VEF

The emerging market fintech investor

Annual Report 2024

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The formal parts of VEF AB (publ)'s annual report consist of an administrative report, financial statements and additional notes on pages 56–87 and has been reviewed by the Company's auditors. The Auditor's report is presented on pages 88–91. The corporate governance report on pages 92–98 has been reviewed by the Company's auditors and the Auditor's report on the corporate governance report is presented on page 99. The sustainability report on pages 34–41 and 100–107 has voluntarily been prepared and has not been subject for review by the Company's auditors. Every care has been taken in the translation of this annual report. In the event of discrepancies, the Swedish original will supersede the English version.

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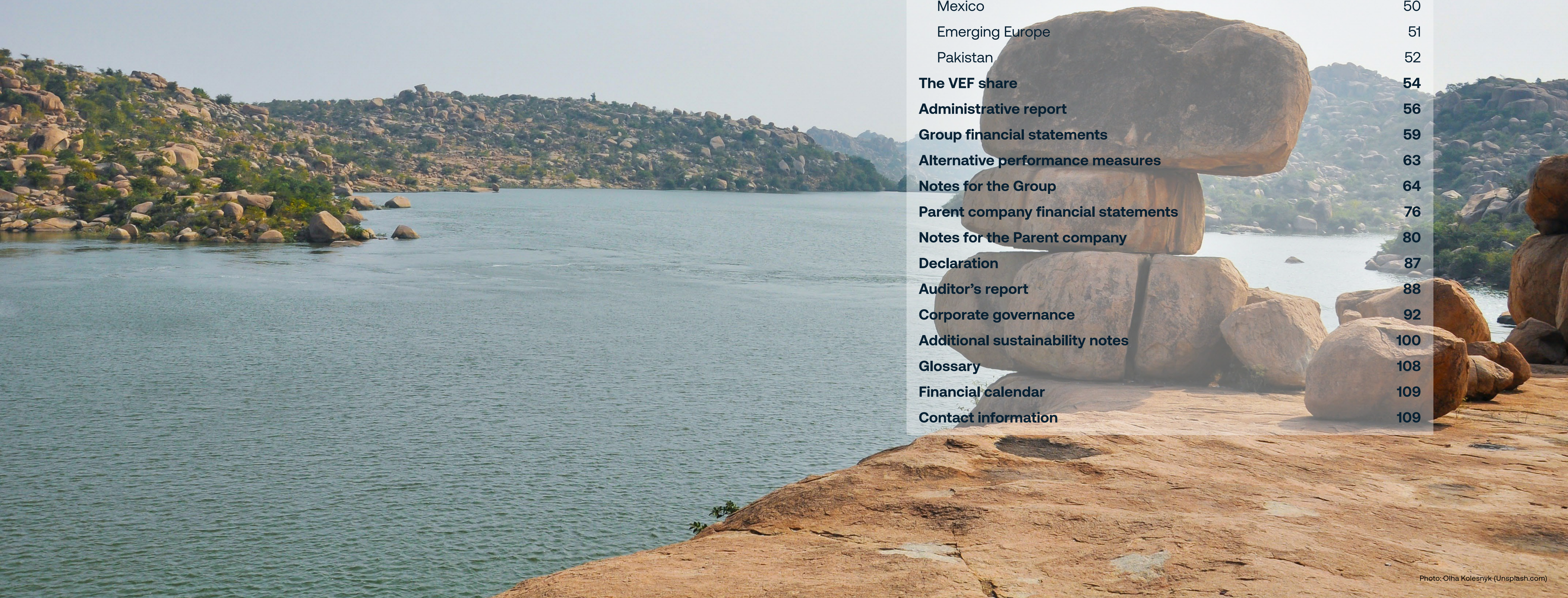

Photo: Olha Kolesnyk (Unsplash.com)

353.0 mln	-20%	3.73	+20%
Net asset value (USD)	Net asset value change 2024 (USD)	Net asset value per share (SEK)	Share price development 2024

VEF – Investors in one of the strongest secular growth trends across some of the world's fastest-growing markets

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2024 in brief

Our USD NAV decreased 20%/USD -89.3 mln YoY. Macro headwinds outweighed solid company performance throughout the year, and more specifically in 4Q24 and in Brazil, where asset prices sold off, having a direct negative effect on our NAV. The three largest NAV movements in USD terms YoY:

- Juspay, USD +9.9 mln, +13%
- Creditas, USD -46.3 mln, -25%
- Konfío, USD -22.5 mln, -24%

In November 2024, we announced our first exit of this cycle and our first in India with the IPO of BlackBuck. VEF partially exited its position, realizing gross proceeds of c. USD 2 mln. From IPO to YE24 BlackBuck's share price increased 72%, valuing our remaining holding at USD 5.2 mln. VEF's lock up period ends in May 2025.

VEF made no investments in 2024.

Creditas delivered a strong performance in 2024 with BRL 2.9 bln in new loan originations (+27% YoY) coupled with strong 45% YoY growth in gross profit. Quarterly gross profit margins returned to their targeted steady state range of 40-45%, recovering from 2022 lows. Since YE23, Creditas has been cash flow positive and self-funding growth, marking a significant turning point in the company's journey.

The performance of our portfolio companies was very encouraging throughout 2024. The 2022–23 process of driving our portfolio companies to break-even was broadly achieved at the start of 2024, with 90%+ of our portfolio value now attaining that key milestone. 2024 has been a window to reignite growth, especially at some of our largest companies like Creditas and Konfío. This is aside from Juspay, where growth never abated and continues to compound profitably, at a growth clip of north of 50%.

Post year end, on March 3, 2025, we announced that Brazilian portfolio company, Gringo, has been acquired by the NYSE listed payments company Corpay. The transaction resulted in net proceeds of USD 15.2 mln for VEF, returning our invested amount.

The emerging market fintech investor

VEF – investors in one of the strongest secular growth trends across some of the world's fastest growing markets.

VEF is an investment company listed on Nasdaq Stockholm. We invest in fast growing private fintech companies across the emerging world. We take minority stakes and are active investors with board representation in most of our portfolio holdings.

We are emerging market and fintech dedicated experienced capital. We are long-term investors and look to back entrepreneurs, and their team, through to exit. Our purpose is to create long-term sustainable value for our shareholders by investing in the future of finance across the emerging world.

Our history

VEF was founded in 2015 as a spin-off from VNV Global, with one portfolio company – Tinkoff Bank, and a vision of becoming the leading fintech investor in the emerging world. Since inception VEF has grown rapidly and has at the release of this annual report made investments in 21 companies (incl. exits), diversified by geography, business type and stage of development – all with standout fintech opportunities in their respective markets. During 2021 the VEF group carried out a domicile change from Bermuda to Sweden and barely one year later, in June 2022, the company was listed on Nasdaq Stockholm Main Market, moving from First North Growth Market.

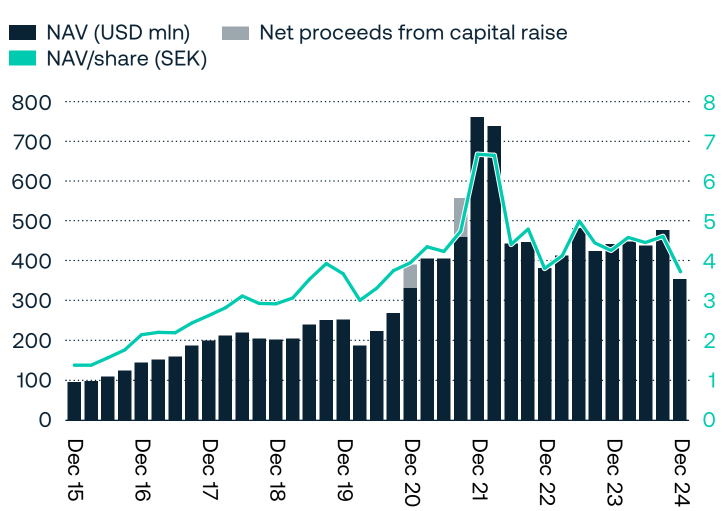
Exits

Since inception, VEF has fully exited seven holdings. Two successful exits from Russia's Tinkoff Bank and Turkey's iyzico:

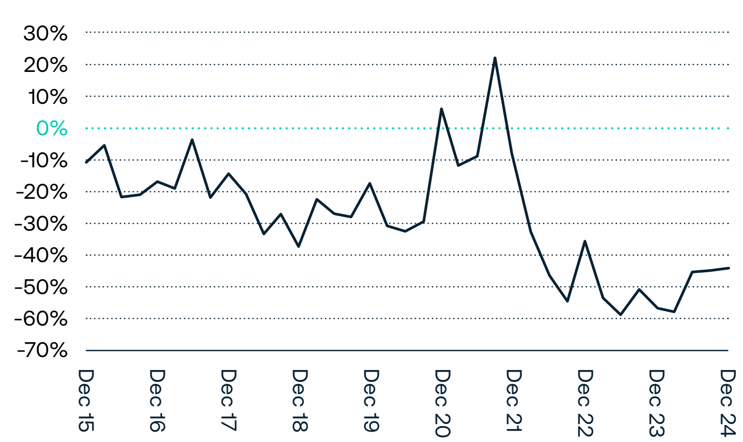
- Tinkoff Bank at 6.1x CoC return and 65% IRR
- iyzico at 3.2x CoC return and 57% IRR,

one value-neutral exit in Brazil's Gringo and four non-value accretive exits in Guiabolso, JUMO, Magnetis and Xerpa. In addition to the full exits, VEF has partially exited its holding in India's BlackBuck through their November 2024 IPO.

