

AFC announces expansion of industry-leading USD 490 million multi-currency social impact receivable securitization structure for d.light

The new financing vehicle expands d.light's groundbreaking securitization financing facilities beyond Kenya into Tanzania and will pave the way for d.light to sustainably expand its PayGo operations across Africa.

Dar-es-Salaam, Tanzania; Port Louis, Mauritius; Nairobi, Kenya – 14 August 2023 - Solar Frontier Capital Limited (**SFC**), a wholly-owned subsidiary of African Frontier Capital (Mauritius) LLC (**AFC**) announced the establishment of a USD 125 million financing vehicle, Brighter Life Tanzania 1 Limited (**BLT1**).

BLT1 is an off-balance sheet securitization structure that provides the Tanzanian subsidiary of d.light design Inc. (**d.light**), a leading global innovator of solar-powered transformational products for low-income families, with flexible working capital, enabling the company to provide consumer financing and make its products universally available and affordable for customers, most of whom live below the poverty line and lack access to reliable power. The facility will finance a range of transformative products that drive quality-of-life improvements, from solar home systems to high-efficiency appliances and smartphones.

BLT1 is a ground-breaking, first-of-its-kind, off-balance-sheet, securitization structure in Tanzania and comes on the heels of d.light celebrating [the milestone of transforming the lives of more than 150 million people worldwide](#) with its range of reliable, affordable solar-powered household products..

BLT1 has been structured to provide d.light with local-currency financing (up to the equivalent of USD 125 million in face value of receivables) over a two-year commitment period, giving the company continued access to sustainable and affordable receivable financing for its Tanzanian business.

With AFC's existing Kenyan securitization structures, [Brighter Life Kenya 1 Limited \(BLK1\)](#) and [Brighter Life Kenya 2 Limited \(BLK2\)](#), this brings the total value of local currency structures financed by AFC to USD 490 million. Together, the structures are expected to directly impact over 7 million lives including over 5 million people with improved access to clean and modern energy who, together, will reduce over 1.2 million metric tons of CO2 emissions¹.

BLT1 is being partially financed by a USD 30 million senior lending facility provided by [Eastern and Southern African Trade and Development Bank Group \(TDB Group\)](#). AFC acts as the subordinated lender as well as the master servicer and back-up servicer under the transaction and, more generally, as sponsor of the structure.

Commenting on the announcement:

- **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.

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.

“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.”

— **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.”

— **Eric De Moudt, founder and CEO of AFC**, remarked that, “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.”

¹ As per standardized GOGLA metrics (<https://www.gogla.org/impact/calculator>) and AFC estimates.

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>

Follow us at twitter.com/dlightdesign and <https://www.facebook.com/dlightdesigninc>.

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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 or you can reach out to us on info@africanfrontiercapital.com.