



The emerging market fintech investor

Results Presentation

1Q22

Key Events of the quarter



The war in Ukraine - clear impact on a small part of VEFs portfolio

The regional conflict has had mixed effects on 6.1% of VEF's NAV, with operations in the region. Specifically, VEF has written down our 1 Russian portfolio holding, REVO, and our liquidity investments in Tinkoff bonds to zero – 2.3% NAV YE21 combined. TransferGo's money transfer business has been net positively effected by regional events to date – 3.9% NAV 1Q22



Ending 1Q22 NAV, USD 738 mln, -3.2% QoQ

We close out the quarter with our NAV down 3.2% QoQ, mainly impacted by our exposure to the Russian/Ukraine conflict.



Two new additions to the portfolio - Gringo & SolFacil (Brazil)

- VEF invested USD 12 mln (USD 34 mln round) into Gringo, Brazil's one-stop shop for drivers. Gringo offers vehicle- documentation related services such as payments, and BNPL solutions for drivers to pay for renewal of licenses, taxes and fines.
- VEF also invested USD 20 mln into SolFacil (USD 100 mln round). SolFacil positions itself as a unique solar point-of-sale ecosystem where any solar installer partner can offer financing, purchase of equipment and monitor installed solar systems, in a single platform.



Abhi (Pakistan) closed USD 17 mln Series A funding round

Abhi, Pakistan's first-ever financial wellness platform, announced the completion of a USD 17 mln Series A capital raise, after quarter end. VEF participated - \$450k of fresh capital and conversion of \$450k SAFE note.



VEF Issued debut Social bond

VEF successfully issued SEK 500 mln (USD 53 mln) of sustainability bonds. A significant step on our ESG journey, the net proceeds will be focused on financial inclusion and wellbeing of consumers and MSMEs across emerging and frontier markets. The raise also strengthens VEFs capital position, with USD 75 mln of capital at the end of April.

1Q22 financial highlights

NAV

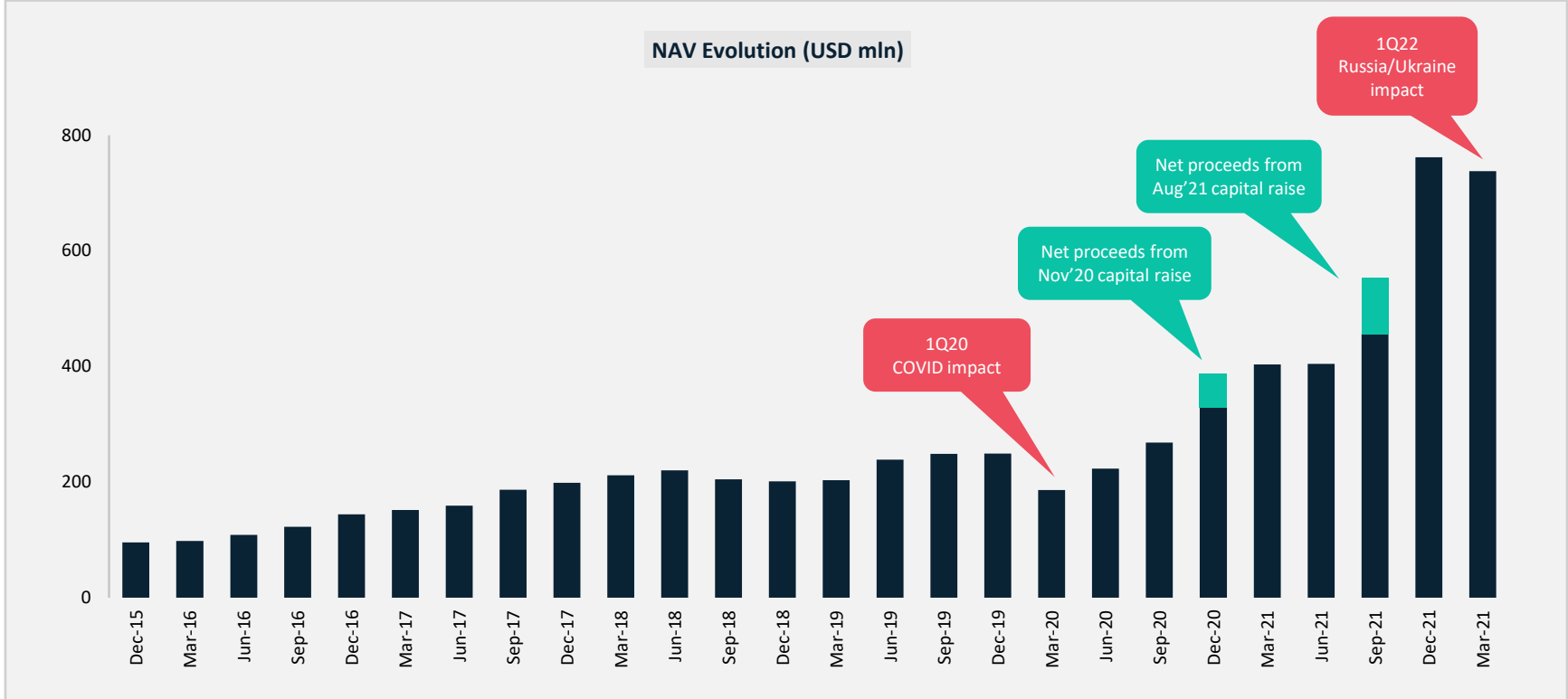
- NAV of VEF's portfolio decreased during 1Q22 to USD 737.7 mln. NAV per share decreased by 3.2% to USD 0.71 per share during 1Q22.
- In local currency, NAV decreased to SEK 6,862 mln. NAV per share decreased by 0.3% to SEK 6.58 per share during 1Q22.
- Cash position, including liquidity investments, was USD 22.7 mln at the end of 1Q22.