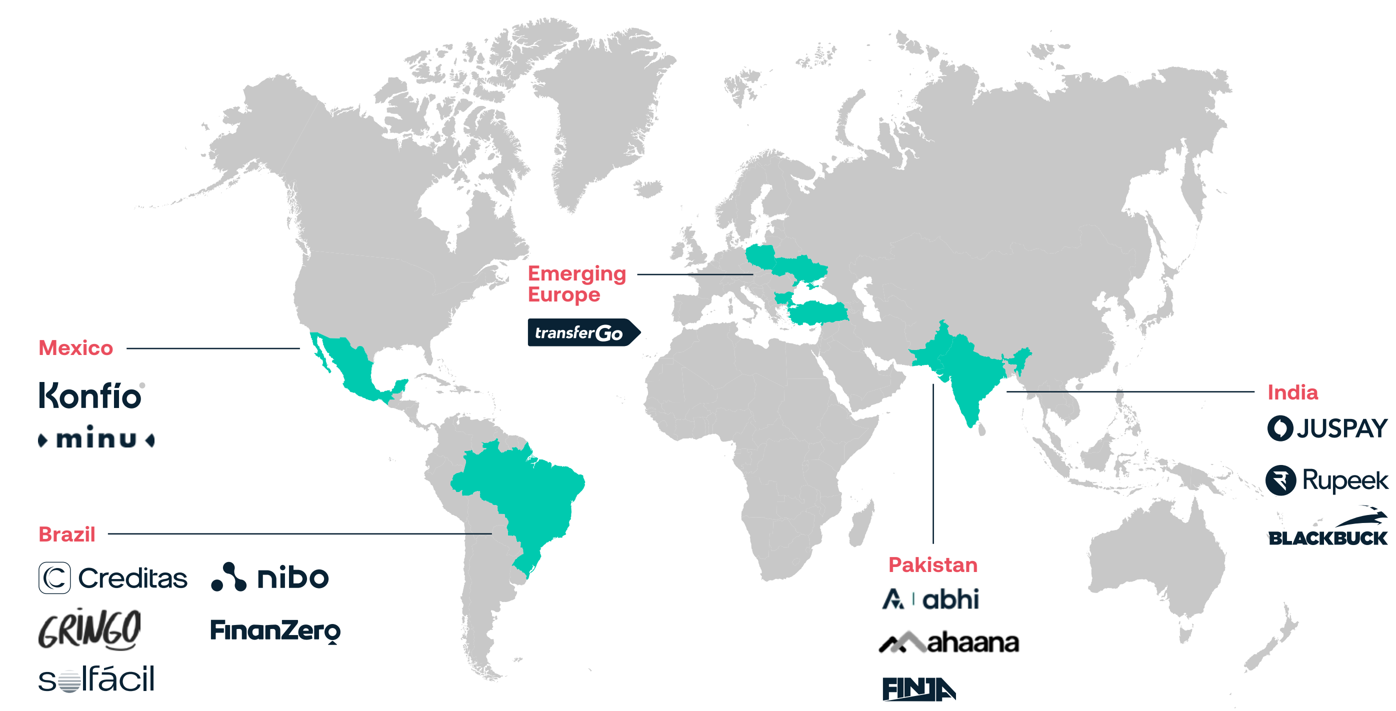
NAV evolution
December 2015–December 2024



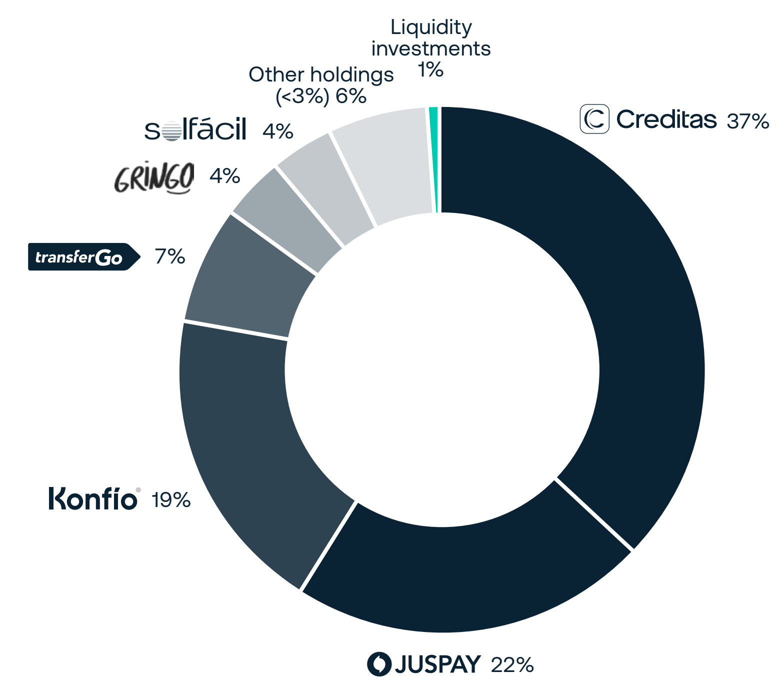
Share premium/discount to NAV
December 2015–December 2024



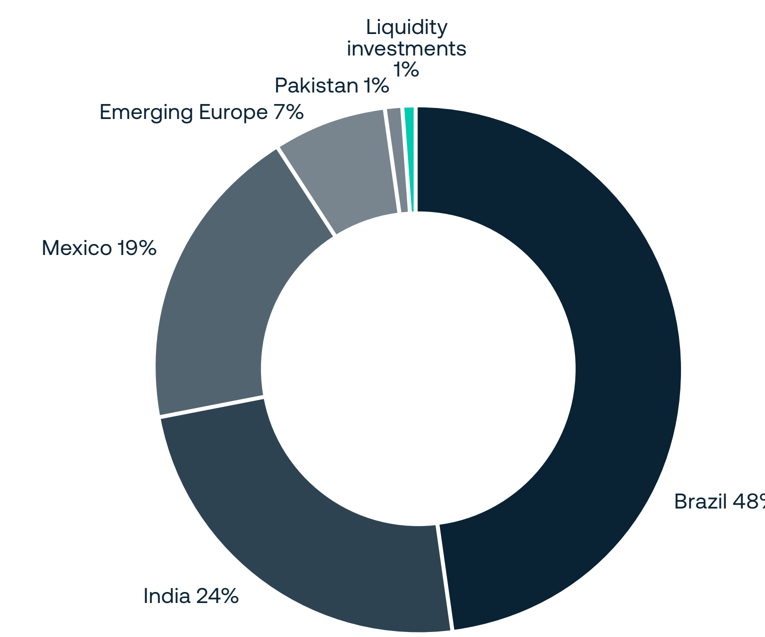
Portfolio



Portfolio composition



Geographic distribution



Our strategic pillars

Our strategic pillars are the prism through which we think about everything we do, what drives our strategy and makes us successful as an investment company.

Invest well and live

We are our investments. They define us. We are only a thesis and a bunch of human and financial capital without them. We spend a lot of time making sure the right assets and entrepreneurs populate our portfolio and when they are in, we do everything in our power to help them succeed.

Love your investors

Our investors provide the capital we need to fuel our business. Simply put, without them we would not exist and our growth path from here would be all the harder. We love our investors, current, old and potential, and pride ourselves on doing our utmost to provide them with a healthy return on capital and good communication flow and transparency while on that journey.

Build a business for the long-term

While our first two pillars are necessary for any success, we are building VEF for the long-term. Our goals are ambitious, our timeline is long, we are consistently evolving and improving all to make sure VEF is a business that has the right people, processes, and strategy to grow over time.

Our investment thesis

We believe in investing in businesses led by entrepreneurs with strong track records and in companies with clear product-market fit, early traction into a scale opportunity space. For us, fintech is a very broad concept and covers anything from payments, credit, assets management, embedded fintech and accounting SaaS. There is no single business model that dominates our portfolio or our investment thesis. Our key investment criteria include excellent people, scale business models, strong financial performance and a clear path to profitability.

