



The emerging market fintech investor

Results Presentation

2Q21

Summary

Busy quarter with stage set for a strong second half of the year

A number of events defined the second quarter for VEF, effectively laying the foundations for value creation to step up in 2H21 and beyond.

Konfio USD 125 mln Series E fundraise, key portfolio event of the quarter

In June, we announced a USD 20 mln follow-on investment into Konfio, Mexico's leading small business fintech, as part of their broader financing round. Konfio is exceptionally well-placed to grow its footprint from here.

Creditas – M&A and partnerships providing a fresh leg of growth

2021 has kicked off on a strong footing for Creditas post 4Q20 fundraise as evidenced by reported quarterly headline metrics. Q2 was defined by a number of acquisitions and partnerships that should add fuel to an already strong organic growth story.

Portfolio holdings in focus - Juspay, Jumo and TGo

Beyond the big 2 (Creditas and Konfio), we continue to gain confidence in these 3 holdings, which sit in the top half (size-wise) of our portfolio, are delivering strong underlying trends and are well placed to secure additional capital to drive future growth.

A second investment in Pakistan, a third in the financial wellness space – welcome Abhi

VEF made one new investment in 2Q21, our third YTD, into Abhi. VEF led a USD 2 mln seed financing round with a cheque of USD 0.9 mln.

A third investment in India, a first in the embedded fintech space – welcome Blackbuck

In July'21, VEF made its third investment in India and invested USD 10 mln into Blackbuck, India's largest trucking platform. This is our first foray into the embedded fintech space, about which we are becoming increasingly excited.

ESG: Key governance milestones - redomestication to Sweden and new Board member

Our recent AGM delivered some key decisions and changes to the VEF story, which continue our positive ESG drive. First, the decision to move our holding company to Sweden, where we are listed, from Bermuda, was ratified and the process was successfully completed in early July. Coupled with this, we are very excited to welcome new board member Hanna Loikkanen to the VEF board and family.

Guiabolso exit

In 2Q21 we marked down our position in Guiabolso to zero for conservatism, as visibility around return of capital was at its lowest point since we invested. We have since exited our position receiving \$3mn of funds. At end of 1Q21 we had the position marked at USD 4.8 mln, accounting for 1.2% of our NAV.