Financial result

- Net result for 1Q22 was USD -24.1 mln (1Q21: USD 15.3 mln). Earnings per share were USD -0.02 (1Q21: USD 0.02).

	FY19	FY20	FY21	1Q22
NAV (USD mln)	249.4	388.1	761.7	737.7
NAV (SEK mln)	2,325	3,178	6,885	6,862
NAV per share (USD)	0.38	0.47	0.73	0.71
NAV per share (SEK)	3.55	3.83	6.61	6.58
VEFAB share price (SEK)	2.94	4.04	6.05	4.44

NAV falls to USD 738 mln in 1Q22



Top-down comments

We are very aware of broader market and listed fintech share price sell-off and the resulting valuation multiple contraction. In tandem, we are seeing an overdue catch up in private market transaction valuations with their public peers

Three points to note on valuation marks

1. Valuation multiples are one key input factor into our model based valuations – company forecasts and currency being the other key two.
2. One needs to decipher between short-term valuation multiples and through-cycle exit multiples – both have their place.
3. In many cases, street forecasts do need to catch up with share price sell-off, so not yet fully reflective in traded multiples.

Historically we have experience of....

- a broad based market dislocation as recent as 1Q20, a point when we took our NAV down 25% QoQ.
- a number of holding specific mid cycle valuation movements, based on company performance and market moves:
 - Negatives – GuiaBolso, Xerpa
 - Positives – iyzico, Juspay

Mark to Model companies

Three companies in 1Q22 (two in 4Q21) out of 16: Nibo (-17% QoQ), FinanZero (-9% QoQ) and Revo (-100% QoQ).

Mark to last round companies

- In 1Q22, we feel comfortable that we don't need to dramatically alter the value of our portfolio.
- Creditas – At 1Q22 end the last transaction valuation implies a NTM revenue multiple of 8.1x. Key peer, Nubank, sits at 10x that same metric. Creditas is growing at a significant premium to this Nubank.

Two equity holdings and one liquidity placement with exposure to the region, 3.9% of NAV at the end of 1Q22 (6.1% at YE21):

- **TransferGo**: 3.9% of NAV (3.8%).
- **REVO**: 0% of NAV (1.7%)
- **Tinkoff bond**: 0% of NAV (0.6%)

The invasion and volatility is having mixed direct effects on the businesses on a small part of VEF's NAV:

1. **TransferGO** is experiencing increased client activity on back of above average money flow volumes in Ukraine combined with ongoing FX volatility. The company is looking to maximise the migrant opportunity of a growing Ukraine diaspora.
2. **REVO** is exposed to Russian businesses and operates a BNPL business model. The growing list of sanctions being levied on the Russian financial system combined with fall in the local currency has placed pressure on the many aspects of the business, forcing it from healthy growth mode into classic crisis defence mode.
3. **Tinkoff** bonds (Russian based online bank and previous portfolio company of VEF) are affected by a non existing Russian bond market although Tinkoff has committed to honor coupon payments and followed through with the latest coupon payment as normal in March 2022.



Healthy EM geographic positioning, currency tailwinds and portfolio well capitalised

VEF's portfolio is tilted towards geopolitically and/or economic beneficiaries of the current crisis:

- Strong BRL YTD has had a positive affect on USD translated revenues of over 60% of our portfolio.
- Strong development of the gold price strengthen the collateral of Rupeek's growing loan book.

