

Vumela Fund makes substantial investment in fintech

The Vumela Fund, managed by Edge Growth Ventures, has announced that it will be forwarding a R25 million capital line to ProfitShare Partners (PSP). This deal links strongly to the Vumela mandate of supporting high growth SMEs in the banking supply chain with good economic and impact returns.



Richard Rose and Andrew Maren, CEO of ProfitShare Partners

PSP is fast-tracking SME performance and delivery through its profit-sharing business model. As a short-term capital partner to small business owners, this fintech company also provides the professional expertise and guidance to help SMEs deliver optimally and avoid the common pitfalls that slows growth.

Through its partnership with Edge Growth, ProfitShare Partners is assisting in addressing the lack of access to capital that exists in the SME environment.

In line with the Vumela Fund's goal of ensuring sustainability for SMEs to become key contributors to job creation in the economy, PSP is committed to offering immediate capital solutions to SMEs requiring cashflow to deliver on their contracts and purchase orders in the supply chain of large corporates.

Sam Tennant, Principal in Edge Ventures and chief deal-maker said, “It brings us great pleasure to partner with ProfitShare Partners on a solution so critical to our economy. Access to capital sadly is a challenge to too many SMEs and we’re excited to be involved with such a catalytic offering. We believe we’re going to see exceptional growth in the SMEs we support through this investment.”

Mike Sage, Trustee of the Vumela Fund expressed the following, “We have every confidence that ProfitShare Partners will deliver on the mandate of the fund. The results they have already shown will bring exceptional value to the objectives we wish to achieve – creating and supporting high growth SMEs. The impact that we’ve seen is impressive and we look forward to accelerating this over the next two years.”

Quoting Andrew Maren, founder and CEO of ProfitShare Partners, “We’re really excited to have secured the confidence of an established fund like Vumela to continue enabling the SME market through our short-term capital solutions. We have unlocked an insatiable market for our offering and the commitment from the Vumela Fund is indeed encouraging to reach more SMEs and create an even greater impact in the market. ”

“We’ve managed to grow our book value 400% in one year, highlighting the demand for this type of capital. Each successful deal raises the profile and profitability of our SME clients – ultimately, we want to grow small businesses to become financially sustainable and lose them to traditional financial institutions. That’s when we know we have truly helped our SME’s.”

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