



The emerging market fintech investor

Results Presentation

FY 2021

Recent highlights



Ending 2021 with record NAV mark – USD 762 mln

2021 closed out with our USD NAV almost doubling YoY to USD 762 mln while our USD NAV per share was up over 55% YoY. One of our strongest years of performance since inception.



Creditas closes largest funding round to date with marquee investors

Creditas closed its largest funding round to date, a USD 260 mln Series F fund-raise. It was significant to see quality public market investors of note; Fidelity, Wellington and Advent all investing as part of this round as Creditas continues to build momentum towards a public listing.



SoftBank leads Juspay's USD 60 mln Series C round

VEF announced a USD 6 mln follow-on investment (USD 4 mln first close in 2021) into Juspay - India's leading payment technology platform - as part of a broader USD 60 mln round led by Softbank with participation from Wellington Management.



VEF's key investors increasingly investing directly into our portfolio holdings

We consider it a very encouraging trend to see some of our key shareholders crossing over to late-stage private investing and directly backing some of our portfolio names. In 2H21 alone, Fidelity invested into both Creditas and JUMO, while Wellington invested into Creditas and Juspay.



Top 5 portfolio names (81% of NAV) all well-funded

As we traverse volatile markets, we gather great 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 the full year if need be.



Market backdrop and volatility

Never ignorant of the public markets into which our private company portfolio is embedded, besides pressure on VEF share price, we are very aware and are monitoring all aspects of the current volatile market backdrop.

FY 2021 financial highlights

NAV

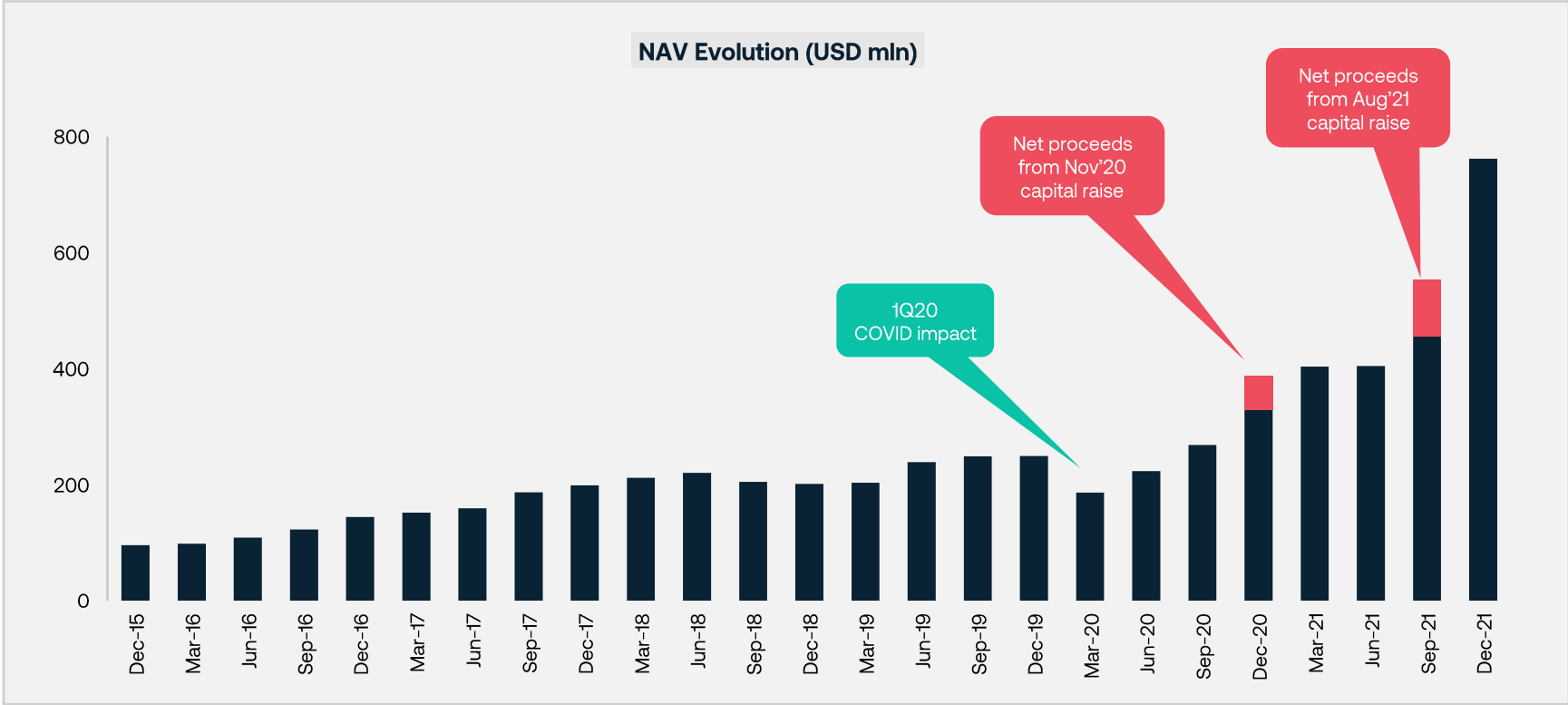
- NAV of VEF's portfolio increased during FY21 to USD 761.7 mln. NAV per share increased by 56.2% to USD 0.73 per share during FY21.
- In local currency, NAV increased to SEK 6,885 mln. NAV per share increased by 72.3% to SEK 6.61 per share during FY21.
- Cash position, including liquidity investments, was USD 61.8 mln at the end of FY21.