VEF and all major portfolio companies are in a strong cash position:

- VEF had USD 62 mln at YE21, post investments in 1Q22 and recent bond issue this level sits at c. USD 75 mln by end of April.

Recent rounds by portfolio companies

- Creditas: USD 260 mln in January 2022
- JUMU: USD 120 mln in November 2021
- Konfio: USD 110 mln in September 2021
- Juspay: USD 60 mln in December 2021
- TransferGo: USD 50 mln September 2021

Given funds raised through 2021 and early 2022, none of our larger portfolio companies need to test the markets for capital in 1H22 or indeed for the full year if need be.



Share price, NAV/share and the premium/discount

NAV/share & share price development



Premium/(Discount) to NAV



Key figures

\$738M

NAV
(1Q22)

\$450M

Market cap
(14-Apr-22)

SEK 6.58

NAV/share
(1Q22)

SEK 4.12

Share price
(14-Apr-22)

Portfolio evolution through 1Q22

- We have 16 holdings as of 1Q22, diversified by geography, business type and stage of development.
- In 1Q22, we made two new investment:
 - USD 20 mln into Solfácil
 - USD 12 mln into Gringo

Portfolio focus & concentration

- Brazil and broader LatAm account for 64%/83% of our NAV.
- Creditas is our clear largest holding at 53% of total NAV and continuing to compound off a larger base.
- Top 2 holdings are 71% / top 5 are 84% of NAV.

Cash position

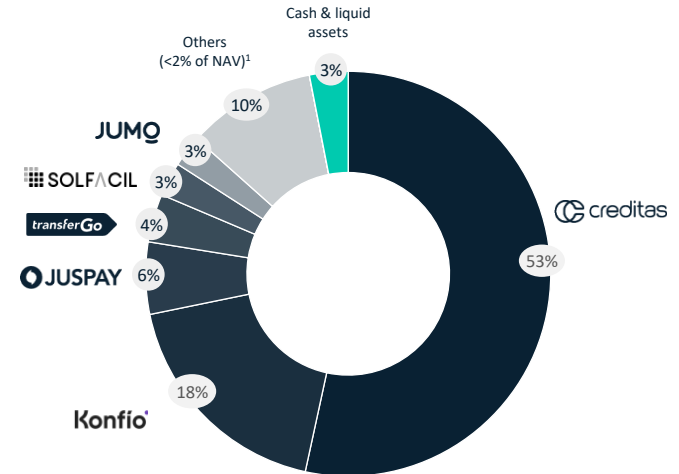
- USD 23 mln cash position at end of 1Q22. USD 73 mln at the end of April.

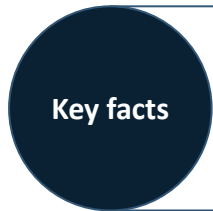
Pipeline

- Pipeline remains busy, but we continue to up the investment bar in current window. 1 new deal set to be announced in 2Q22.

VEF portfolio NAV as of 31-Mar-2022

USD 738 mln





Focus	Asset Focused Ecosystem
Founded	2012
Key region	Brazil
Share of NAV:	53.4%

Fair value	USD 394.1 mln
Investment	USD 98.4 mln
Ownership stake	8.9%
Year of investment	2017

Creditas in brief



Creditas is building an asset focused ecosystem that supports customers in three essential aspects; living (home), mobility (transport) and earning (salary) by providing fintech, insuretech and consumer solutions.



Collateral based lending is the core monetisation tool and allows Creditas to build an enduring client relationship at low rates. Core product suite is loans against home, auto and payroll today with broader streams like insurance in the offering.



As of YE21, Creditas' loan portfolio reached BRL 3.7 bln up 198% YoY, with 4Q21 revenues of BRL 322 mln up 27% QoQ and over 2x YoY. Performance YTD and outlook for 2022 remains robust.



One of LatAm's leading private fintech plays, Creditas is on a clear path towards IPO.

