VEF portfolio company Abhi IPOs its Pakistani business

VEF AB (publ) ("VEF") portfolio company Abhi has successfully listed its Pakistan business on the Pakistan Stock Exchange today where it attracted strong investor demand. The IPO marks the first fintech IPO in Pakistan and is a true milestone event, for Abhi, VEF and the fintech ecosystem in Pakistan.

Abhi's Pakistan business is a merger of its core earned wage access and working capital lending business with the opportunistic acquisition of a micro finance bank, which provided them with regulatory license, customers and a broader product suite. Since the acquisition and merger, Abhi has swiftly transformed a loss-making, branch-based microfinance model into a fast growth, profitable digital-first bank, offering deposits and lending to retail and micro-enterprise customers in Pakistan, Abhi Microfinance Bank. Abhi Group holds c.70% of Abhi Microfinance Bank post-IPO. It issued 132m new primary shares in the IPO, raising c. USD 7.4m.

VEF led Abhi Group's seed round in 2021 with an investment of USD 0.9m, making a rare early-stage investment to back the company's vision of expanding financial access for underserved individuals and businesses initially in Pakistan and then into neighbouring markets. VEF has invested USD 1.8m in Abhi in total. Since VEF's first investment, Abhi has transformed from a pioneering earned wage access provider into one of MENAP's fastest-growing fintech platforms, building a full-stack ecosystem spanning lending, payments, digital banking, and SME finance. VEF holds an indirect stake in Abhi Microfinance Bank through Abhi Group and has not sold any shares in the IPO.

Dave Nangle, CEO at VEF, comments:

"This is a key milestone for Abhi and the Pakistan fintech ecosystem, and shows how far Abhi has come, from an idea on the back of a napkin to a true fintech champion in Pakistan and the broader MENAP region. Congratulations to Abhi founders Omair Ansari and Ali Ladhubhai and the whole team at Abhi and Abhi Microfinance."

About Abhi

Abhi is a financial services company serving individuals and small businesses across Pakistan and the GCC. Omair Ansari and Ali Ladhubhai founded Abhi in 2021 with a focus on earned wage access, which gives salaried employees their earned wages ahead of payday. In Pakistan, it has since added a broad range of financial services all delivered through a fully regulated licence, while expanding the business successfully into the UAE, Saudi Arabia and Oman. Abhi now has more than 1 million users through +7,000 partner businesses, with ARR above USD 100m. Its backers include VEF, Speedinvest, Sarmayacar, AlRaedah, Y Combinator and Global Ventures.

Listen to VEF's interview with the founder and CEO Omair Ansari where he shares the story behind building one of the MENAP region's leading fintech platforms here: Abhi CEO Omair Ansari – Building the fastest growing fintech platform of the MENAP region - VEF

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About Us

VEF AB (publ) is an investment company whose Common Shares are listed in Sweden. We invest in growth stage private fintech companies, take minority stakes and are active investors with board representation in our portfolio companies, always looking to back the best entrepreneurs in each market. We focus on scale emerging markets and invest across all areas of financial services inclusive of payments, credit, mobile money and wealth advisors. VEF trades in Sweden on Nasdaq Stockholm's Main Market under the ticker VEFAB. For more information on VEF, please visit http://www.vef.vc.

Attachments

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