Financial result

- Net result for 4Q21 was USD 208.0 mln (4Q20: USD 60.5 mln). Earnings per share were USD 0.22 (4Q20: USD 0.08).
- Net result for FY21 was USD 275.5 mln (FY20: USD 79.5 mln). Earnings per share were USD 0.30 (FY20: USD 0.11).

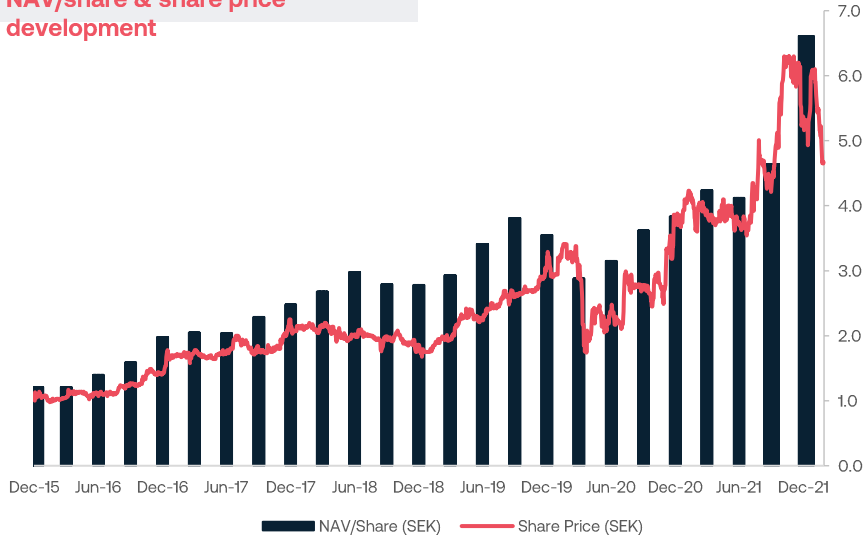
	FY19	FY20	FY21
NAV (USD mln)	249.4	388.1	761.7
NAV (SEK mln)	2,325	3,178	6,885
NAV per share (USD)	0.38	0.47	0.73
NAV per share (SEK)	3.55	3.83	6.61
VEFAB share price (SEK)	2.94	4.04	6.05

NAV reaches a new high of USD 762 mln



Share price, NAV/share and the premium/discount

NAV/share & share price development



Premium/(Discount) to NAV



Key figures

\$762M

NAV
(4Q21)

\$520M

Market cap
(28-Jan-22)

SEK 6.61

NAV/share
(4Q21)

SEK 4.67

Share price
(28-Jan-22)

Portfolio evolution through 4Q21

- We have 14 holdings as of 4Q21, diversified by geography, business type and stage of development.
- In 4Q21, we made four follow-on investment:
 - USD 25 mln into Creditas
 - USD 6 mln into Juspay (USD 4 mln in first close)
 - USD 5 mln into Rupeek
 - USD 450 k into Abhi

Portfolio focus & concentration

- Brazil and broader LatAm account for 56%/74% of our NAV.
- Creditas is our clear largest holding at 52% of total NAV and continuing to compound off a larger base.
- Top 2 holdings are 70% / top 5 are 81% of NAV.