1H21 financial highlights

NAV

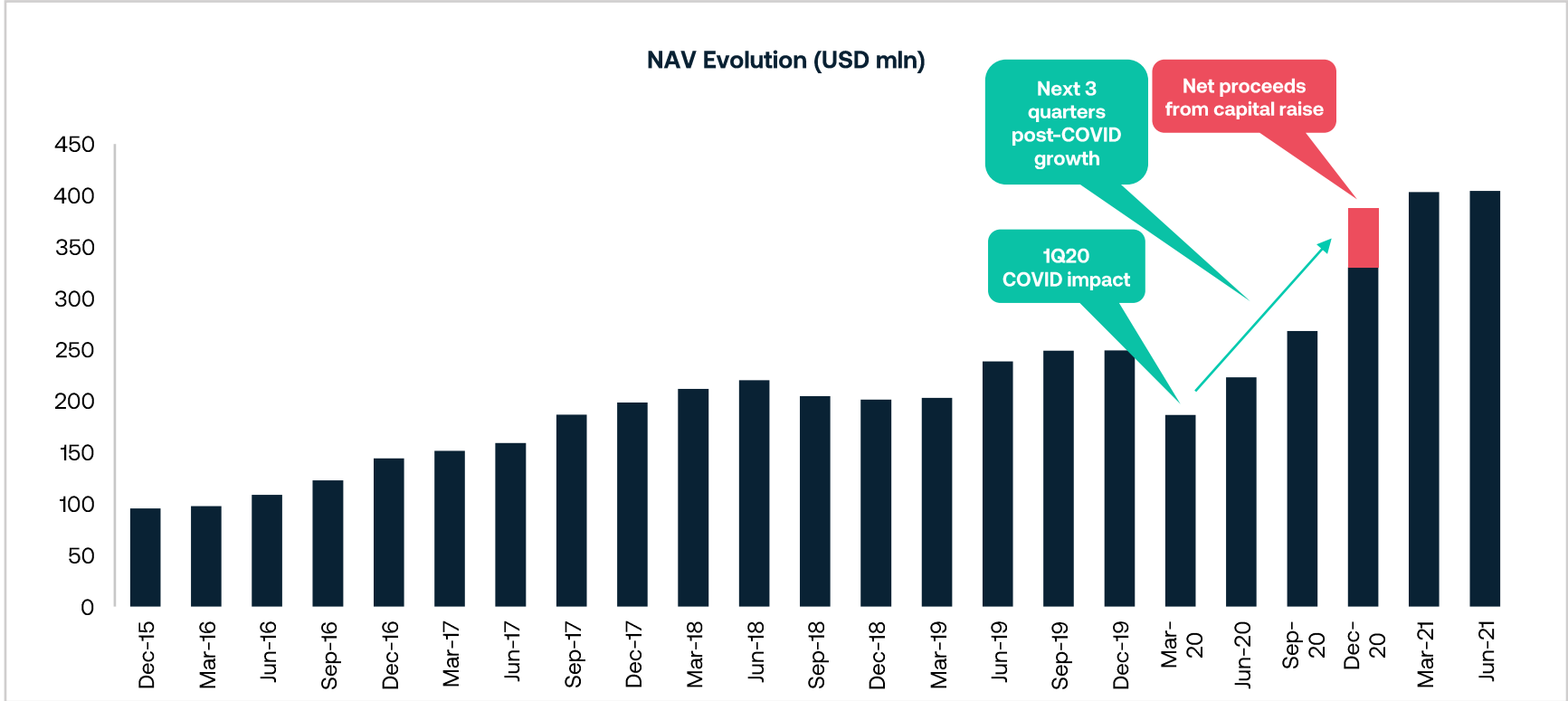
- NAV of VEF's portfolio increased during 1H21 to USD 404.3 mln. NAV per share increased by 0.4% to USD 0.48 per share.
- In local currency, NAV increased to SEK 3,440 mln. NAV per share increased by 7.6% to SEK 4.12 per share.
- Cash position, including liquidity investments, was USD 18.9 mln at the end of 2Q21.

Financial result

- Net result for 2Q21 was USD 0.5 mln (2Q20: USD 36.7 mln). Earnings per share were USD 0.00 (2Q20: USD 0.06).
- Net result for 1H21 was USD 15.8 mln (1H20: USD -25.4 mln). Earnings per share were USD 0.02 (1H20: USD -0.04).

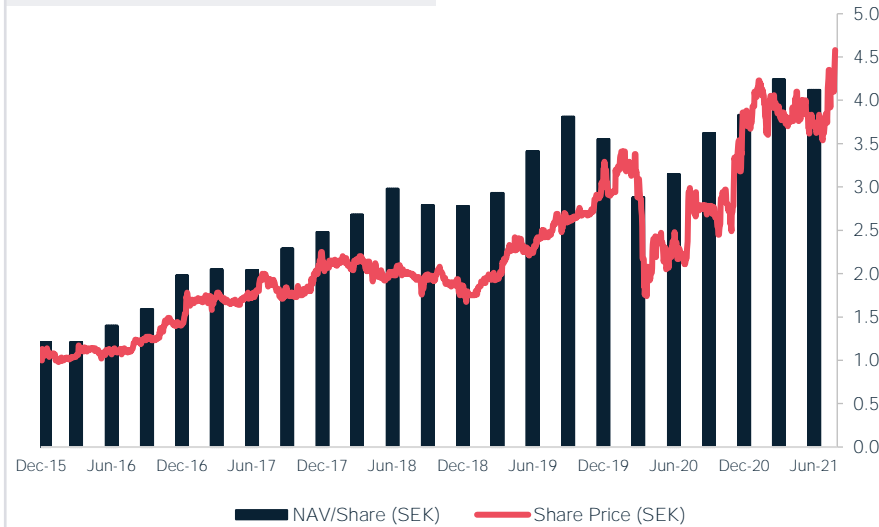
	YE19	YE20	1H21
NAV (USDm)	249.4	388.1	404.3
NAV (SEKm)	2,325	3,178	3,440
NAV per share (SEK)	0.38	0.47	0.48
NAV per share (USD)	3.55	3.83	4.12
VEFL SDB share price (SEK)	2.94	4.04	3.76