Sector

We target all lines of financial services inclusive of payments, credit, savings and investments. The “right” target sector is very market dependent.

Geography

Within emerging markets, we focus on the more populous and scalable markets, referenced against competition and point in the cycle.

Minority stakes and board seat

We strive for minority stakes with board representation in our portfolio companies. We are an active and supportive shareholder.

Unique fintech opportunity

There are very few ways to play the growing fintech investment theme in public markets and even less in the emerging world. VEF is a unique access vehicle and asset in this regard.

Shareholder value creation

VEF is an exceptional investment opportunity with the potential for high returns through our portfolio companies based on the combination of:

- attractive market conditions in the emerging world
- active and supportive ownership
- entrepreneurs with strong track records
- scalable, fast-growing companies, with a clear path to profitability
- leveraging the disruption of fintech companies

Management report

Reflecting on 2024

Looking back on 2024, as always, we take stock of how the year played out, delivery versus expectations, and how we are positioned for the year and journey ahead. Three key trends or themes tend to stand out:

1 - Portfolio performance – a return to growth, profitable growth

For an investment company like VEF, a quality portfolio is our most important asset. Valuations can and do move and exit timings can be hard to predict, but if the portfolio is quality and growing you have a strong tailwind for long term value creation. We are very encouraged by the performance of our portfolio companies through 2024. The 2022–23 process of driving our portfolio companies to break-even was broadly achieved at the start of 2024, with 90%+ of our portfolio value now attaining that key milestone. 2024 has thus been a window to reignite growth, especially at some of our largest companies. Creditas and Konfío, based on 2H24 data points have accelerated growth. This is aside from Juspay, where growth never abated and continues to compound profitably, at a growth clip of north of 50%.

2 - Realising exits as venture and capital markets trend positive

2024 continued the positive trend of better in the venture space, from 2022 lows, as we saw investment flows and exit markets build momentum. At global level, benchmark fintech names like Stripe and Revolut both closed size funding rounds during the year, which set the tone for growing flows in higher growth/risk markets of the emerging world. VEF's portfolio specifically benefited from funds raised by Konfío and Solfácil, to name but two. External capital raised helps solidify NAV marks, provides our companies with fresh capital for growth as well as potentially providing liquidity opportunities.

Of more importance, exit markets also awoke in 2024, with M&A and secondary sales gaining real traction while the IPO market began to show signs of life. Specific to VEF, we announced our first exit of this cycle with the IPO of BlackBuck in India in 4Q24, followed swiftly by the sale of Gringo in Brazil to Corpay. These two exits delivered in close succession represent USD 17.2 mln in gross proceeds, with the option to further enhance our cash position with the c. USD 5 mln value we have in the liquid holding in BlackBuck.

3 - Closing our traded discount and getting back to investing

2024 delivered a mixed performance on the NAV per share and share price front. Tailwind and catalysts from portfolio performance and exits were undermined by strong macro and market headwinds in Brazil in 4Q24.

Fundamentally, we feel we are setting the right goals and hitting the right milestones when we look through our portfolio performance and exits delivered. With a strengthened balance sheet, we have an array of capital deployment options to reduce risk (pay down our debt) and increase reward (buy back our equity). Strengthening our balance sheet and reducing our traded discount are strategic priorities we intend to carry over from 2024 into 2025. Our goal is to lower our traded discount to NAV and get back on the front foot investing. We go deeper on these topics below.

"Fundamentally, we feel we are setting the right goals and hitting the right milestones when we look through our portfolio performance and exits delivered."

– Dave Nangle, CEO

2024 in numbers:

- NAV: At headline level we closed out 2024 with a USD NAV off 353.0 mln. SEK NAV per share was off 13% YoY. Macro trends in Brazil in 4Q24 were a key driver.
- We end 2024 with 15 portfolio companies, the same number as a year ago.
- At a country level our largest exposures remain Brazil (48%), India (24%) and Mexico (19%). At a portfolio holding level this was mainly associated with our stakes in Creditas (37%), Juspay (22%) and Konfío (19%). All figures above are in percentage of our total portfolio.
- As of YE24, our active portfolio is well funded. 90%+ is already at, or can reach break-even with existing capital position. The remaining portfolio companies are in earlier stages or high growth mode, with a portfolio weighted runway of 27 months.
- Our portfolio companies delivered an aggregated portfolio weighted top line growth of 25% and gross profit growth of 63% in 2024.
- Pipeline work continued as we engaged with 223 targets in emerging markets fintech throughout the year.
- Exits – We delivered one (partial) exit in 2024 with the successful listing of BlackBuck in India, with one more following in early 2025 off the back of 2024 workstreams.
- We had bond exposure of SEK 400 mln via our sustainability bond issue. Duration of December 2026.
- At YE24, we had USD 12.8 mln of liquidity.

Our main markets of focus and portfolio companies in 2024

The narrative that unfolded in our high growth focus markets was very similar in 2024 to what we have experienced over the past decade – progress despite volatility. We are content to play in an (emerging) world that has lower financial penetration and larger younger populations that are adapting digital disruption at a faster rate than more established developed peers. These positive long-term tailwinds, at times, are overlaid with erratic/noisy politics and economic imbalances, which can take centre stage while progress continues unabated at ground level. Understanding and embracing this ideology is key to winning the long game in emerging market and financial technology investing.

Diving into some of our major countries, **Brazil** scored high points for volatility. A welcome quiet year on the political front was countered by the BRL which was one of the worst performing currencies globally (off 22% YoY vs. the US dollar) as inflation rose above target levels and fiscal concerns mounted, coupled with a broader USD rally. The Central Bank duly shifted its monetary policy from easing to tightening as we closed out 2024. Despite this volatility, GDP growth was 3%+ YoY and banking system trended positive as loan book growth recovered and asset quality and margins began to settle. On the fintech front we feel we are moving into chapter 2 or 3 of the Brazilian story. A country level pioneer in fintech in many ways, so well penetrated by banking products and digital, opportunities are moving broader afield and first wave disrupters are now being disrupted by fresh innovators.

Having reached break-even by YE23, **Creditas**' (secured lending) strategic priority entering 2024 shifted to re-accelerating growth, whilst being self-sustaining. In this context, the company delivered robust performance throughout the year with origination volumes amounting to BRL 2.9 bln (+27% YoY). Gross profit reached a record BRL 890 mln (+45% YoY) on the back of consistent 40–45% gross margin delivery. Since the end of 2023, Creditas has been operating with positive cash flow and self-funding growth, marking a significant turning point in the company's journey. Before closing the year, Creditas successfully priced its second international bond, raising USD 60 mln of fresh funding to strengthen its capital position. Looking ahead, Creditas' core focus hasn't wavered – growth and profitability remain the north star metrics and we expect to see the business compound as it moves through 2025.

In 2024, **India** demonstrated strong economic resilience, driven by domestic demand, regulatory reforms, and a thriving entrepreneurial ecosystem. The IMF projects GDP growth of 6%+ in the coming years, positioning India as the fastest-growing major global economy. Growth was supported by private consumption and infrastructure investments, while capital markets raised USD 20 bln across 327 IPOs - the highest globally, surpassing the US and Europe in deal count. The Nifty 50 ended 2024 up 8.8% as the year witnessed 13 new-age tech IPOs. This was more than double the number in 2023 and included notable fintech IPOs such as Digit Insurance's USD 314 mln IPO and BlackBuck's USD 132 mln IPO, where VEF retains a stake. As India enters 2025, its expanding digital infrastructure and maturing financial ecosystem provide fertile ground for innovation and value creation, reinforcing our optimism and commitment to the region.

In 2024, **Juspay** (digital payments) continued its strong growth trajectory with over 50% YoY growth in revenues and gross margins consistent at 90%. The company remained cash flow positive throughout the year, achieving double-digit profit margins and balancing operational efficiency with innovation and expansion. As a key player in India's UPI ecosystem, Juspay now powers several of India's top UPI apps. Global partnerships with Visa, Mastercard, and a multinational bank, alongside the adoption of its orchestration solutions and HyperSwitch platform (open source), have driven Juspay's rapid entry into key international markets.

In 2024, Claudia Sheinbaum, from the incumbent Morena party, became **Mexico**'s first female president with a landslide victory. Relations with US are always in the news but the new Mexican administration appears to be reading reforms to align with US views on migration and trade, something which would be supportive for growth and welcomed by financial markets. While Mexican economic growth slowed moderately, falling inflation allowed for a gradual easing of monetary policy, following a global trend in 2024. The peso, similar to many global peers felt the brunt of USD strength, off 19% YoY. Mexico too, witnessed a welcome recovery in banking system growth from recent lows of 2022–23. Historically lagging much of the fintech progress enjoyed by Brazil, 2024 felt like the year when digital financial penetration started to take hold, with a number of neobanks finally starting to build size customer, deposit and loan bases.