Creditas in figures

R\$3.7 bln

LENDING
portfolio

296k

ACTIVE
customers

+R\$1.3

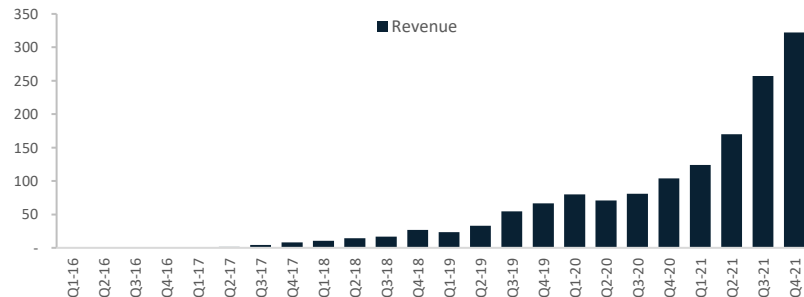
BILLION
in annualized revenues

44%

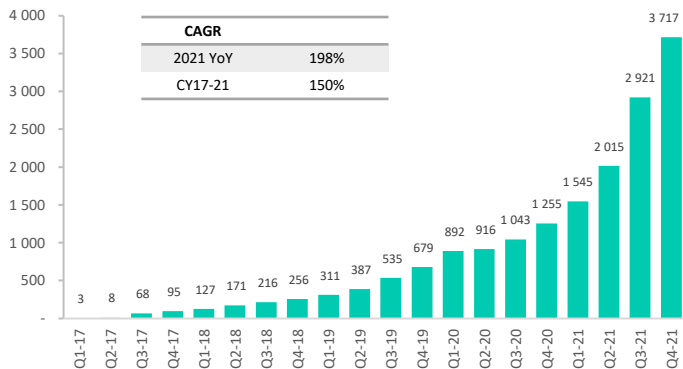
GROSS MARGIN
of credit portfolio

Quarterly revenue 2013-2021

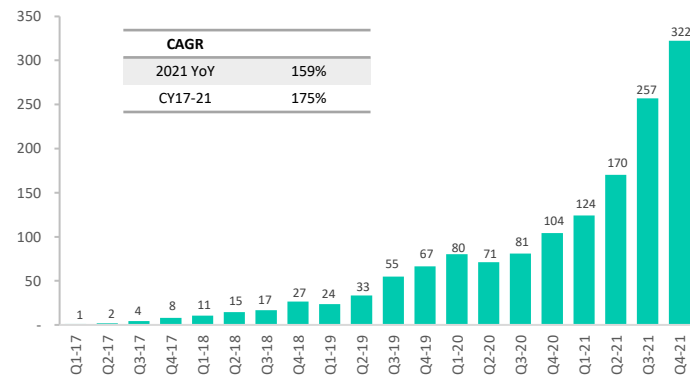
R\$ million



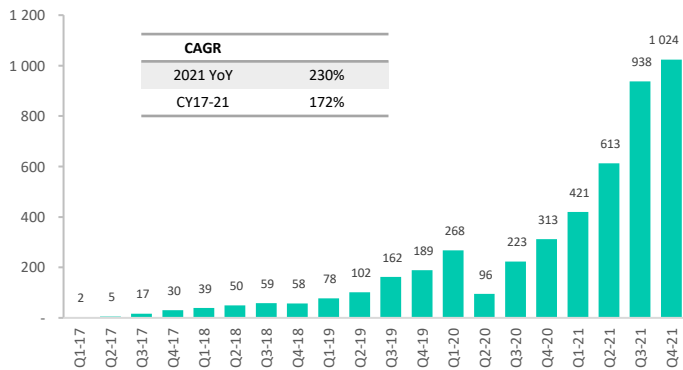
Credit Portfolio (R\$ million)



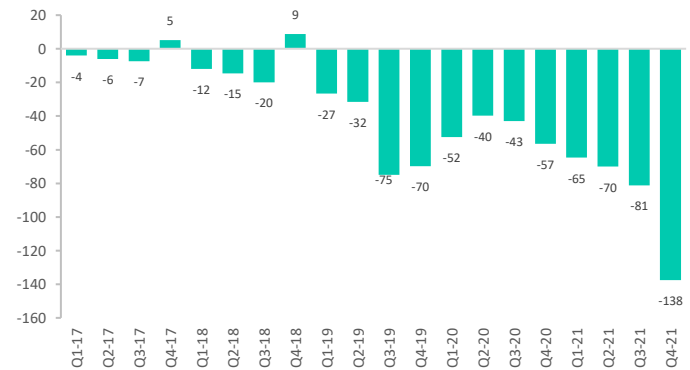
Revenue (R\$ million)



New Loan Origination (R\$ million)



Net Income* (R\$ million)