NAV reaches a new high of USD 404.3 mln



Share price, NAV/share and the premium/discount

NAV/share & share price development



Premium/(Discount) to NAV¹



Key figures

\$404M

NAV
(30-Jun-21)

\$449M

Market cap
(26-Jul-21)

SEK 4.15

NAV/share
(30-Jun-21)

SEK 4.58

Share price
(26-Jul-21)

Portfolio evolution through 2Q21

- We have 15 holdings as of 2Q21, diversified by geography, business type and stage of development.
- In 2Q21, we made one new investment: USD 0.9 mln in Abhi, a financial wellness company for employees in Pakistan.
- We also made a follow-on investments of USD 19.8 mln in Konfio and USD 2.8 mln in TransferGo.

Portfolio focus & concentration

- Brazil and broader LatAm account for 54/72% of our geographic spread.
- Creditas is our clear largest holding at 42% of NAV and continuing to compound off a larger base.
- Top 2 holdings are 61% / top 5 are 78% of NAV

Cash position

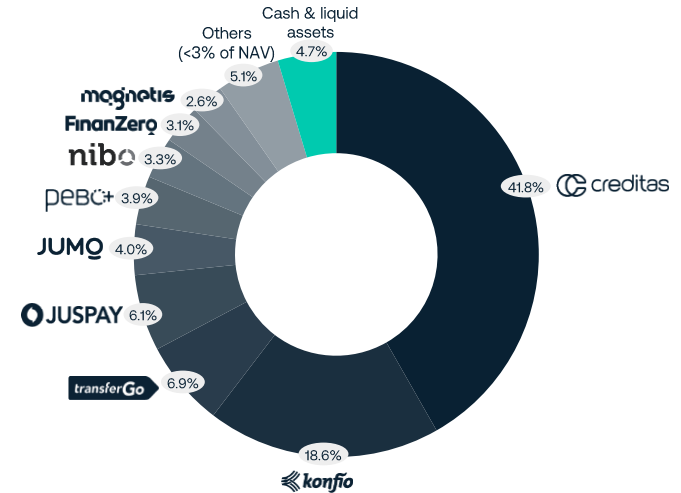
- USD 18.9 mln cash position at the end of 1H21.

Pipeline

- Pipeline at its most exciting as it has been in recent times (seen 145 deals YTD vis-à-vis 131 in 2020) and we expect to convert more new investments in the coming months.