Konfío (financial services for SMEs) achieved sustainable break-even in early 2024, and from this stable position the company now focus its efforts on reigniting portfolio growth. As they ramp up originations, Konfío delivered 30% YoY portfolio growth in 2024. In tandem with this growth, sustained yields, stable asset quality and falling Mexican base rates have translated into strong gross margins for the business. During the year, key partners including Goldman Sachs and JP Morgan renewed their funding facilities with Konfío, while an equity funding round led by internal investors took place over the summer. These funding events underscore the vast opportunity in SME lending in Mexico and provide Konfío with additional resources to drive further growth in the segment. Approval for a banking license is expected in 2025 and should mark a pivotal moment in the company's journey, unlocking a path to further expand margins and broaden Konfío's product offering.

An earlier stage but exciting part of our portfolio, **Pakistan** showed welcome signs of economic recovery in 2024, buoyed by the approval of a USD 7 bln IMF facility in September, a sharp decline in inflation, easing interest rates and duly a return to growth. The country emerged as one of the best-performing equity markets globally in 2024, with early signs of international capital returning to public markets. In this context, two of our youngest portfolio companies, Abhi and Mahaana, having effectively navigated a volatile window of 2022–23, are well-positioned to thrive in this new period of growth.

Abhi (salary-on-demand and SME financing) continues to deliver strong performance in its core market of Pakistan while expanding regionally into the UAE and Saudi Arabia. In 1Q25, Abhi, in partnership with local partner TPL, completed the acquisition of FINCA Microfinance Bank. The transformative deal enables Abhi to leverage its technology to introduce a range of new financial products to FINCA's customer base, while allowing Abhi to utilize deposits for lending and enhance operational efficiency. **Mahaana** (digital wealth management) has built a very strong foundation in regulatory compliance, technology infrastructure and fund performance. It is now uniquely positioned to start to scale clients and assets under management in 2025.

Key fintech themes and trends: GenAI and a return of crypto

We keep an open mind to finding the best fintech opportunities for our capital in the very different ecosystems of the emerging world. We stay on top of all evolving technologies as key inputs into our layered sourcing process. Every year there are some top down (sometimes returning) trends that appear and catch the market's attention more than most. In 2024 they were GenAI and the return of crypto.

For some time, AI has played a key and growing role in financial services by enhancing efficiency, accuracy, and customer experience. Key areas to benefit include fraud detection (pattern identification), customer service (AI-powered chatbots and personalized financial advice), and credit scoring (diverse data points analysed, offering more accurate outputs). With the evolution of GenAI, the finance/fintech industry is set for a fresh wave of efficiency gains that should be delivered from labor-intensive areas like call centers and reporting functions. Examples shared in the media include Goldman Sachs stating that 95% of IPO prospectuses are now drafted by AI, while Klarna, shared that AI handled over 2.3 million interactions in its first month of use, performing the work of 700 full-time agents. Its AI assistant apparently improved customer satisfaction scores and is projected to boost Klarna's profits by USD 40 mln in 2024. We expect more developments and headlines of this nature across the industry in 2025 and beyond.

Crypto is having a second (or third or fourth) wind, with asset prices rallying hard through 2024, aided by the Trump presidency. Beyond the hype and mass speculation that generally accompanies the space, we have always felt that emerging markets provide natural breeding grounds for alternative forms of value storage given the volatility inherent in their local currencies. While we respect the role that Bitcoin has played in this regard, more ideally stablecoins have always appealed to us as clear alternatives to holding USD direct, or even gold, which is not always admissible or possible for local populations. Beyond storing value, USD backed stablecoins provide a cheaper means of money flow, internally and cross border via remittances. In a still global world, international money movement is a key part of day-to-day business and still one of the largest pain points for exporters and importers alike. We see a bright future for stablecoin based rails as a key solution fit. Some of the governments and central banks of countries in our universe, most notably Brazil, have embraced blockchain and are exploring the launch of their own digital currency as a compliment and eventually a potential replacement for the central bank "paper" issued one.

We expect both themes to remain front and centre in 2025.

Capital flowing again in venture

One of the more encouraging trends in the VC ecosystem through 2024 has been the continued improvement in capital flows, something which is key for the health, growth and realisations within our industry. We remain well below 2021 peaks and flows are not in unison across all geographies, sectors and stages but within the markets and sector we focus on the recovery is clear with many positive datapoints.

2024 delivered a number of material funding rounds. At global fintech benchmark level, significant raises were closed by Revolut (USD 500 mln at USD 45 bln valuation) and Stripe (USD 700 mln at USD 65 bln valuation). Within our more focused growth geographies, we point to headline examples of CLIP (merchant financial services) in Mexico, Cellcoin (banking as a service) in Brazil and Tyme Bank (digital bank) in South Africa, to name but three, all closing USD 100 mln+ funding rounds. Of more importance, specific to our portfolio, through 2024, Abhi, TransferGo, Gringo, Konfío and Solfácil all raised fresh funds. Each tranche of capital raised, adds merit to our NAV marks, can provide opportunity for secondary liquidity and most important, delivers our portfolio companies the fresh capital they need for the next chapter of growth.

In tandem, with a return of capital flows into venture, exit markets came back to life through 2024 and look set to continue this momentum into 2025. For players in the venture space, secondary markets are increasingly active and providing a growing option for liquidity. We are finally emerging from an era of suppressed M&A activity; buyers are back looking for the incremental gains that a value-added acquisition can bring. Within fintech, and our portfolio included, we expect increased M&A flow into 2025 as companies look to join forces for economies of scale and/or for product and regional expansion. Finally, the IPO market, the holy grail for many scaling ambitious companies, is showing signs of life. Within the benchmark fintech space high-profile IPOs from companies like Klarna, Stripe and Chime are all targeted for 2025 and should set the tone and trend for the broader sector and IPO markets globally. We discuss below how we benefited already from a return of the exit avenues (IPO and M&A) in 2024 and early 2025.

Two exits delivered in 2024–25

In 2024 we set ourselves the goal of opportunistically realizing exits close to our NAV marks with the dual objective of being able to strengthen our balance sheet and increase the market's confidence in our NAV. We knew this would be no mean feat as companies are bought, not sold, realizations in the private markets are complex, legally intensive and the detail can take time to work through. To succeed it was necessary to collaborate closely with the portfolio companies for the best possible results.

As we sit here in early 2025 with two exits delivered in close succession, representing USD 17.2 mln in gross proceeds, and a further USD 5 mln in a listed equity, we are proud of our achievements and thankful to the entrepreneurs that supported the process.

Our first exit of this cycle was BlackBuck, which carried out a successful IPO in November 2024 on the National Stock Exchange of India. We are excited about the business that Rajesh and team have built and the achievement of taking it public (VEF's first India IPO/exit). Although returns on the initial partial exit (40% of our holding) were not what we expect or target, we understood that listing the business would support value unlock for the remainder of our stake. We realized USD 2 mln in gross proceeds in this initial exit.

This was swiftly followed by the sale of Gringo to Corpay, which felt bittersweet, similar to many of our exits in the past. Rodrigo, Caique and the team built a category-defining business, representing the first of its kind serving over 20 million registered drivers. We back founders and support exiting when teams decide it's the right offer at the right time. The all-cash deal was strook at a price close to our NAV and enabled us to realize USD 15.2 mln in proceeds. The decline in the BRL over the course of closing did moderate our returns and meant that our proceeds equated to the originally invested amount.

While it is always difficult to predict the order and timing of the next exit, we are naturally very excited for our stake in Juspay given the path the business is on, while Creditas and Konfío are of the size and shape where exits are always part of the conversation.

Capital allocation and addressing our traded discount to NAV

As we continue to deliver exits and liquid funds start to flow back to our balance sheet, we have upped our communication on our capital allocation mindset. Delivering exits at close to NAV coupled with appropriate use of that capital are key tools to address our traded discount to NAV.

We prioritise paying down our debt. We understand the role that debt plays in capital markets, and we have made specific use of the supportive Swedish credit market to efficiently bolster our cash position going into the 2022–23 venture market downturn. That additional liquidity enabled us to support key portfolio companies through this cycle while never feeling on the back foot at treasury level. With its purpose served, we now look to pay it down. So, with incoming liquidity we will prioritize de-levering our balance sheet, followed by opportunistic share buybacks. We do love the value creation opportunity that our shares trading at these levels presents us by buying back our own stock.

2025 feels promising

Following an eventful start to the year, 2025 has all the building blocks in place to be a good year for VEF. We remain long a portfolio of quality emerging market fintech assets, delivering profitable growth as we move into 2025. This is a portfolio that is valued at a fraction of its market value (NAV) through the prism of our market capitalization. Exits, a key priority through 2024, are being delivered, with two separate exits delivering USD 17.2 mln in gross proceeds, at NAV levels.