Cash position

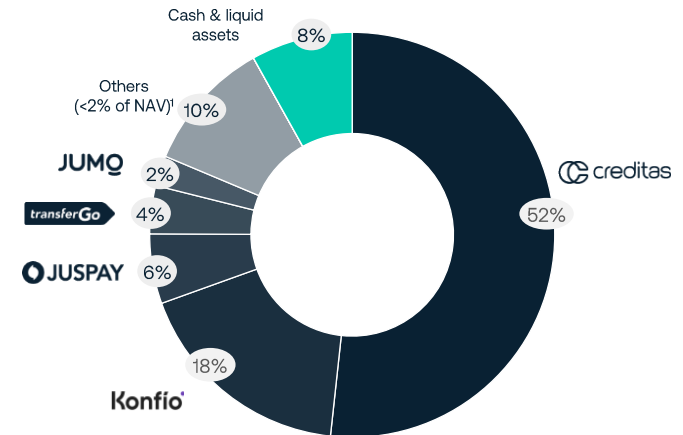
- USD 62 mln cash position post private placement in Aug-21.

Pipeline

- Pipeline busier than ever (we looked at 300+ deals in 2021 vis-à-vis 131 in 2020) and we expect to convert more new investments in the coming months.

VEF portfolio NAV as of 31-Dec-2021

USD 762 mln



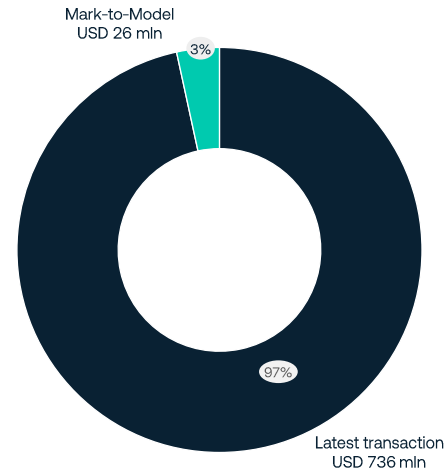
We have a defensive mindset in windows like this, but are comforted that all our size portfolio companies are well funded and don't need to test markets in this window.

Portfolio Valuation

- We have a strong market track record of reducing as well as increasing portfolio marks should the moment merit it.
- We have always had a conservative bias towards valuation at VEF.
- We are grounded in public markets through history and our listed status.
- Only two VEF holdings currently valued by mark-to-model – REVO and Nibo, the other twelve are transaction based.
- Large public market investor involvement in Creditas, Juspay and JUMO's funding rounds in 2H21.

Key that portfolio companies continue to deliver strong growth. Besides the broad sector de-rating, we see much micro-level performance issues in emerging market public fintech.

NAV valuation model





Key facts

Focus	Asset Focused Ecosystem
Founded	2012
Key region	Brazil
Share of NAV:	51.7%

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 eduring 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 3Q21, Creditas' loan portfolio reached BRL 2.9 bln up 181% yoy, with 3Q21 revenues of BRL 257 mln up 50% QoQ and over 3x YoY.