VEF portfolio NAV as of June 30th 2021

USD 404.3 mln

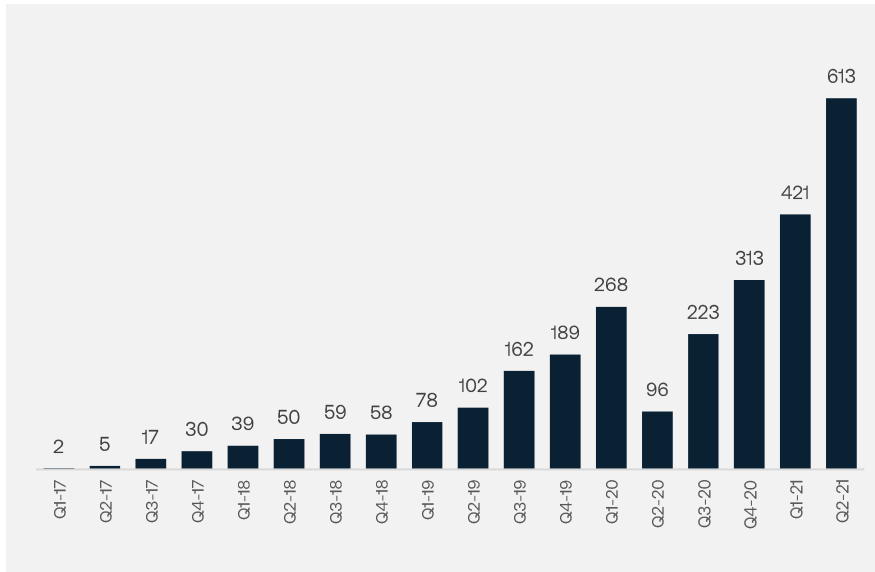


Key facts

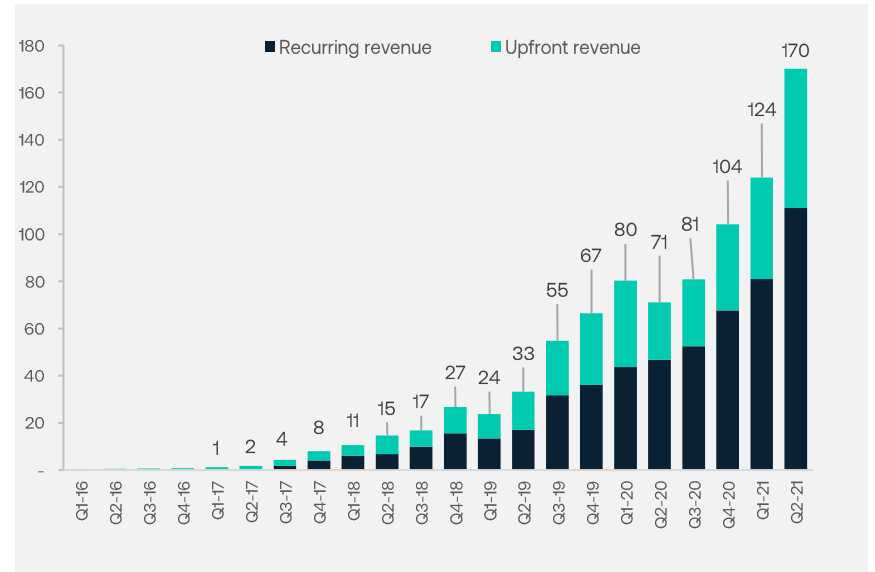
Focus	Asset Focused Ecosystem
Founded	2012
Key region	Brazil
Share of NAV:	41.8%

Fair value	USD 169.0 mln
Investment	USD 73.4 mln
Ownership stake	9.8%
Year of investment	2017

Origination (BRL mln)



Revenue (BRL mln)



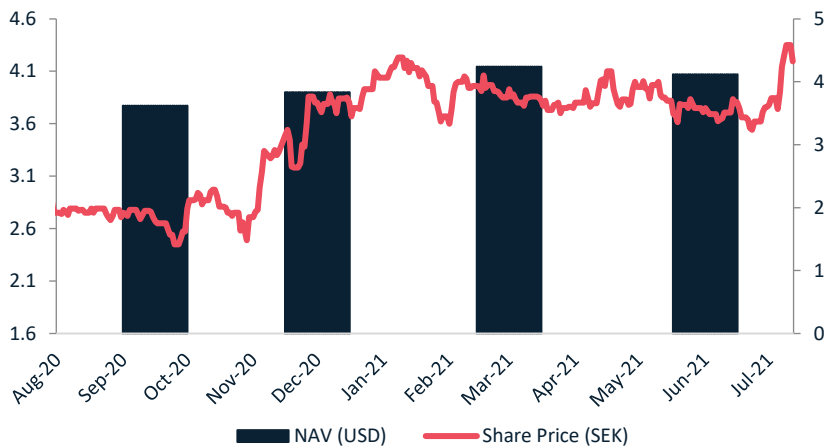
Post our 4Q20 capital raise, value creation continues with Creditas leading the way