We are very close to being debt free. Bigger picture, the opportunity for the future of finance across growth markets remains immense. Our pipeline is growing, and we are regrouping to strengthen our capital position and once again take advantage of these opportunities.

Our goal remains to grow our NAV per share and close any discount to NAV and we have growing delivery points and tools to address that.

At VEF, we invest in fintech across the emerging world, riding one of the strongest multi-year secular growth trends in some of the world's fastest-growing markets. We take a long-term view on our company, investments and indeed life, which is necessary when investing in the space that we do.

Dave Nangle

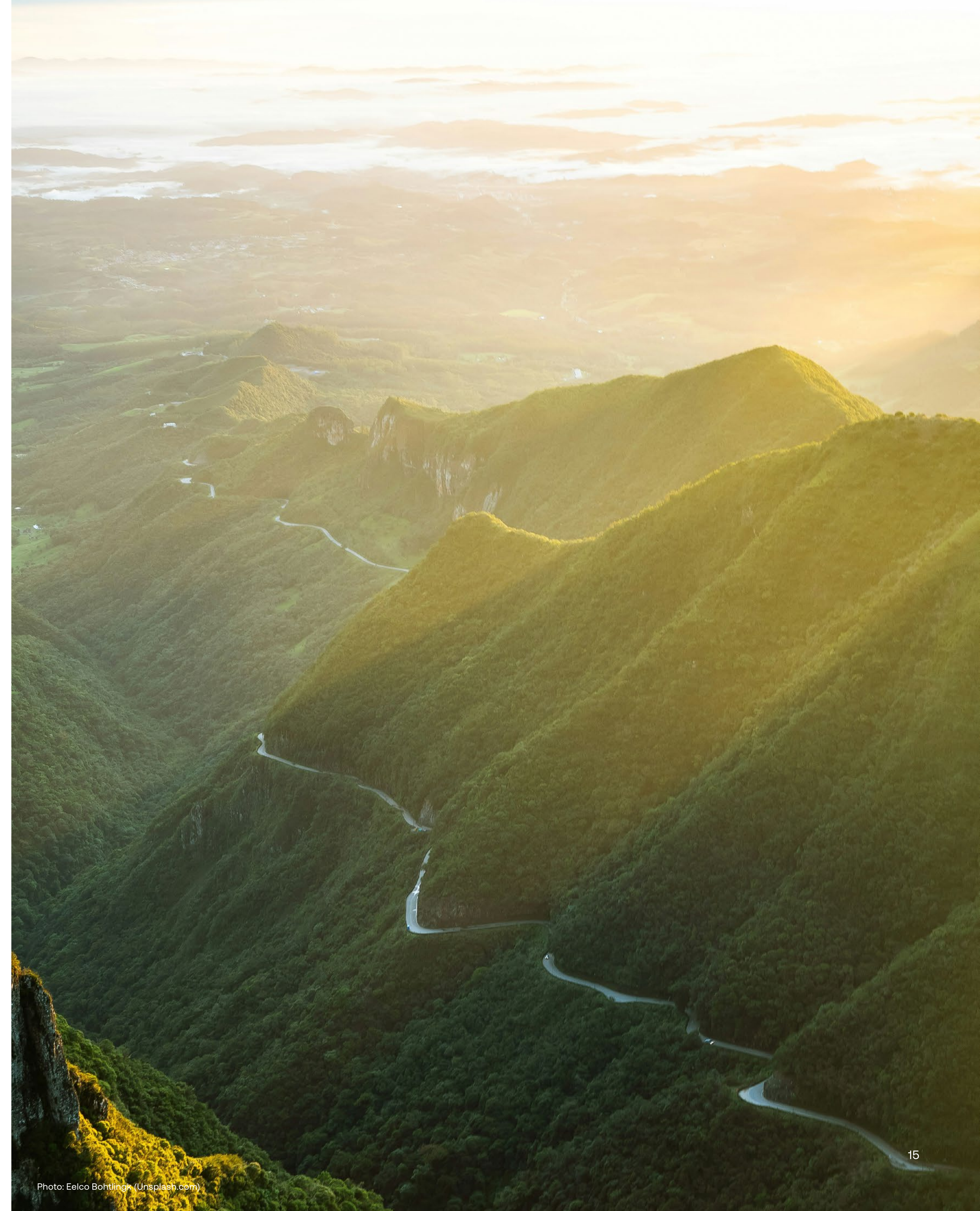


Photo: Eelco Bohtlingk (Unsplash.com)

Creditas: Pioneering secured lending in Brazil

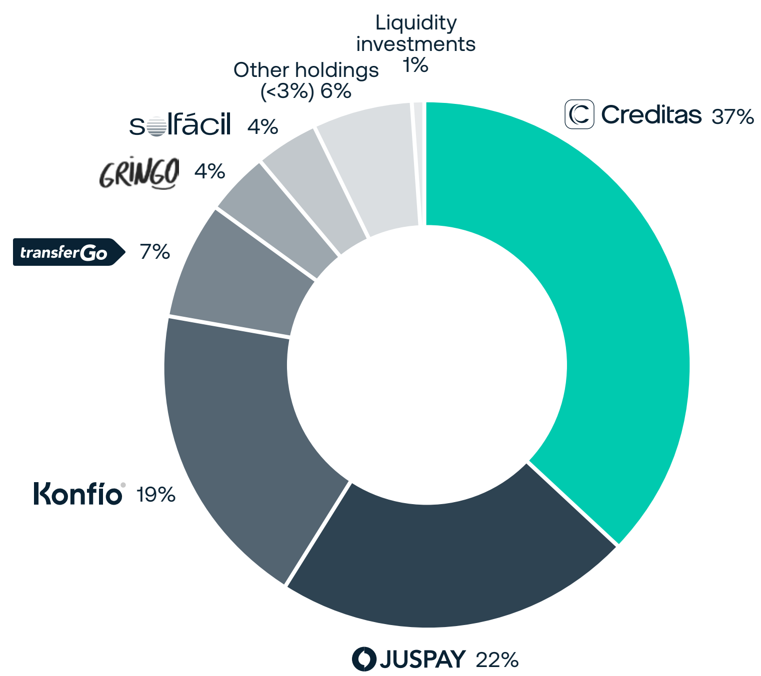
Introduction

This section focuses on Creditas, VEF's largest portfolio company and a leading Brazilian fintech specializing in asset-backed lending, insurance and investments. Creditas provides consumers with access to affordable credit by leveraging their assets – such as vehicles, real estate, and payroll – as collateral, while also offering tailored investment products and insurance solutions to protect these assets.

VEF first invested in Creditas in 2017 when we led the company's Series C fundraise. Over the years since, we have invested a total of USD 108 mln in Creditas, which now represents 37% of our portfolio and serves as a north star investment in our portfolio.

In the first part of this section, we explore the total addressable market (TAM) and the broader opportunity for Creditas. Section two provides an in-depth overview of Creditas' products, value proposition, and business model, followed by a summary investment case in section three. Finally, the fourth section outlines the next phase of growth for Creditas and the future prospects for one of VEF's most promising portfolio companies.