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

Creditas in figures

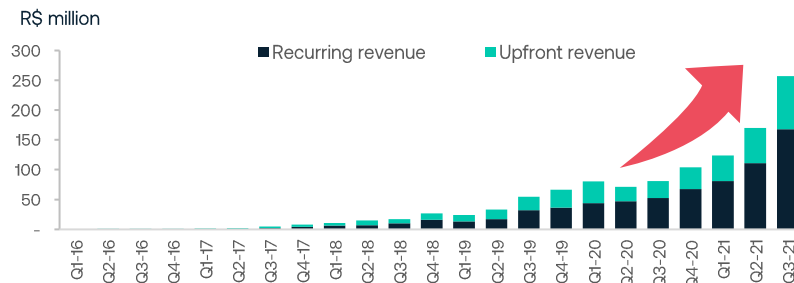
R\$2.9 bln
LENDING
portfolio

269k
ACTIVE
customers

+R\$1.1
BILLION
in annualized revenues

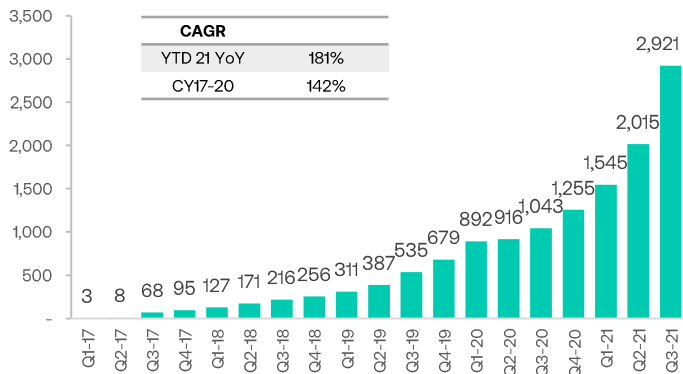
55%
GROSS MARGIN
of credit portfolio

Quarterly revenue 2013-2021 – 65% of revenue is recurrent

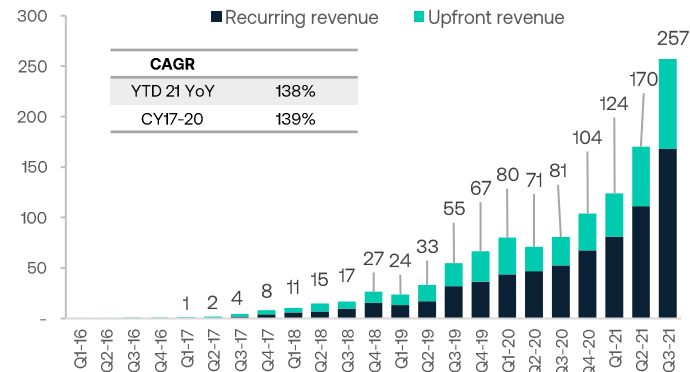


Creditas' strong business model is reflected well in its financial metrics

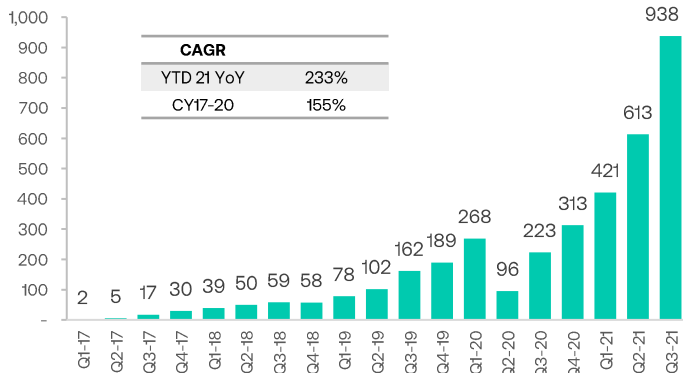
Credit Portfolio (R\$ million)



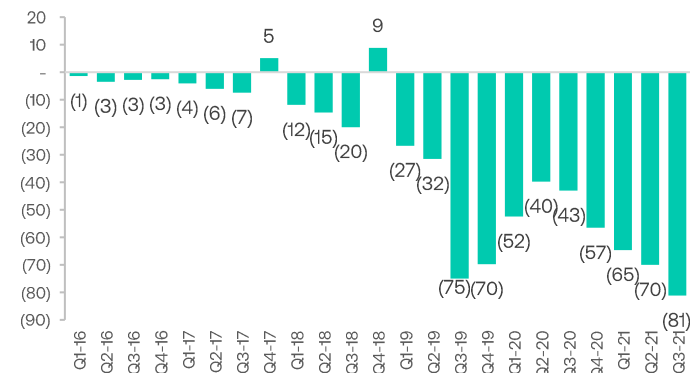
Revenue (R\$ million)



New Loan Origination (R\$ million)



Net Income (R\$ million)



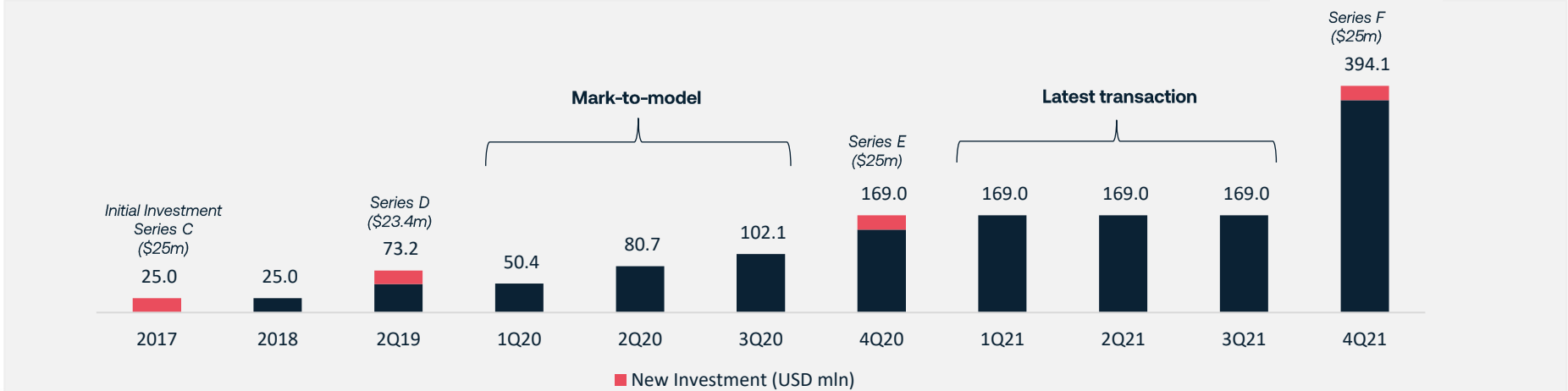
Creditas, product suite rollout and value creation history