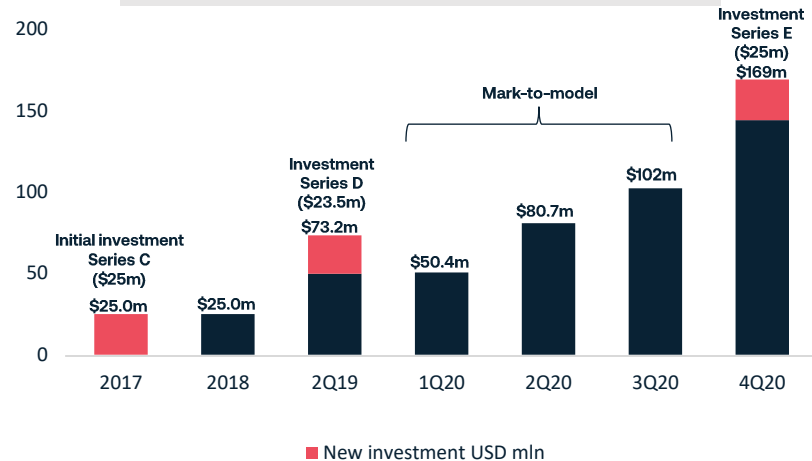
With a loan book now standing at BRL 1.5b and significant strides in the ibuyer space YTD, we see considerable upside in Creditas in the coming months

3Q20	4Q20			1H21	
	VEF raises \$61m in share placement	Creditas \$255m Series E at \$1.75b valuation VEF invests \$25m	Share price and NAV reach record highs	Creditas acquires Bcredi	Creditas invests in Voltz; growing 2x pa; broadening asset focused ecosystem on path to IPO
VEF NAV \$268m	\$388m			\$404m	

VEF NAV/share and share price performance



Creditas stake valuation



Key facts

Focus	Diversified financial services for Mexican SMBs
Founded	2014
Key region	Mexico
Share of NAV:	18.7%

Fair value	USD 75.4 mln
Investment	USD 47.3 mln
Ownership stake	10.6%
Year of investment	2018