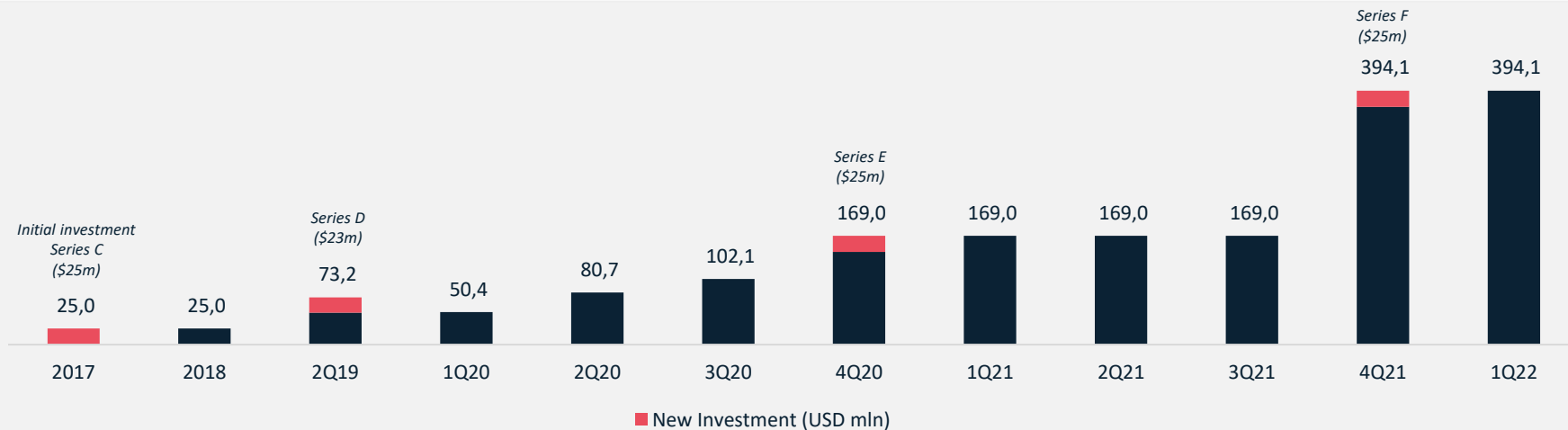
Creditas, product suite rollout and value creation history

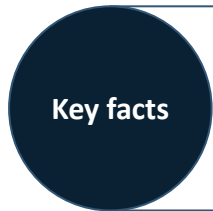


With a loan book now standing at BRL 3.7b and significant strides in the ibuyer space, we see considerable upside in Creditas in the coming months

	3Q20	4Q20		1H21		3Q21			4Q21	
	VEF raises \$61m in share placement	Creditas \$255m Series E at \$1.75b valuation	VEF invests \$25m	VEF share price and NAV reach record highs	Creditas acquires Bcredi	Creditas invests in Voltz, a Brazilian electric motorcycle startup.	Creditas acquires Minuto Seguros, a Brazilian digital insurance platform, strengthening its car platform	Creditas acquires Volanty, a used car platform; growing 2x pa and broadening asset focused ecosystem on path to IPO.	Creditas partners with NuBank, world's largest neobank. Creditas will offer its products to Nubank customers in Brazil.	Creditas \$260m Series F at \$4.8b post-money valuation
									VEF invests \$25m	
VEF NAV	\$268m	\$388m		\$404m		\$554m			\$762m	

Value creation in Creditas continues; latest round valuation in Dec 2021





Focus	Solar Energy Financing Platform
Founded	2018
Key region	Brazil
Share of NAV:	2.7%

Fair value	USD 20.0 mln
Investment	USD 20.0 mln
Ownership stake	2.6%
Year of investment	2022



Electricity market dynamics, cheap labor, high levels of home ownership, a favorable regulatory environment, and ideal climate conditions contribute to a significant TAM for solar energy in Brazil.



Solfácil is building an ecosystem for solar energy adoption in Brazil, where, giving consumers access to financing for panels, where the cost of borrowing equates to consumers' current utility bills.



Loans are disbursed through a fully digital channel, leveraging a fragmented network of partner solar installers across the country to originate the loans.

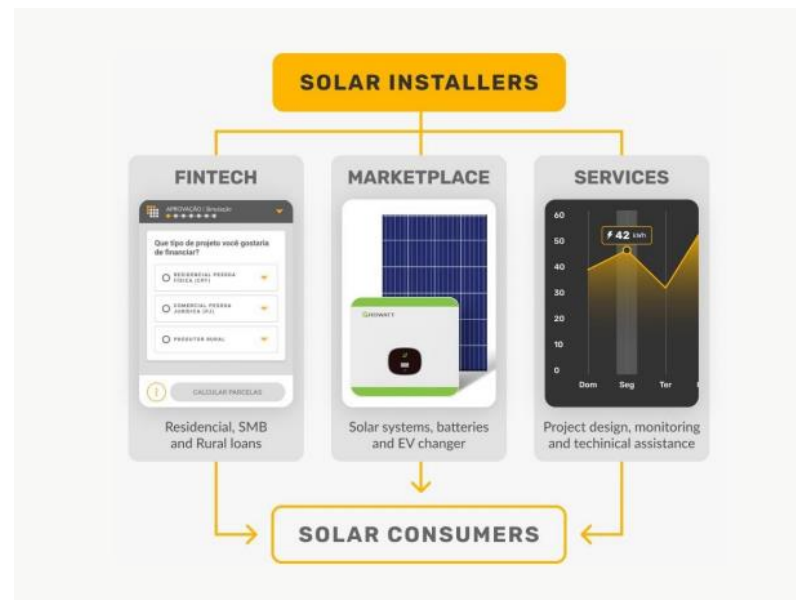


Solfácil also operates a marketplace for solar panels and offers additional value-added services to customers such as equipment maintenance and repair.