VEF portfolio composition, 4Q24



VEF's investments in Creditas

Series C–F and convertible notes

VEF's investment in each round, USD

Total round size, USD

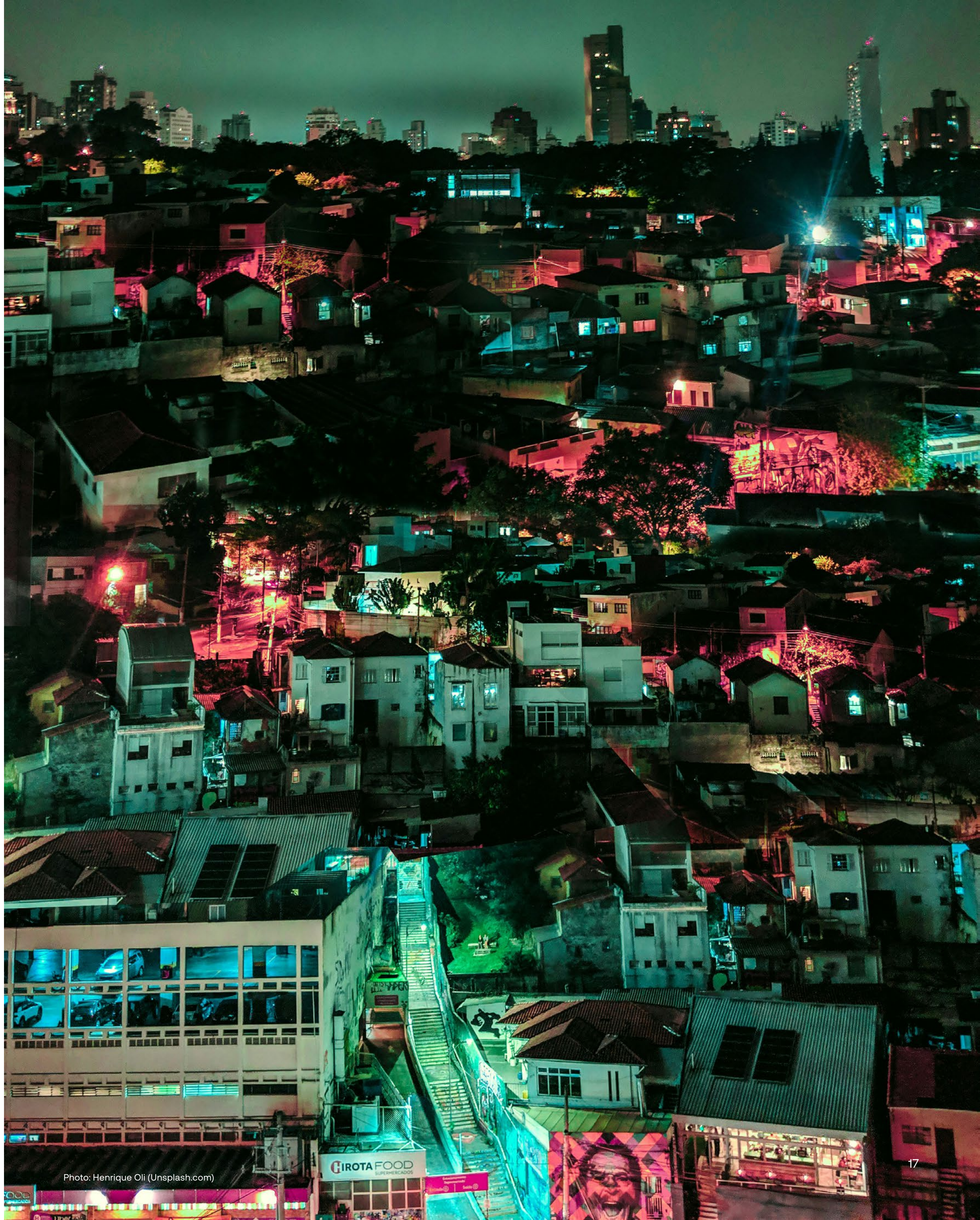


Photo: Henrique Oli (Unsplash.com)

An introduction to the Brazilian consumer lending market and the opportunity for Creditas

The fintech opportunity in Brazil

Brazil is one of the world's most attractive fintech markets for several reasons:

1. The country's large population of over 210 million people offers a vast market, allowing fintech solutions to achieve significant scale and reach millions of customers.
2. High smartphone penetration, banking penetration and rapid tech adoption mean Brazilians are well-positioned to embrace fintech in place of traditional financial services.
3. The country's oligopolistic banking sector is dominated by a few highly profitable incumbents, and is ripe for disruption.
4. The Central Bank of Brazil actively supports the fintech ecosystem, aiming to level the playing field and improve the financial wellbeing of Brazilian consumers.
5. The market benefits from a wealth of strong entrepreneurs and teams, supported by a robust local VC and investment environment.
6. Brazil offers healthy exit opportunities through M&A and IPOs, further enhancing its appeal to investors.

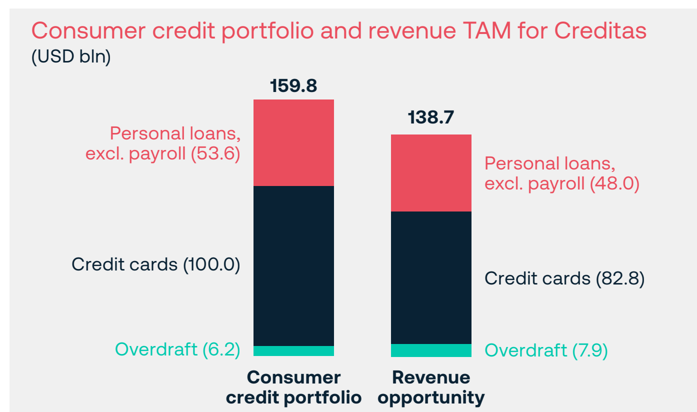
The fintech opportunity in Brazil

Consumer credit TAM

Creditas, founded by Sergio Furio in 2012, is a leading secured lending platform in Brazil. Through its technology-driven model, Creditas enables consumers to access credit by using their most valuable assets – such as vehicles and real estate – as collateral, while also offering insurance solutions to safeguard these assets.

As a digital lender, Creditas is tapping into a large total addressable market (TAM) in Brazil. The country's consumer credit market, made up of personal loans, credit cards, overdrafts and renegotiated loans, is valued at USD 160 bln today. This represents an estimated USD 140 bln annual revenue opportunity for Creditas.

Creditas is playing into a sizable TAM



Source: Central Bank of Brazil (July 2024)

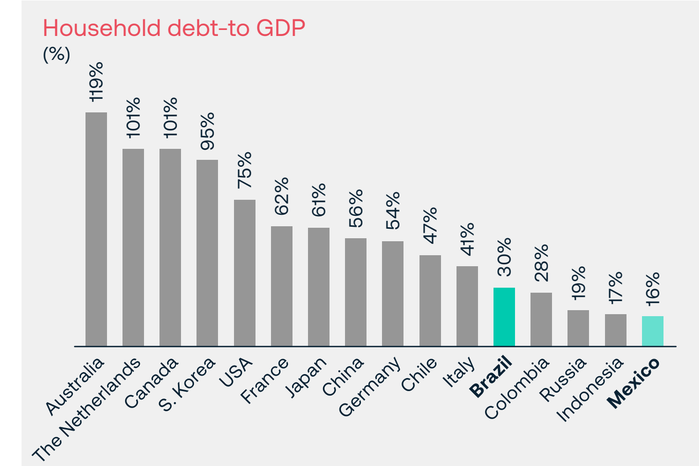
Market challenges

1. Highly-priced loans: Household credit penetration in Brazil is still relatively low compared to developed markets, largely due to the underdeveloped mortgage market. Relatively small loan books combined with large branch networks to service a geographically disperse population require some compensatory high margin products to earn group returns well above cost of equity. These short-term consumer loans are often priced at high annual percentage rates (APRs), which leads to two major negative effects:

- Despite low household debt-to-GDP, debt servicing costs are high, reducing disposable income, which can lead to financial strain.
- High APRs and hidden fees can create distrust between banks and customers.

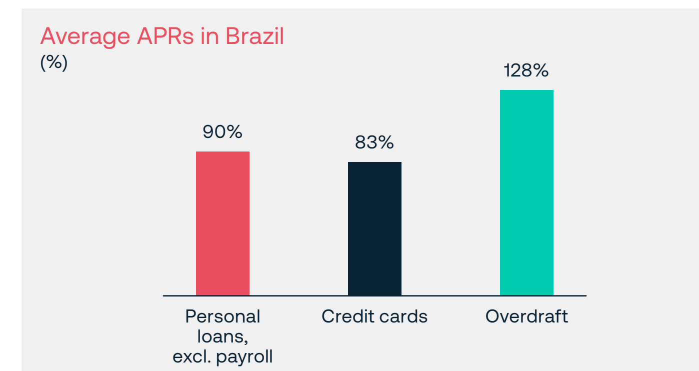
2. Poor customer experience: The technology and infrastructure of incumbent banks can often be outdated, varying by the bank, resulting in inefficiencies, processing delays, and an overall poor customer experience.

Brazil has low household debt-to-GDP vs developed markets



Source: Creditas, Central Bank of Brazil, IMF, World Bank

Banks set high lending rates for consumer credit



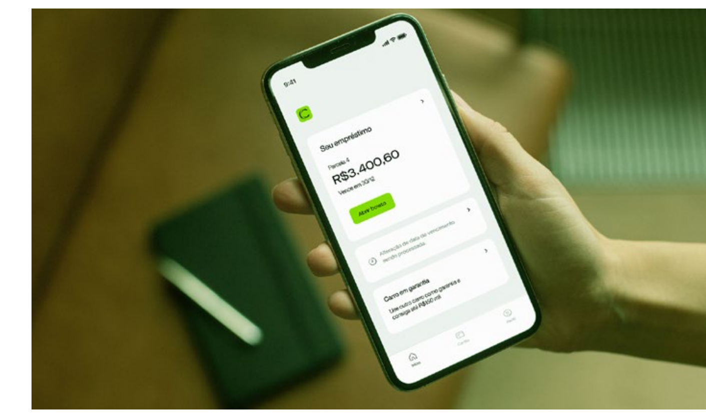
Source: Central Bank of Brazil (July 2024)

Explainer: why do Brazilian banks originate short-term and unsecured loans with high APRs to such a large degree?

