



Convergence Partners backs Yellow's latest Series B funding round

MAURITIUS , June 19, 2023 /EINPresswire.com/ -- Convergence Partners is pleased to announce the closure of its investment in Yellow, a leading provider of pay-as-you-go finance for off-grid solar home systems and connectivity solutions for low-income consumers in parts of East Africa. This is the 4th investment in Convergence Partners' 3rd fund - the c.\$300m Convergence Partners Digital Infrastructure Fund. Convergence Partners recently announced that it has spun out its first permanent capital vehicle under management, Convergence Partners Investments, which has been rebranded as Solcon Capital. Convergence Partners will continue to be the brand under which the third-party private equity funds under management business will operate.

Lack of access to consumer finance lies at the heart of African consumer pain points, as it inhibits asset ownership and their associated services. By leveraging innovative technology and disruptive distribution models through its proprietary tech platform 'Ofefee', which enables last-mile distribution and credit provision, Yellow has become a catalyst for change and a model for leveraging technology to solve the most pressing problems of everyday African households. Since entering the market in 2018, Yellow's has rapidly grown its reach to more than 400,000 households across Malawi, Rwanda, Uganda, Zambia and Madagascar.

Brandon Doyle CEO of Convergence Partners says, "We are excited to be backing the Yellow team. We have been tracking off-grid solar power asset finance space for many years but have failed to find a business model and team that we felt we could back until now. Yellow's offering also sits well with our promise to our investors of strong investment returns married with solid social development impact; in this case by tackling the triple challenge of financial inclusion, green energy distribution, and broadband penetration, and doing so profitably while servicing the unbanked communities of the lowest income countries of Africa."

"We are excited and honored to welcome Convergence Partners as shareholders in Yellow. They are investors with great vision. As a management team we believe they will add huge value in helping us deliver digital and financial inclusion across Africa," commented Michael Heyink, CEO of Yellow.

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About Convergence Partners

Convergence Partners is a leading private equity investment manager focused on the technology sector in sub-Saharan Africa, with a 20-year history of investing successfully in digital infrastructure in the region. With more than US\$600 million under management, including the recently launched Convergence Partners Digital Infrastructure Fund, which is focused on long term investments in data centres, fibre networks, wireless and towers, edge, artificial intelligence (AI), Internet of Thing (IoT), cloud and fintech and platforms across the Continent. Convergence Partners' team is located in offices in South Africa, Nigeria, Mauritius, Paris and soon Kenya. Find out more here: <https://www.convergencepartners.com/>

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