In March 2022, VEF invested USD 20 mln into Solfácil, participating in its USD 100 mln Series C round which was led by QED and also saw participation from SoftBank and existing investors.

Solfácil: The ecosystem for solar energy adoption in Brazil



Key facts

Focus	Super-app for drivers
Founded	2020
Key region	Brazil
Share of NAV:	1.7%

Fair value	USD 12.2 mln
Investment	USD 12.2 mln
Ownership stake	10.2%
Year of investment	2022



Gringo is building a “super-app” for drivers in Brazil with the ambition of becoming the drivers’ best friend.



Vehicle ownership in Brazil is a cumbersome journey where owners face pain points driven by analogue processes, massive paperwork and broken legacy systems.



Gringo has started by offering vehicle-documentation related services such as payments, BNPL solutions for drivers to pay for renewal of licenses, taxes and fines amongst other things.



Gringo’s vision is to become the “super-app” for drivers. In 2021, Gringo expanded its credit offering and began selling insurance products.



Gringo is currently the number 1 car app in the Google Play Store with over 5 mln drivers currently using its platform.

Gringo in figures



20x

2021 GMV YoY growth



25x

2021 revenue YoY growth



5 mln+

Drivers on Gringo platform



4.6

Google Play Store Rating

Key facts

Focus	Salary on Demand
Founded	2021
Key region	Pakistan
Share of NAV:	0.2%

Fair value	USD 1.4 mln
Investment	USD 1.4 mln
Ownership stake	15.0%
Year of investment	2021



Abhi is VEF’s second fintech investment into the early stage scale opportunity market of Pakistan, and our third in the financial wellness space, following similar investments in Brazil and Mexico.



Abhi integrates with corporates to offer their employees salary advance products to reduce their financial stress and avoid expensive payday debt.



From an employer perspective, the product adds no extra cost to their payroll as the fee is borne by the employee. Corporates also benefit from higher employee satisfaction and lower churn.



Modernizing the pay cycle is the most fundamental transformation a company can make to its relationship with employees, and salary on demand is a great scale product the cornerstone for a much broader employee financial wellness play.



In April 2022 Abhi raised a USD 17 mln Series A funding round led by Speedinvest, with participation from international and local investors including Global Ventures, Venture Souq, Fatima Gobi and Sarmayacar. VEF also participated in the round with USD 0.9 mln.



Advance Salary Made Easy

With Abhi your employee's can access the money they've earned whenever they need it. No more waiting for the end of the month all they have to do is download our app or text us at 2244 to get started.



On Time, Every Time

We will transfer their advance amounts into their salary account or wallet any day of the week within minutes.



Motivate Your Workforce

When your employee experiences financial wellness, you'll enjoy increased loyalty, better morale, higher productivity, and a decrease in employee turnover all for free.



No Excessive Paperwork

Abhi does not disrupt the cash flow or business process and adds no cost to HR or Accounts



No More Emergencies

When your employees are faced with sudden emergencies, arranging money is its own emergency. Not with Abhi.



Easy Installation

When a business partners with us we will provide all their employees with the ability to dip into their earned wages anytime and anywhere at no cost to the business. We will do this through our proprietary app as well as text message

ESG - recently raised our debut social bond

Key terms

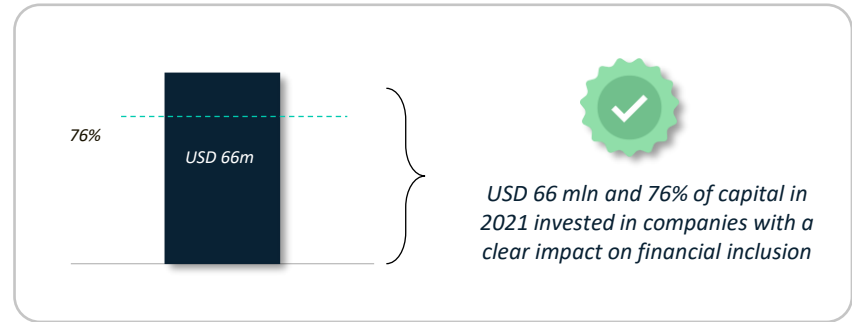
In early April, VEF issued SEK 500 mln (USD 53 mln) senior unsecured sustainability bonds. The bond issue was well received by Nordic institutional and retail investors, resulting in an oversubscribed order book.