Mapping Konfio's Products, The External View

Konfio is increasingly covering the most relevant product/service needs for SMEs

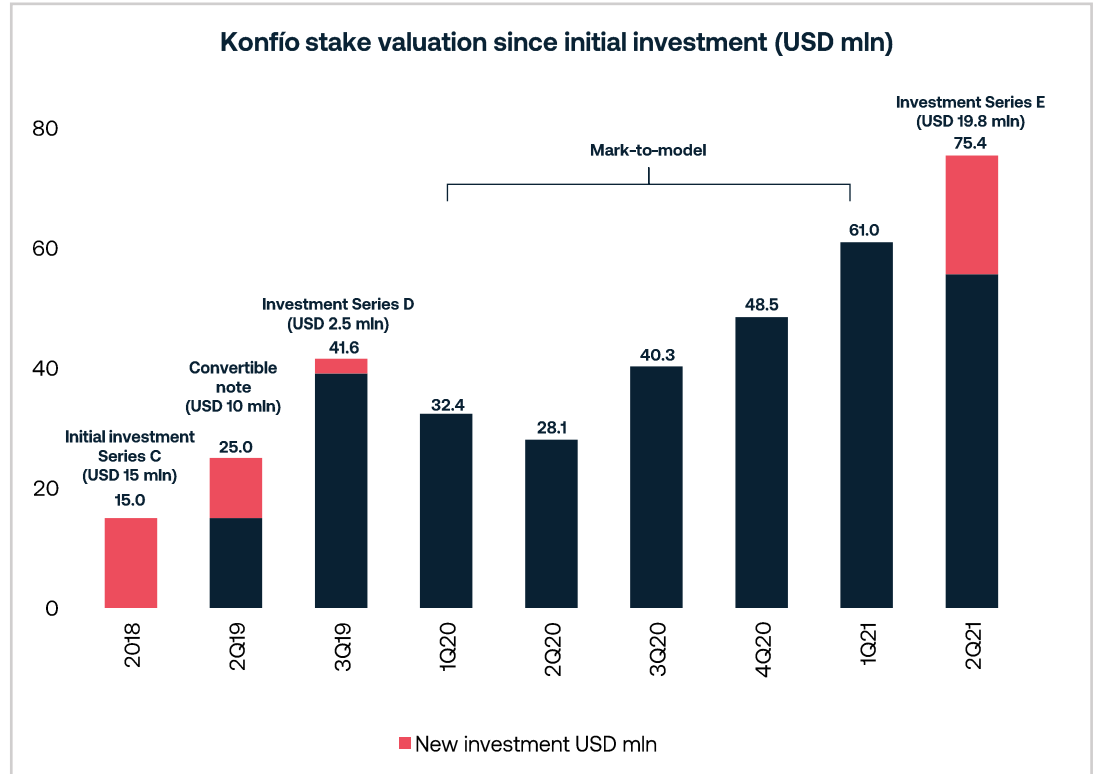


- Internally developed
- Acquired
- Under construction
- Future

Konfio – Latest funding round/valuation evolution

Series E Fundraising

- In 2Q21 Konfio raised a USD 125m Series E funding round, with VEF doing super pro rata, USD 19.8m.
- The round was led by new investor Lightrock, with participation from existing investors Softbank, Kaszek Ventures, QED Investors, IFC and new investor Tarsadia Capital.
- Post the fundraising, Konfio now accounts for 18.6% of VEF’s NAV.
- Starting with their core credit product, Konfio has expanded to now offer 2 additional strategic offerings: payments and business management tools. The financing round will allow the company to drive both organic and inorganic growth, and generally expand the value of the ecosystem of products it delivers to SMBs.



Key facts

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

Fair value	USD 0.9 mln
Investment	USD 0.9 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 investmetns 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.



Abhi raised their USD 2 mln seed round in June 2021, led by VEF and with participation from international and local investors including Village Global, Sarmayacar, i2i Ventures, Zayn Capital, and Portman Wills, the co-founder and CTO of Wagestream.



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

Key facts

Focus	Online trucking platform
Founded	2015
Key region	India
Share of NAV:	2.5%

Fair value	USD 10 mln
Investment	USD 10 mln
Ownership stake	1.0%
Year of investment	2021

At VEF, we are experiencing an attractive and growing pipeline of 'embedded fintech' opportunities and BlackBuck represents our first investment in this space and our third investment in India

BlackBuck is the largest online trucking platform in India and currently drives 90%+ market share of all online trucking activity. It is leading a transformation in the India logistics industry, which is fast moving from paper & pencil to digital.

BlackBuck digitizes fleet operations for truckers (providing predominantly payments solutions around tolls and fuel) and operates a marketplace matching trucks with relevant loads.

Blackbuck is a leader in its category and has built several unique solutions for Indian truckers. 35% of India's trucking toll spend today happens through BlackBuck.

The company achieved unicorn status in the last concluded round. Alongside VEF, Blackbuck is supported by multiple global investors including Accel, B Capital, Goldman Sachs, IFC, Sands Capital, Sequoia, Tiger Global, Tribe Capital, and Wellington Management.

Blackbuck in figures



1.2m+
Number of trucks on the platform



#1
India's largest trucking network



700k+
Number of truckers on Blackbuck platform



15m+
Monthly transactions



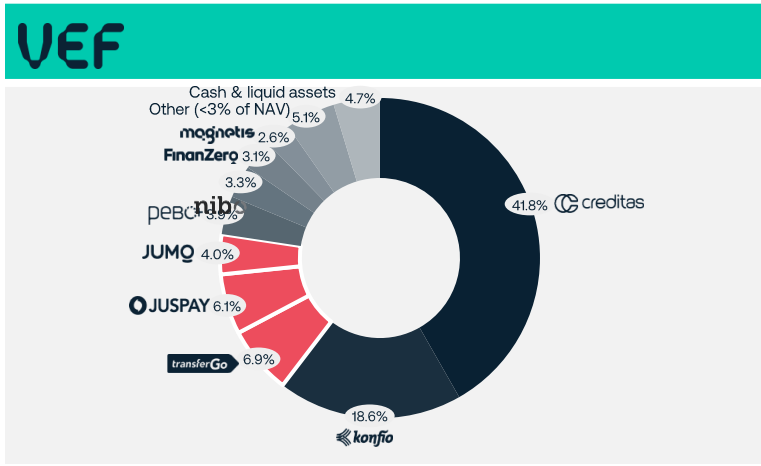
10k+
Number of SME and enterprises customers



1,000+
Industrial hubs connected by Blackbuck

Portfolio companies in focus

TransferGo, Juspay and JUMO are three of VEF's portfolio companies in focus



JUSPAY 6.1% of NAV

~\$50 bln Annualized GMV (Jun'21)	80% Market share of Juspay clients in digital payments
~7.3 mln Average transactions per day (Jun'21)	250 mln+ SDK installs
~2x Growth in transactions per day in last 2 years	200%+ M12 revenue retention of enterprise clients

transferGo 6.9% of NAV

- The recent listing of WISE in London is a strong comp for TransferGo.