With a loan book now standing at BRL 2.9b and significant strides in the ibuyer space, we see considerable upside in Creditas in the coming months

3Q20	4Q20		1H21		3Q21				
	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 Dec 2021



India's leading mobile payments platform for online merchants

Key facts

Focus	Mobile Payments
Founded	2012
Key region	India
Share of NAV:	5.6%

Fair value	USD 42.4 mln
Investment	USD 17.0 mln
Ownership stake	9.7%
Year of investment	2020



Juspay is India's leading mobile payments platform for online merchants.



India has one of the most advanced and complex electronic payment infrastructures globally, resulting in friction and challenges for merchants and banks in the country.



Juspay solves these challenges for customers with their unifying layer of products and value-added services, with more than 250 mln downloads of its SDK.



Juspay improves conversion rates for merchants and others in the payment value chain, facilitating ~USD 75 bln of annualised GMV and ~8 mln transactions per day*.



In Dec-21, Juspay successfully raised a USD 60 mln series C round led by Softbank with participation from VEF and Wellington (existing investors).

Juspay in figures



~\$75 bln

Annualized GMV (Dec'21)



80%

Market share of Juspay clients in digital payments



~8 mln

Average transactions per day (Dec'21)



+250 mln

SDK installs



~2x

Growth in transactions per day in last 2 years



+200%

M12 revenue retention of enterprise clients



+160

Total number of enterprise clients and merchants



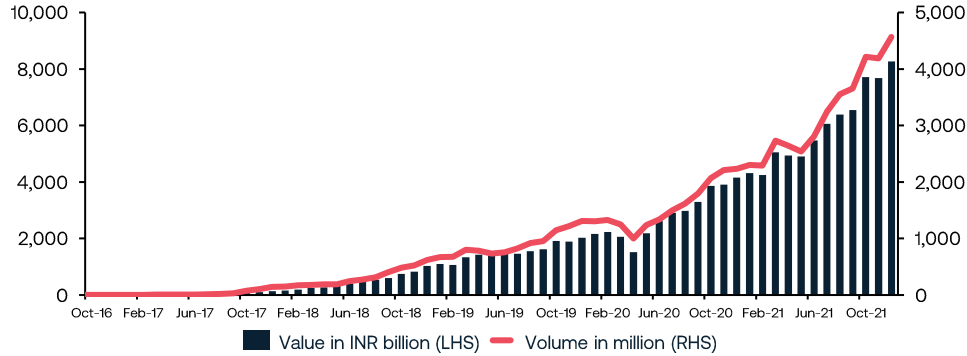
<1%

Monthly merchant churn

Digital payments are witnessing exponential growth in India and Juspay is well positioned to capitalize on the huge opportunity

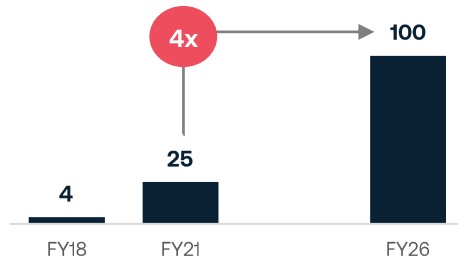
UPI is fast becoming the most favored method of digital payment....

Value and volume of UPI transactions in India

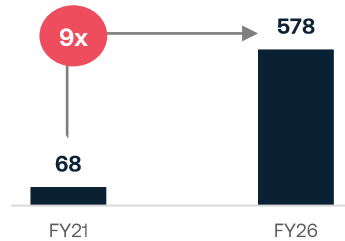


....projected to witness exponential growth over next 5 years

Number of UPI transactions

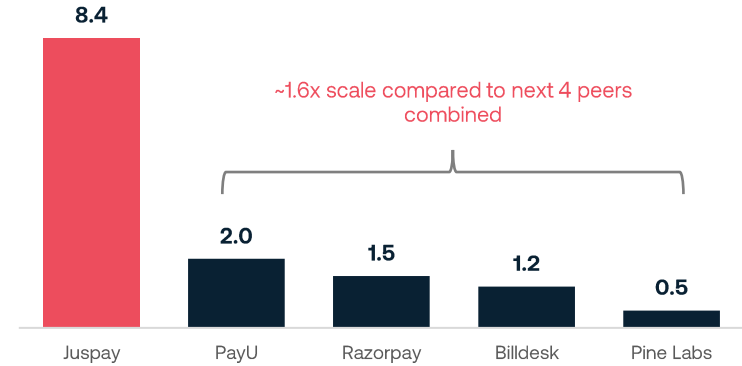


Value of UPI transaction (USD billion)

