

Happy Pay, SA fintech, raises \$1.8M to reduce the cost of consumer credit to zero

WESTERN CAPE, SOUTH AFRICA,
September 17, 2024 /

EINPresswire.com/ -- Happy Pay raises \$1.8 million pre-seed round and secures inaugural debt facility as it accelerates its mission of bringing the cost of consumer credit to zero for South Africans.

Happy Pay, South Africa's only independent BNPL (Buy Now, Pay Later) provider, now with 150,000 active users, announced today that it has raised \$1.8 million in pre-seed funding. The funding round was led by a group of prominent South African venture capital investors, including co-lead investors E4E Africa and 4Di Capital, with participation from DotExe Ventures, Launch Africa, Equitable Ventures, Felix Strategic Investment, U.S.-based Gaingels, and local angels. In addition, Fin Africa (formerly Finclusion Group) is providing Happy Pay's debt facility.



Happy Pay's forward-compliant BNPL platform, designed to meet evolving regulatory standards, offers consumers a seamless one-click checkout solution and the ability to split their purchases over two paychecks, interest and deposit-free. The platform leverages the latest advancements in autonomous AI-driven credit scoring to calculate customer affordability in seconds—reducing costs and inefficiencies while ensuring a frictionless checkout experience for consumers and merchants alike.

"We're excited to have the backing of such a remarkable group of investors," said Wesley Billett, Co-Founder and CEO at Happy Pay. "This funding will enable us to accelerate our growth and expand our innovative product offerings, ultimately providing more value to the customers and merchants that we serve."

Launched in 2023, Happy Pay has experienced rapid growth over the past year, attracting a 900% increase in user growth. The surge in interest and growth of the platform is largely driven by

Millennials and Gen Zs who are favouring BNPL options over traditional credit cards. This preference stems from their desire for transparency, convenience, and an aversion to long-term debt, with the BNPL model resonating with their financial habits.

"We have been enabling growth for South African merchants within the e-commerce sales channel by giving them access to new customers, bigger average basket sizes, and better conversion metrics—all while providing South African consumers with zero-cost alternatives to high-interest credit. Our focus on financial inclusion has allowed thin-file consumers to gain access to the formal financial ecosystem via their own affordability data," added Patrick Postrehovsky, Co-Founder and COO at Happy Pay.

The pre-seed funding will be used to launch several innovative products, ramp up marketing, and expand Happy Pay's merchant base. The company also plans to strategically add to its team while focusing on efficient growth.

"We believe that Happy Pay's innovative approach to financial inclusion via their BNPL-led consumer payments platform can bring more South African consumers into the formal financial ecosystem and create access to more equitable finance options for them," said Bas Hochstenbach, partner at E4E Africa. "We are excited to be a part of this journey and look forward to seeing the company grow within South Africa and beyond."

Reflecting these views, Anton van Vlaanderen, partner at 4Di Capital, said: "The Happy Pay team has consistently delivered strong growth since going live in the market and leveraged the power of AI and data to drive meaningful financial inclusion for South African consumers, along with tangible economic benefits for merchants. We are excited about the various future initiatives at Happy Pay that will result in further scale-up growth in the months ahead.

"We are pleased to provide this debt facility to Happy Pay and support its efforts to provide equitable financial solutions for South Africans," added Timothy Nuy, CEO at Fin Africa.

As South Africa's only independent BNPL provider, Happy Pay is on a mission to empower African consumers by offering zero-cost installment payments, promoting credit score improvement, and providing equitable access to financial services. By reducing reliance on high-interest credit and payday loans, Happy Pay is reshaping the financial landscape for consumers and merchants alike.

For more information on Happy Pay, visit www.happypay.co.za

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