Stats at Jul21 direct listing:

£ 2 tln Consumer cross-border money transfer market in 2020, reaching £ 3 tln by 2026	2.5% Wise market share (2021)
£ 9.3 bln Market cap, up 16% from direct listing at £ 8 bln*	15-16x NTM EV/revenue multiple at direct listing

JUMO 4.0% of NAV

+\$3 bln Cumulative disbursements (May'21)	+\$1.2 bln Annualized disbursements (May'21)
18.2 mln Total customers (May'21)	115 mln Integrated telco subscribers – potential JUMO customers
2.6x YoY revenue growth (May'21)	92% Off-balance sheet funding

* Market cap as of 20-Jul-21; direct listing on 7-Jul-21

ESG: Redomestication and new board member

Redomestication from Bermuda to Sweden complete

- The redomestication of our parent company from Bermuda to Sweden was completed at the end of June.
- Following the domicile change, VEF shares now trade under the ticker [VEFAB](#).
- Our new structure ensures that VEF is a long-term sustainable company and an attractive investment for all types of investors, and is an important step in our ESG journey.



Welcoming new board member, Hanna Loikkanen

- Following her election at our May AGM, we are delighted to welcome Hanna Loikkanen as a new member of the VEF Board of Directors.
- Hanna's extensive experience in financial services, private equity and ESG across emerging and frontier markets will be invaluable to VEF in the years ahead.



Outlook for 2021 and beyond: the VEF investment case



VEF provides unique access to one of the most exciting value creation spaces within emerging markets.



NAV continues to reach new highs and a strong basis for continued growth

YTD 2021 has started where 2020 left off and we remain encouraged by all we see in our portfolio. If anything we can see this trend accelerating in 2H21 versus 1H21.



Creditas, compounding from a larger base

The value of VEF's position in portfolio North Star, Creditas, accounts for 42% of VEF's total NAV. Growing at a run-rate north 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. IPO targeted for 2022.



Portfolio break outs and ones to watch – Konfio, our next Creditas – Juspay, Jumo and TGo in focus

Through 2021, we see clear potential for other names within the portfolio to break out and scale within their focus space and geographies. Top of list, Konfio, exceptionally well-funded and delivering on its diversified SME financial services platform. Juspay, Jumo and TGo are all stories starting to break out and can have meaningful future NAV impact.



ESG: VEF moves jurisdiction to Sweden; portfolio companies at the front line of sustainable finance

We recently announced the completion of our domicile change from Bermuda to Sweden, an important step in our ESG journey and in ensuring that VEF is a long-term sustainable company and an attractive investment for all types of investors. Many of our companies drive financial inclusion and fairness within their focus ecosystems.



Fintech theme gathering momentum – long a portfolio of strong assets, rich pipeline in the works

YTD 2021 has easily been the busiest period on the pipeline front in our history. We have engaged with over ~145 opportunities YTD in our core geographies, vis-à-vis 130 for all of 2020. While we continue to see a healthy pipeline flow, we maintain our focus, patience and diligence in the current climate. We have made just 1 new investment from the 2021 funnel cohort, but expect to complete more by YE21.



Key risks

Uncertain macro and markets outlook from ongoing COVID spread.