1. **High inflation and interest rates:** Brazil has historically faced periods of high inflation, which drives up interest rates to offset the erosion of purchasing power.
2. **Credit risk:** Credit risk in Brazil is comparatively higher than in more developed markets, leading banks to charge higher APRs to protect against losses.
3. **Operational costs and inefficiencies:** Brazil's financial system has relatively high operational costs. Banks pass on some of these costs to consumers by charging higher APRs.
4. **Limited competition:** The Brazilian banking sector is highly concentrated, with a few large banks dominating the market. The lack of competitive pressure allow these banks to maintain higher pricing without significant pushback from customers.

The opportunity for Creditas

An additional Brazilian market characteristic that offers a significant opportunity for Creditas is the substantial portion of households which own unlevered collateral, with 70% of residences and cars owned debt-free. In the medium term, Brazil has the potential to transition from costly, short-term consumer credit to longer-duration loans by leveraging these assets. Creditas is uniquely positioned to capitalize on this opportunity by offering differentiated, asset-based financial solutions that are more affordable and accessible than those provided by traditional banks.

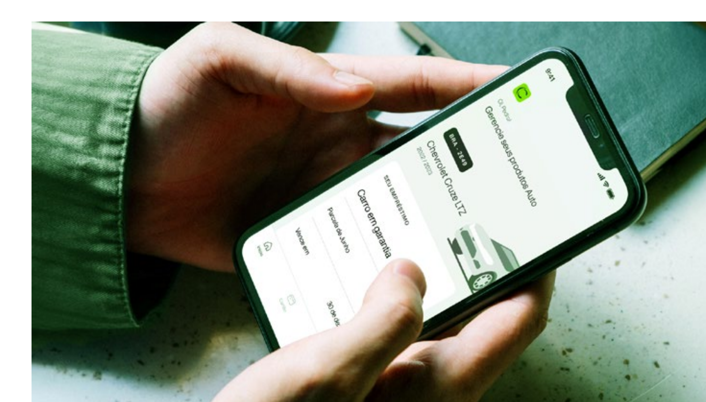


Brazilians own their assets debt-free

48 million
Residences debt-free
66% of all Brazilian residences

28 million
Cars debt-free
74% of all Brazilian cars

Source: Creditas, IBGE, Ministério de Desenvolvimento Regional, FENABRAVE, DENATRAN, DETRAN



Creditas in depth

Product overview

Creditas provides a comprehensive suite of financial solutions through a digitally native mobile and web app, enabling customers to borrow against their most valuable assets. Products include:

- **Asset-backed lending:** auto, real estate and payroll-backed loans.
- **Insurance:** asset-light auto, real estate and payroll-related insurance solutions.
- **Investments:** Creditas offers attractive products to fixed income investors on one side, and on the other side, considers itself more of an asset manager than a lender once the loan has been issued.

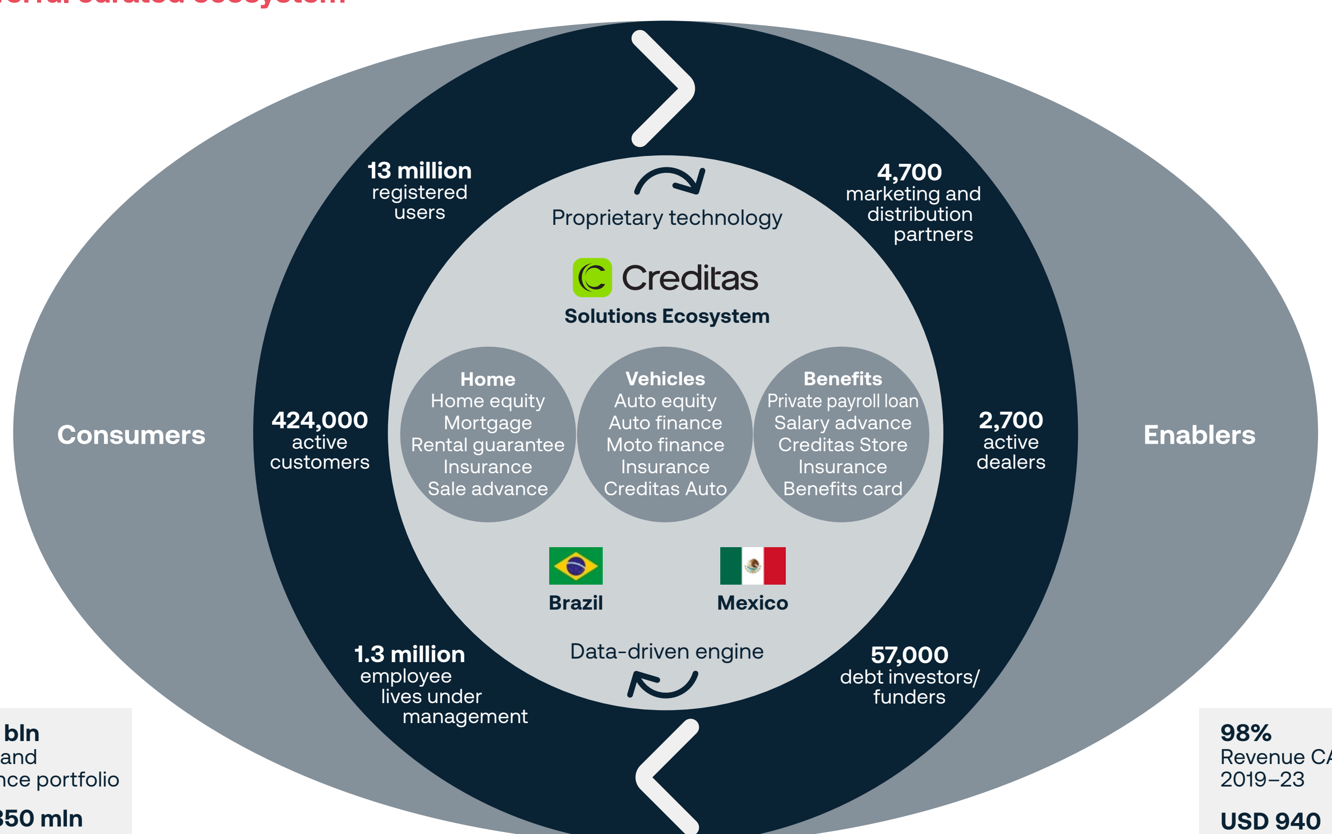
Customer value proposition

Creditas offers customers a superior value proposition compared to traditional and digital banks. Its differentiated focus on asset-based lending allows Creditas to offer larger credit amounts at more affordable interest rates. By leveraging technology and data, Creditas ensures faster fund disbursements and streamlined customer experiences, while their 100% digitally native and omnichannel approach further enhances customer engagement.

Maria's Journey: Unlocking value, reducing debt

Maria, a young professional in Brazil, found herself struggling with USD 2,000 in debt across three credit cards. To regain control of her finances, she turned to Creditas, using her car to secure a USD 4,000 car equity loan. This allowed her to refinance at more affordable terms, reducing her monthly payments. Maria's story reflects the challenges faced by millions in Brazil, and showcases how Creditas offers accessible, secured loan solutions to alleviate financial strain.

A powerful curated ecosystem



USD 1 bln
Credit and insurance portfolio

USD 350 mln
Annualized revenues

98%
Revenue CAGR 2019–23

USD 940
Annual revenue per customer

Unit economics

Revenue: Creditas' revenue sources comprise of the following:

1. **Interest income:** interest income is charged as a percentage of outstanding loan amounts across its three core lending products, recurring over the life of the loan.
2. **Origination fees and commissions:** these include upfront origination fees charged as a percentage of originated loan amounts and servicing fees for collections, renegotiations, and asset repossessions.
3. **Insurance fees:** Creditas also earns commissions paid upfront on the sale of insurance products.

Combined, these sources generate annual revenues equivalent to 35–45% of the portfolio value.

COGS:

1. **Cost of funding:** a function of the interest expense paid to securitisation vehicle investors (see detailed explanation on right hand side) and the deposit costs within its own bank.
2. **Cost of credit:** as Creditas originates secured loans, cost of credit remains relatively low and stable through-cycle, driven by the combination of technology-led asset appraisal, conservative loan-to-values and effective in-house collections.

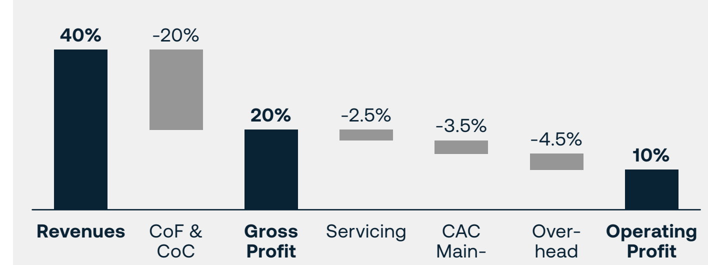
Together, cost of funding (CoF) and cost of credit (CoC) amount to 15–20% of portfolio value.

