

## **Fintech M-KOPA raises \$250m to scale high-impact business across Africa** Company passes 3 million customer milestone and unlocks \$1B in credit financing for customers

**Monday, 15 May 2023.** [M-KOPA](#), a leading fintech platform, today announced it successfully closed over \$250m in new debt and equity funding to expand its financial services offering to underbanked consumers across Sub-Saharan Africa. This marks one of the largest combined debt and equity raises in the African tech sector, enabling M-KOPA to continue its rapid growth.

Over \$200m in sustainability-linked debt financing was led and arranged by [Standard Bank Group](#), Africa's largest bank and long-term strategic partner to M-KOPA. Other participating lenders include [The International Finance Corporation](#) (IFC), funds managed by [Lion's Head Global Partners](#), [FMO: Dutch Entrepreneurial Development Bank](#), [British International Investment](#), [Mirova SunFunder](#) and [Nithio](#). A further \$55m in equity investment was backed by existing strategic investor [Sumitomo Corporation](#), which is contributing \$36.5m to the total raise and will engage closely with M-KOPA on new growth markets and products. [Blue Haven Initiative](#), [Lightrock](#), [Broadscale Group](#) and Latitude, the sister fund to [Local Globe](#), also participated in the transaction.

M-KOPA's fintech platform combines the power of digital micropayments with the Internet-of-Things (IoT) to provide customers with access to productive assets. In markets where individuals have limited pre-existing financial identities and conventional collateral, M-KOPA's flexible credit model allows individuals to pay a small deposit and get instant access to everyday essentials, including smartphones, electric motorcycles and solar power systems, and then graduate to digital financial services such as loans and health insurance. M-KOPA's solution embeds credit into the product through a smart digital connection, giving customers ownership instantly, which they can pay off through micro-installments over time. The company has sold over 3 million of these products through a unique direct sales model that includes more than 10,000 agents.

M-KOPA's operations started in East Africa and successfully expanded to Nigeria in 2021 and, more recently, Ghana. From 2020 to 2022, M-KOPA recorded a compound annual growth rate of 85% in new customer acquisition, and was recently recognised as one of Africa's Fastest-Growing Top 100 companies by the [Financial Times](#) for two consecutive years, in 2022 and 2023. Today's news coincides with the business reaching over 3 million customers and providing over \$1 billion in cumulative credit for underbanked customers in Africa. The company continues to scale rapidly and is on track to acquire an additional million customers over the course of 2023.

With this new funding, the business aims to grow its smartphone services, expand its model to new markets and extend its financed product set. In line with M-KOPA and its partners' longstanding commitment to creating a positive impact, the debt financing is structured to support sustainability-linked goals with pricing that is linked to the achievement of environmental and social targets. [Lendable](#) was appointed as the Borrowing Base and Sustainability Verification Agent for the debt transaction. M-KOPA will also use the financing to drive women's financial inclusion and reduce greenhouse gas emissions in its East African markets by increasing smartphone ownership among women and further developing its electric mobility solutions offering, respectively.

Speaking on the round, **Jesse Moore**, M-KOPA CEO and Co-founder said, "At M-KOPA, we are working hard to create a positive environmental and social impact by systematically addressing the barriers to digital financial services. We have already unlocked \$1bn in cumulative credit to over 3 million customers, and are proud of the thousands of local jobs we've created during tough economic times.



As we continue to scale, we remain committed to building a sustainable business and closing economic and digital gender gaps. We are delighted to have the support of new and existing investors who share our vision and mission”.

“Supporting M-KOPA is in line with our purpose of driving sustainable growth for Africa and her people. Financial inclusion not only enables economic growth, it also accelerates it. M-KOPA has, in a short time, managed to positively impact so many lives by enabling access to power and smartphone connectivity, which are a vital part of enabling the economic empowerment of all.” added **Nick Riley**, Corporate Financing Solutions at Standard Bank.

“As a strategic investor, we are very excited to accelerate business growth through collaborative efforts in business development. By leveraging each expertise and resource, we believe this partnership will have a positive impact on both the financial and telecommunications sectors, ultimately enriching the lives of people across the continent.” commented **Masaki Nakajima**, Senior Managing Executive Officer, General Manager, Media & Digital Business Unit at Sumitomo Corporation.

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For additional information on M-KOPA or interview requests, please contact **Wimbart PR** | [mkopa@wimbart.com](mailto:mkopa@wimbart.com)

#### **About M-KOPA**

Founded in 2011, M-KOPA is a fintech platform that provides digital financial services to underbanked consumers by leveraging data to combine digital micropayments with the Internet of Things (IoT) technology. With operations in Kenya, Uganda, Nigeria and Ghana, M-KOPA’s platform has provided over \$1 billion in credit and enabled 3 million customers to access smartphones, solar power systems, digital loans and health insurance. The company directly employs nearly 2,000 people across Africa and has created over 10,000 roles for sales agents since the start of 2020.