

## **d.light closes USD\$125M funding through a securitization facility to meet growing demand for off-grid solar products in Tanzania**

*New funding brings total potential in securitized financing raised since 2020 to USD\$490M*

**PALO ALTO, CA.; ARUSHA, TANZANIA; NAIROBI, KENYA – Monday 14 August 2023 –** [d.light](#), the global provider of transformational household products and affordable finance for low-income households, today announced a \$30 million securitization facility has been successfully secured from the [Eastern and Southern African Trade and Development Bank Group \(TDB Group\)](#), with the capability to purchase up to \$125 million of receivable assets .

d.light will use the capital to increase its existing securitized financing facility in Tanzania and scale up its low-cost Pay-Go personal finance service in the country so that more low-income people and households can purchase the company's affordable, solar-powered household products.

d.light has now raised \$490 million in total securitized financing since 2020. The financing facility in Tanzania will be anchored by TDB.

d.light CEO Nick Imudia said, "This new financing from TDB gives us the extra funding to reach more low-income families and households in Tanzania via our Pay-Go business, in a way that is affordable for our customers and sustainable for our business."

"d.light and our lending partners are long-time pioneers in developing securitized finance as an innovative, scalable financing model for raising equity for off-grid solar that is guaranteed against current and future customer sales. We've successfully used the securitization model for several years in Kenya and now we and our partners are expanding it to Tanzania."

Michael Awori, CEO of TDB, said, "Access to energy is critical to the sustainable development of the continent, especially for the most vulnerable off-grid communities. As one of the leading renewable energy financiers in the region, we are delighted to extend this second facility to d.light, this time in Tanzania. Globally, in 2022 alone the company reached over 1,677,216 people through PAY-GO model, created close to 2,000 jobs, and averted 1,329,371 tons of CO2 and black carbon emissions with solar replacing kerosene lamps. This is the kind of impactful track record TDB is keen to support."

d.light's Imudia continued, "As a scalable method of financing, securitization is an important fiscal tool to help African countries achieve the United Nations' Sustainable Development Goals for energy access. Expect further expansion of this facility by d.light into other major sub-Saharan African markets during 2023."

Tanzania is the fifth most populous country in Africa and its population of 63.6 million people is spread out over a wide geographical area. According to the World Bank, only 40 percent of the population have electricity access: the majority currently don't have grid connectivity and a reliable power supply. Tanzania was one of d.light's first markets and it has been selling its products there since 2008, a year after the company was founded. It has an office in Arusha City, Tanzania, that employs over 50 full-time employees.

d.light's finance facility in Tanzania works by leveraging the payments of d.light's existing and future customers there for solar products purchased using its Pay-Go service. This is then used to raise funding to upscale the company's activities and grow market share in the country.

"d.light's distribution and after-sales service network serves some of the most remote and hardest to reach areas of Tanzania," Imudia explained. "We will continue to grow our distribution footprint to enable more communities to benefit from our range of safe, reliable, and affordable solar-powered products."

In April, [d.light achieved the milestone of transforming the lives of more than 150 million people worldwide](#) with its range of reliable, affordable solar-powered household products.

d.light and its lending partner [African Frontier Capital \(AFC\)](#) are using the incoming capital as the basis for a new financing vehicle, Brighter Life Tanzania 1 Limited (BLT1).

Eric De Moudt, AFC's founder and CEO, commented, "We are very happy to announce the launch of our latest social impact securitization, BLT1, which further expands our industry leading off-balance sheet securitization structures into new jurisdictions for d.light and brings the total volume of local currency receivables being financed to almost USD500M.

"These social impact securitizations are helping d.light to bring financial inclusion and access to reliable and clean energy to millions of people while simultaneously helping to ensure a just and equitable energy transition that benefits everyone."

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### **About d.light**

Founded in 2007 at Stanford in California, d.light is a global leader in making transformative products available and affordable to low-income families. d.light has sold nearly 30 million products, including solar lanterns, solar home systems, TVs, radios, and smartphones, impacting the lives of over 150 million people. Our vision is to transform the lives of one billion people with sustainable products by 2030. For further information, visit: <https://www.dlight.com>

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### **About TDB**

Established in 1985, the Eastern and Southern African Trade and Development Bank (TDB) is a regional development finance institution, with investment grade ratings and assets of USD 8.4bn. TDB serves 25 member states in its region, with the mandate to finance and foster trade, regional economic integration and sustainable development, through trade finance, project and infrastructure finance and asset management.

TDB is part of TDB Group, which also comprises the Trade and Development Fund (TDF), Eastern and Southern African Trade Advisers Limited (ESATAL), TDB Captive Insurance Company (TCI), and the TDB Academy.

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**About AFC**

African Frontier Capital (Mauritius) LLC and its subsidiary companies are a dedicated impact investment group focused on bringing financial inclusion to people living at the bottom of the pyramid in a socially and environmentally sustainable way. For more information visit [www.africanfrontiercapital.com](http://www.africanfrontiercapital.com) or you can reach out to us on [info@africanfrontiercapital.com](mailto:info@africanfrontiercapital.com).