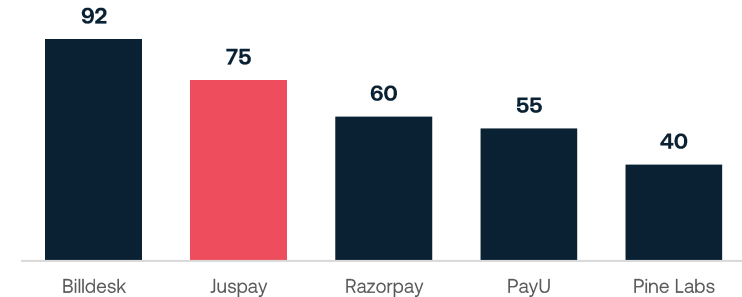


Juspay has achieved ~1.6x scale compared to next four peers combined

Transactions per day in millions



Total annualized payments volume (USD billion)

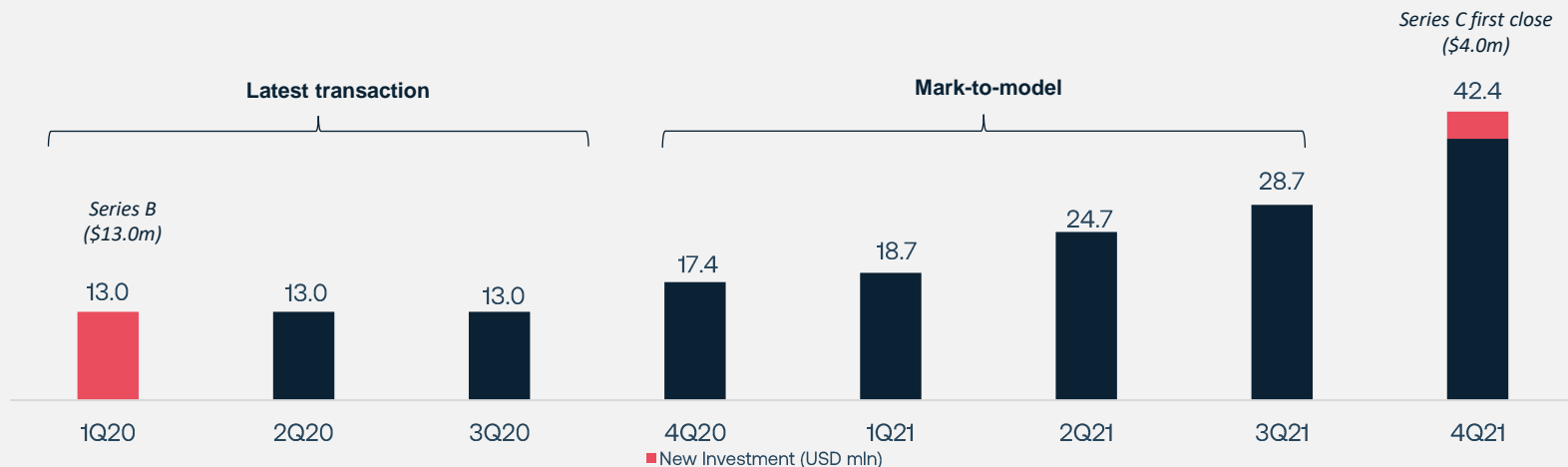


* As per latest available data

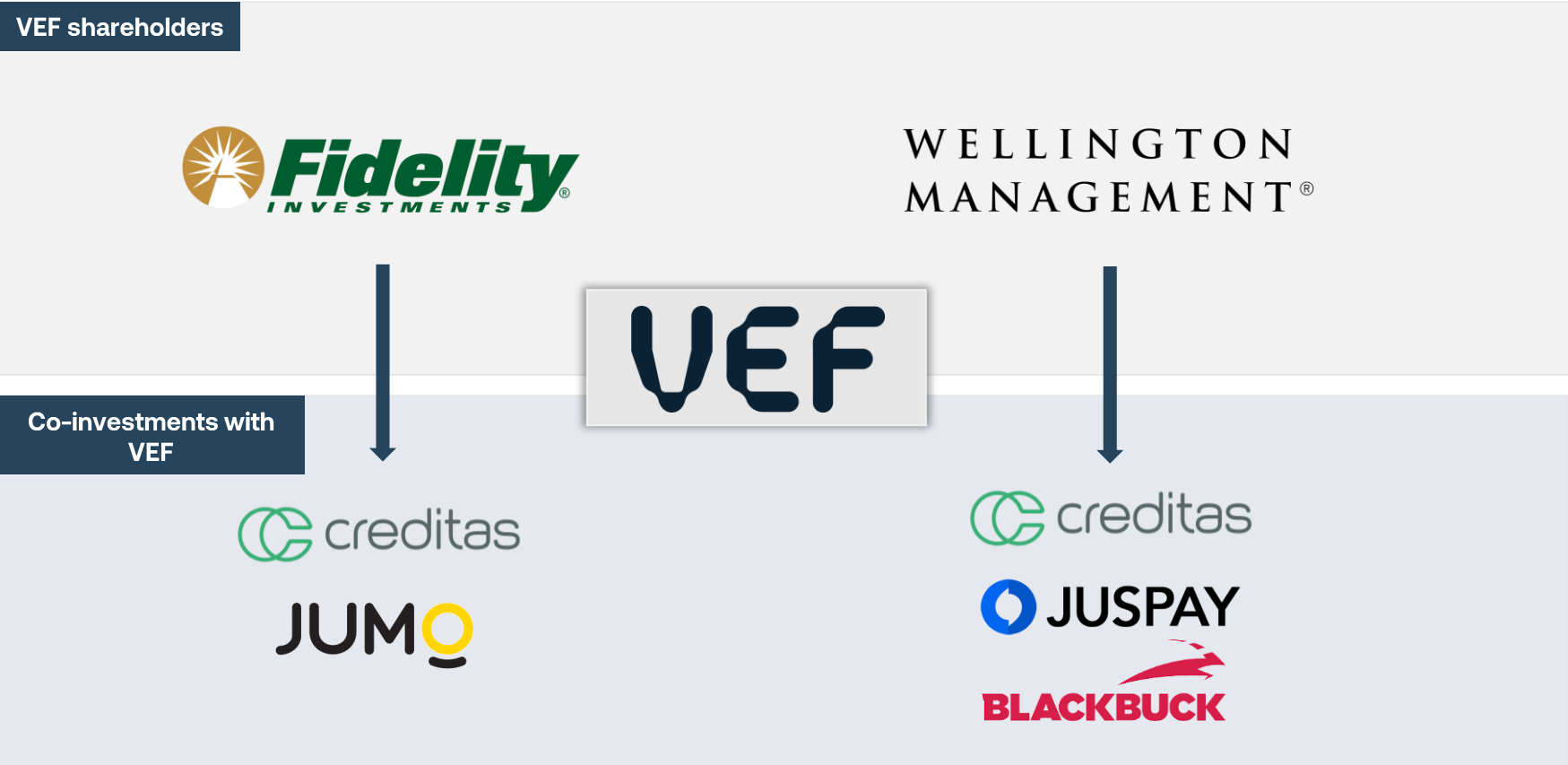
Strong value creation history at Juspay with a successful series C fundraise (Dec'21)

2020			2021		
VEF	amazon b bigbasket SWIGGY	amazon pay G Pay	UNIFIED BNPL FOR CHECKOUT	VISA	SoftBank
VEF invests \$13m in Juspay, leading its series B round. VEF's shareholder Wellington co-invests alongside VEF in the same round.	Strong growth in processed volumes with Dec-21 annualized TPV of ~\$75b growing 125% YoY.	Successfully launches a highly reliable UPI stack for merchants and a first of its kind, On-Cloud UPI Payment Service Provider (PSP) to power large transaction volumes for banks.	Launches a BNPL product at checkout for consumers and merchants. Also building an SME financing marketplace to offer merchants greater access to credit.	Launches India's first Card-on-File tokenization service for merchants in partnership with Visa	Juspay raises \$60m Series C funding round led by Softbank with VEF participation of \$6.0m (first close of \$4.0m in 2021).
VEF NAV	\$388m		\$762m		

Juspay was valued at ~\$460m* in the latest Series C fund-raise led by Softbank



History of co-investing alongside some of our largest shareholders in our later-stage portfolio companies



VEF investment case and outlook



NAV continues to reach new highs with a strong base for continued growth

2021 was another strong year for our firm and portfolio as reflected through our NAV performance. Irrespective of market headwinds, we feel comfortable that we have a portfolio of assets that should continue to compound in value over time.