Status	<ul style="list-style-type: none"> Senior Unsecured Sustainability Bond
Tenor	<ul style="list-style-type: none"> 3 years
Initial volume	<ul style="list-style-type: none"> SEK 500 mln
Framework	<ul style="list-style-type: none"> SEK 1,000 mln
Coupon	<ul style="list-style-type: none"> STIBOR 3M + 725 bps (STIBOR-floor @ 0%), paid quarterly in arrears
Use of proceeds	<ul style="list-style-type: none"> In accordance with the Sustainability Bond Framework
Undertakings	<ul style="list-style-type: none"> <i>Maintenance covenants:</i> <ul style="list-style-type: none"> Equity ratio > 80% Net interest bearing debt to NAV < 20% Minimum liquidity: 1 year of interest payment <i>Incurrence covenants for additional debt and distributions:</i> <ul style="list-style-type: none"> Equity ratio > 85% Net interest bearing debt to NAV < 10%

Core areas for VEF's sustainability work

Three areas specifically relevant to VEF as an EM fintech investor:

- Financial inclusion**
 - Improve and provide access to fair and affordable financial services
- Responsible financing**
 - Fair and transparent consumer practices
 - Data privacy and security
 - Responsible lending and prevention of over-indebtedness
- Governance & Business ethics**
 - Good governance, regulatory compliance, anti-corruption, AML and general business ethics



VEF publishes its new sustainability bond framework

The framework focuses on sustainable investments and sustainability as an integral part of the business

Eligible Sustainability Investments Categories

Financial inclusion

- **Category details:** Investments enabling improved access to the financial products: savings, insurance, loans & payments
- **Target Population:** Underserved people² and MSMEs³ in emerging- and frontier markets as per the MSCI definition

Financial fairness and wellness

- **Category details:** Investments enabling improved financial fairness, health and wellbeing: Lowering price of financial products, improved access to financial products & transparent fee structures/costs
- **Target Population:** People and MSMEs in emerging- and frontier markets as per the MSCI definition where the offer of financial products is limited, poorly priced, ill-suited to consumers' needs and with limited potential for individualization, low in transparency in terms of fees and other costs charged

Financial infrastructure and enablement

- **Category details:** Investments enabling development of services related to financial infrastructure buildout in areas such as payments
- **Target Population:** Underserved consumers and MSMEs in emerging- and frontier markets as per the MSCI definition, where the financial infrastructure does not support financial services to be accessed

Renewable Energy

- **Category details:** Investments enabling access to renewable energy sources through financing solutions offering private individuals the opportunity to install solar cells or wind power

Social Bond Principles aligned categories:

- Access to essential services
- Employment generation
- Socioeconomic advancement and empowerment

Social Bond Principles aligned categories:

- Access to essential services
- Socioeconomic advancement and empowerment

Social Bond Principles aligned categories:

- Access to essential services
- Socioeconomic advancement and empowerment

Green Bond Principles aligned category



"Many of the companies that we invest in and sit on the boards of, are pioneers in financial inclusion for the under- and unbanked, while others are driving down the price of financial services to their markets/segments of focus"

Dave Nangle, CEO



VEF supports the United Nations Sustainable Development Goals (SDGs) – the main contribution to the SDGs is via the portfolio companies, specifically the financial inclusion of consumers and MSMEs

Sources: 1) World Bank (Digital Financial Services, April 2020)

Note: 2) Defined as those who have not previously used formal financial services or those lacking access because financial products are either unaffordable or to a large extent unavailable to them 3) Micro, Small & Medium Enterprises

VEF investment case and outlook



Low exposure to the conflict region and Russian exposure now marked to zero

The Russian invasion of Ukraine has had mixed effects on a small part of VEF's NAV. Direct conflict related downside has been underwritten, as VEF has written down Russian holdings to zero.



Top 5 portfolio holdings all well-funded for 2022 and all it has to offer

As we traverse volatile markets, we garner comfort from the fact that our top 5 portfolio holdings (by size) all closed significant funding rounds in 2H21. Hence there is no need for them to test market waters in 1H22 or indeed the full year. Leaving them well-placed for growth tailwinds and market headwinds alike in 2022.



