

# Adumo's R190m capital-raise signals major expansion plans

Adumo, the leading independent payments processor operating across sub-Saharan Africa, has successfully raised R190m to increase its shareholding and control in some of its recent acquisitions.



Source: Supplied.

Chief executive officer of Adumo, Paul Kent commented, "Local consumers are following a global trend of demanding digital and flexible methods of making cashless payments, through alternative methods.

"Likewise, merchants require financial solutions to grow and streamline their businesses through the use of alternative payment options that are integrated into their businesses.

"The timing was therefore perfect for Adumo to further finance our assets in order to develop and provide our value-added financial products to our clients," added Kent

The capital raise included an equity raise from its current shareholders, Apis Partners, Crossfin Holdings and IFC's fintech division as well as a debt facility provided by Investec.

The funds will be used to increase Adumo's shareholding in GAAP to 80%, which will enhance Adumo's growth and expansion plans. GAAP specialises in the international hospitality industry, providing restaurants, hotels and retail

franchises integrated solutions.

Kent notes: “We will leverage an opportunity to add further value added solutions in the form of Adumo payment devices into the GAAP client network. GAAP’s current 7,500 client base stands to benefit as these devices can be fully integrated and embed payments into their current point of sale software.”

## Switchpay shareholding increase

Adumo will also increase its shareholding in Switchpay, an alternative payments provider, to 100%. Switchpay, which was incorporated into the Adumo customer-facing brand in August 2022, will provide Adumo with a lending technology (‘Lendtech’) platform for processing Buy-now-pay-later (BNPL) transactions and other consumer credit line options.

Humble, a cloud-based Point-Of-Sale (POS) solution has also received additional funding from the capital raise to accelerate its organic growth. Kent noted that: “Humble was recently appointed as a POS platform partner to a major South African bank, providing the bank with a white label Point-of-Sale software solution.”



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Lauren Hartzenberg 12 Oct 2022



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Over the past year, Adumo has refined a number of payment processing solutions, in the form of devices that can be fully integrated into the merchants’ business, are mobile, can operate off android and are available as different options to small, medium and larger businesses.

Adumo is expanding operations into new markets and is experiencing significant growth in the South African Development Community (SADC) region over the past year. The company intends to further grow its market share into this region over the near future as merchants and customers alike demand increased flexible and mobile cashless payment options.

Kent anticipates that the growth opportunity will require hiring an additional 100 employees, bringing the total employee compliment of adumo and GAAP to more than 1000 people.

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