Creditas – remains key for value unlock 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 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. Creditas will be IPO ready in 2022 and this event will be a big catalyst for VEF.



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

Through 2022, we see clear potential for other names within the portfolio to break out and scale within their focus space and geographies. Key positive is that all top 5 holdings (Creditas, Konfio, Juspay, TransferGo and JUMO) do not just continue to trend well, but also raised significant capital in 2H21, leaving them well-placed for growth tailwinds and market headwinds alike in 2022.



Market headwinds

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.



Some exciting pipeline to convert in 1Q22

We expect to close and announce three new deals in the first months of 2022, in Brazil and Pakistan. We looked at over 300 deals in 2021 and are converting about 1%, as we continue to raise the investment bar for what enters our portfolio.



Key risks

Uncertain macro and markets outlook.

Appendix

FY21 income statement

Expressed in USD thousands	Note	FY 2021	FY 2020	4Q 2021	4Q 2020
Result from financial assets at fair value through profit or loss		284,574	84,672	210,696	63,548
Dividend and coupon income		388	391	96	97
Other income		8	72	-	-
Administrative and operating expenses		-7,367	-3,255	-2,113	-873
Employee incentive programs		-1,578	-2,743	-601	-2,378
Operating result		276,026	79,137	208,078	60,394
Financial income and expenses					
Interest income/expense, net		57	2	-5	7
Currency exchange gains/losses, net		-547	389	-75	121
Net financial items		-490	391	-80	128
Result before tax		275,536	79,528	207,998	60,522
Income tax		-23	-74	-9	-51
Net result for the period		275,513	79,454	207,989	60,471
Earnings per share (in USD) ¹		0.30	0.11	0.22	0.08
Diluted earnings per share (in USD) ²		0.30	0.11	0.22	0.08















1. Earnings/share is defined as result for the period divided by average weighted number of shares for the period.

2. Diluted earnings/share is defined as result for the period divided by average weighted number of shares for the period calculated on a diluted basis.

FY21 balance sheet

Expressed in USD thousands	Note	Dec 31, 2021	Dec 31, 2020
NON-CURRENT ASSETS			
Tangible non-current assets			
Property, plant and equipment		102	211
Total tangible non-current assets		102	211
Financial non-current assets			
Financial assets at fair value through profit or loss			
Equity financial assets		700,311	333,952
Liquid financial assets		50,642	48,205
Other financial assets		27	-
Total financial non-current assets		750,980	382,157
CURRENT ASSETS			
Tax receivables		109	58
Short-term loan receivables		-	2,176
Other current receivables		387	114
Prepaid expenses and accrued income		138	-
Cash and cash equivalents		11,131	4,224
Total current assets		11,765	6,572
TOTAL ASSETS		762,847	388,940
SHAREHOLDERS' EQUITY (including net result for the financial period)		761,728	388,066
NON-CURRENT LIABILITIES			
Interest-bearing liabilities			
Long-term liabilities		-	70
Total non-current liabilities		-	70
CURRENT LIABILITIES			
Non-interest-bearing current liabilities			
Other current liabilities		672	192
Tax liabilities		51	85
Accrued expenses		396	527
Total current liabilities		1,119	804
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		762,847	388,940

VEF portfolio summary

Company	Country	Segment	Inv. date	Ownership %	Invested amount (USD mln)	Dec'21 fair value (USD mln)
 creditas	Brazil	Asset focused Ecosystem	Dec-17	8.9%	98.4	394.1
 Konfio	Mexico	Diversified FS for Mexican SMBs	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	29.3
 JUMO	Africa	Mobile Money Marketplace	Oct-15	4.6%	14.6	18.4
 pebco+	Russia	Payments & Consumer Credit	Sep-15	23.0%	6.7	13.2
 rupeek	India	Secured Lending Platform	Mar-21	1.7%	12.0	13.1
 nibo	Brazil	Accounting SaaS provider for SMEs & accountants	Apr-17	20.1%	6.5	12.6
 FinanZero	Brazil	Consumer Credit Marketplace	Mar-16	18.4%	4.2	11.9
 magnetis	Brazil	Digital Investments	Sep-17	17.5%	5.7	10.5
 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

VEF

USD 700 mln
(excl. cash and liquid assets)

Portfolio NAV distribution by geography – excl. cash