Appendix

2Q21 income statement















Expressed in USD thousands	Note	1H 2021	1H 2020	2Q 2021	2Q 2020
Result from financial assets at fair value through profit or loss ¹	3	19,533	-24,072	3,229	37,703
Dividend and coupon income		194	197	97	100
Other income		-	60	-	60
Total operating profit		19,727	-23,815	3,326	37,863
Administrative and operating expenses		-3,818	-1,643	-2,902	-861
Employee incentive programs	4	-198	-243	-69	-524
Total operating expenses		-4,016	-1,886	-2,971	-1,395
Operating result		15,711	-25,701	355	34,468
Financial income and expenses					
Interest income/expense, net		63	-3	-	-3
Currency exchange gains/losses, net		-9	265	133	254
Net financial items		54	262	133	251
Result before tax		15,765	-25,439	488	37,719
Taxation		-14	-7	-8	-7
Net result for the period		15,751	-25,446	480	36,712
Earnings per share (in USD) ²		0.02	-0.04	0.00	0.06
Diluted earnings per share (in USD) ³		0.02	-0.04	0.00	0.06

1. Financial assets at fair value through profit or loss are carried at fair value. Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category is presented in the income statement within 'Result from financial assets at fair value through profit or loss' in the year in which they arise.
2. Earnings/share is defined as result for the period divided by average weighted number of shares for the period.
3. Diluted earnings/share is defined as result for the period divided by average weighted number of shares for the period calculated on a fully diluted basis.

2Q21 balance sheet

Expressed in USD thousands	Note	Jun 30, 2021	Dec 31, 2020
NON-CURRENT ASSETS			
Tangible non-current assets			
Property, plant and equipment		161	211
Total tangible non-current assets		161	211
Financial non-current assets			
Financial assets at fair value through profit or loss	3		
Equity financial assets		385,913	333,952
Liquid financial assets		11,719	48,205
Other financial assets		-	-
Total financial non-current assets		397,632	382,157
CURRENT ASSETS			
Cash and cash equivalents			
		7,167	4,224
Tax receivables			
		68	58
Short-term loan receivables			
		-	2,176
Other current receivables			
		160	114
Total current assets		7,396	6,572
TOTAL ASSETS		405,188	388,940
SHAREHOLDERS' EQUITY (including net result for the financial period)		404,251	388,066
NON-CURRENT LIABILITIES			
Interest-bearing liabilities			
Long-term (lease) liabilities		34	70
Total non-current liabilities		34	70
CURRENT LIABILITIES			
Non-interest-bearing current liabilities			
Other current liabilities		194	192
Tax expenses			
		35	85
Accrued expenses			
		675	527
Total current liabilities		903	804
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		405,188	388,940

VEF portfolio summary

Company	Country	Segment	Inv. date	Ownership %	Invested amount (USD mln)	Jun'21 fair value (USD mln)
 creditas	Brazil	Asset focused Ecosystem	Dec-17	9.8%	73.4	169.0
 konfio	Mexico	Diversified FS for Mexican SMBs	Jun-18	10.6%	47.3	75.4
 transferGo	Emerging Europe	Cross-Border Remittances	Jun-16	14.3%	13.9	27.8
 JUSPAY	India	Mobile Payments Platform	Apr-20	9.9%	13.0	24.7
 JUMO	Africa	Mobile Money Marketplace	Oct-15	6.8%	14.6	16.3
 PEBÜ+	Russia	Payments & Consumer Credit	Sep-15	23.0%	6.7	15.7
 nibo	Brazil	Accounting SaaS provider for SMEs & accountants	Apr-17	20.1%	6.5	13.4
 FinanZero	Brazil	Consumer Credit Marketplace	Mar-16	18.0%	5.7	12.6
 magnetis	Brazil	Digital Investments	Sep-17	17.5%	5.7	10.5
 FINJA	Pakistan	Digital Lending & Payments	Jul-16	22.8%	3.2	7.4
 rupeek	India	Secured Lending Platform	Mar-21	1.4%	7.0	7.0
 XERPA	Brazil	HR & Payroll Management	Sep-19	16.0%	8.5	4.8
 abhi	Pakistan	Salary on Demand	Jun-21	15.0%	0.9	0.9
 minu	Mexico	Salary on Demand	Mar-21	1.2%	0.5	0.5

VEF

USD 386 mln
(excl. cash and liquid assets)

Portfolio NAV distribution by geography – ex cash