Creditas – remains key for value growth at VEF

The value of VEF's position in portfolio North Star, Creditas, accounts for 50%+ of VEF's total NAV. Growing at a run-rate of 100% YoY, we are starting to enjoy a larger base effect, from what is still early days of their journey into a scale opportunity space. M&A and partnerships are adding a fresh leg to a strong underlying growth story. Creditas will be IPO ready in 2022, with the event timing itself, market dependant.



Portfolio break outs and ones to watch – Konfio and Juspay in focus

Through 2022-23, we see clear potential for other names within the portfolio to break out and scale within their focus space and geographies. Top of list are Konfio and Juspay, well-funded and delivering on strong growth mandates in their respective countries/segments of focus.



Current market headwinds = risk and opportunity

Current market headwinds are part and parcel of through-cycle investing. Underlying growth across the portfolio remains strong and we have always had a conservative bias to investing and valuing our portfolio as we go. Volatility can bring much opportunity and we have done some of our most value added investing in the past in windows like these.



Key risks

Uncertain macro and markets outlook.

Appendix

1Q22 income statement

















Expressed in USD thousands	Note	1Q 2022	1Q 2021
Result from financial assets at fair value through profit or loss	3	-21,721	16,304
Dividend and coupon income		97	97
Other income		164	-
Administrative and operating expenses		-2,492	-922
Employee incentive programs	4	-106	-123
Operating result		-24,058	15,356
Financial income and expenses			
Interest income		-	63
Interest expense		-6	-
Currency exchange gains/losses, net		-60	-143
Net financial items		-66	-80
Result before tax		-24,124	15,276
Taxation		-1	-5
Net result for the period		-24,125	15,271
Earnings per share, USD		-0.02	0.02
Diluted earnings per share, USD		-0.02	0.02

1Q22 balance sheet



Expressed in USD thousands	Note	Mar 31, 2022	Dec 31, 2021
NON-CURRENT ASSETS			
Tangible non-current assets			
Property, plant and equipment		79	102
Total tangible non-current assets		79	102
Financial non-current assets			
Financial assets at fair value through profit or loss	3		
Equity financial assets		715,173	700,311
Liquid financial assets		16,309	50,642
Other financial assets		26	27
Total financial non-current assets		731,508	750,980
CURRENT ASSETS			
Tax receivables		56	109
Other current receivables		547	387
Prepaid expenses and accrued income		147	138
Cash and cash equivalents		6,380	11,131
Total current assets		7,130	11,765
TOTAL ASSETS		738,717	762,847
SHAREHOLDERS' EQUITY (including net result for the financial period)		737,689	761,728
CURRENT LIABILITIES			
Accounts payable		219	138
Tax liabilities		14	51
Other current liabilities		131	534
Accrued expenses		664	396
Total current liabilities		1,028	1,119
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		738,717	762,847

VEF portfolio summary

Company	Country	Segment	Investment date	Ownership %	Invested amount (USD mln)	1Q22 fair value (USD mln)
 creditas	Brazil	Asset focused ecosystem	Dec-17	8.9%	98.4	394.1
 Konfio	Mexico	Diversified FS for Mexican SMEs	Jun-18	10.3%	56.5	135.6
 JUSPAY	India	Mobile payments platform	Apr-20	9.7%	17.0	42.4
 transferGo	Emerging Europe	Cross-border remittances	Jun-16	12.3%	13.9	28.4
 SOLFACIL	Brazil	Solar energy financing platform	Mar-22	2.6%	20.0	20.0
 JUMO	Africa	Mobile money marketplace	Oct-15	4.6%	14.6	18.4
 Rupeek	India	Secured lending platform	Mar-21	2.1%	12.0	13.2
 GRINGO	Brazil	Super-app for drivers	Feb-22	10.2%	12.2	12.2
 FinanZero	Brazil	Consumer credit marketplace	Mar-16	18.4%	4.2	10.8
 mognotis	Brazil	Digital investments	Sep-17	17.5%	5.7	10.5
 nibo	Brazil	Accounting SaaS provider for SMEs & accountants	Apr-17	20.1%	6.5	10.4
 BLACKBUCK	India	Online trucking platform	Jul-21	1.0%	10.0	10.0
 FINJA	Pakistan	Digital lending & payments	Jul-16	22.0%	2.9	7.4
 abhi	Pakistan	Salary on demand	Jun-21	15.0%	1.4	1.4
 minu	Mexico	Salary on demand	Mar-21	1.2%	0.5	0.5
 pebc+	Russia	Payments & consumer credit	Sep-15	23.0%	6.7	0.0
VEF						USD 715 mln <i>(excl. cash and liquid assets)</i>

Portfolio NAV distribution by geography – excl. cash