Gross profit: As a result, Creditas' through-cycle gross profit margin should range from 40–45%.

Opex: Creditas will see operational leverage across loan servicing, CAC and overhead costs as the portfolio grows. In the long term, Creditas anticipates operating profit margins of 25%+.

With low capital consumption, Creditas demonstrates excellent unit economics. We expect these strong fundamentals to translate into continued robust growth in 2025.

% of portfolio metrics long term



Unit economics illustrate and isolate the magnitude of customer acquisition required to maintain a stable Creditas loan portfolio, and exclude the cost of customer acquisition to grow said portfolio.

Creditas funding model explained

Creditas employs an asset-light securitisation model to fund its loans, optimizing capital efficiency. Creditas' initial contribution in the securitisations is equivalent to 1.5% of the portfolio (0% in Auto, 0% in Home and 7.5% in Payrolls). Low capital consumption facilitates compounding growth without recourse to equity injections. Investors earn a fixed return, and Creditas retains the excess spread as profit. These funds are called Fundo de Investimento em Direitos Creditórios (FIDC).

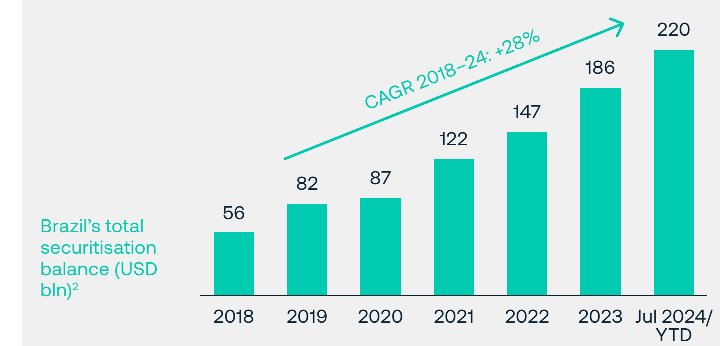
To complement this strategy, the company has acquired a bank (pending regulatory approval) to enhance its funding model with retail deposits. Today, approximately 20% of Creditas' loan book is funded via the bank.

Given the volatility of Brazilian interest rates in the last two years, the bank has become an important acquisition for Creditas as it better aligns asset-liability rate differentials: c. 70% of the portfolio now fixed assets matched with liabilities and c. 30% is originated from the bank with matched funding.

Brazilian securitisation market

Brazilian investor universe and demand

	2018	2019	2020	2021	2022	2023	Jul 2024/ YTD
Total addressable market (TAM[1]), USD bln	656	718	813	955	1,109	1,256	1,373
Securitisations % of TAM	9%	11%	11%	13%	13%	15%	16%
Creditas share of securitisation			0.3%	0.6%	0.6%	0.3%	0.3%



Sources: ANBIMA (Capital and Financial Markets Entities Association), JGP Idex and Creditas.

1. Net worth of all Brazilian funds that typically can by securitisation products (fixed income funds – excluding Sovereign funds –, FIIs, and multimarket funds), as well as total amount of non-sovereign local fixed income assets held by investors directly through brokers (includes CRI, CRA, FIDC, CDB, LF, LCI, LCA, LC, LH, LIG, LAM, Debentures).
2. Sum of outstanding value of all FIDC, CRI and FII instruments in Brazil.

Creditas today

As of 4Q24, Creditas has built a sizeable business and strong market presence in Brazil, with revenues of approximately USD 350 mln. The company boasts a robust user base of 424,000 active customers from a registered user base of 13 million. Creditas' credit and insurance portfolio stands at USD 1.0 bln today. Already profitable, and with a foundation of solid unit economics, the company has entered a new phase of accelerated growth. This phase prioritises technology investments in the user experience to drive efficient growth and deliver a best-in-class onboarding process for customers.

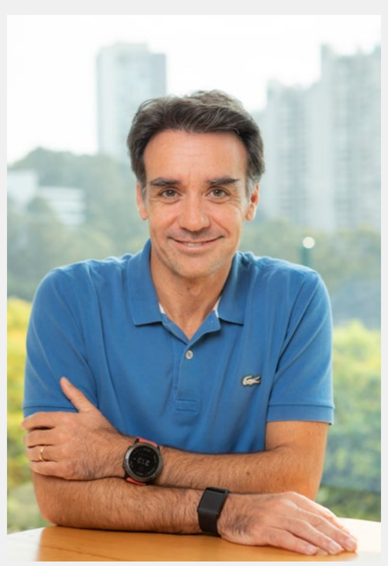
The investment case for Creditas

VEF has a longstanding history with Creditas, beginning with our lead investment of USD 25 mln in the company's USD 55 mln Series C fundraise in 2017. We have participated in every subsequent funding round, driven by Creditas' exceptional execution and impressive growth. The company has evolved from a single-product business into a diversified platform offering a broad range of complementary products at scale.

Below, we outline the core tenets of the Creditas investment case.

1. The founder

Our confidence in Creditas starts with its founder, Sergio Furio. From the beginning, we were drawn to Sergio for his passion for Creditas' mission and deep expertise in financial services. His extensive background includes consulting with Boston Consulting Group, where he developed strategies for major financial institutions across Europe and the US, and earlier, as an investment banker at Deutsche Bank. Over time, we've witnessed Sergio's remarkable ability to balance detailed focus with a broad strategic vision, attract top-tier talent, and execute ambitious business plans while maintaining a relentless energy we rarely see in other founders. Beyond his professional experience, Sergio has made a significant impact on Brazil's tech ecosystem by mentoring some of the country's leading entrepreneurs, establishing himself as a key contributor.



Sergio Furio
Founder and CEO

2. Attractive business model

Creditas boasts a highly attractive business model, another key aspect of the investment case:

- **Superior customer monetization:**
  - By focusing on large-ticket, complex financial products, Creditas achieves an average loan balance per active lending customer of approximately USD 5,000 – significantly higher than the regional average of USD 1,000. Average revenues per active customer are close to USD 1,000, far exceeding that of digital banks in LatAm.
- **Asset-light:**
  - Operates a branchless credit origination platform powered by best-in-class technology.
  - Funds approximately 70% of its loan book through the FIDC structures (explained on previous page), which have low capital requirements.
- **Predictable:**
  - Earns a recurring and highly predictable revenue stream over the life of each loan, with an average loan tenor of 7 years. Notably, 30% of loan originations come from Creditas' active customer base through top-ups and cross-sells, making repeat loans a key growth driver.
- **Secured:**
  - All loans originated by Creditas are fully secured by real estate, vehicles, or a lien on the borrower's salary. This ensures high operating margins through-cycle, resulting in predictable cash flows.

The combination of attractive credit margins, relatively low cost of risk and overhead costs, and minimal capital consumption translates into compelling unit economics and the potential for a high return on equity (RoE) business.

3. Building competitive advantage

We believe Creditas is establishing a robust moat around its business, clearly visible in its financial performance today. This includes decreasing distribution costs, improving capital efficiency, and growing operational leverage. Together, these factors contribute to a superior cash cycle, attractive IRRs, and strong LTV/CAC dynamics.

This growing moat is possible due to three related parts of its business:

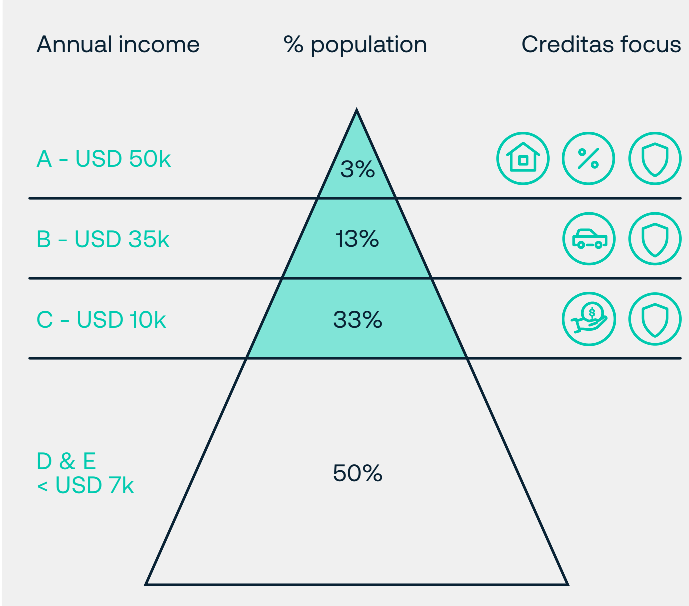
(i) Technology driving user experience:
Creditas' competitive edge lies in its ability to simplify the complexities of underwriting collateral in Brazil through digital innovation and a seamless customer experience. Automated processes, such as virtual vehicle inspections, have improved efficiency, boosted conversion rates, and enhanced scalability. These advancements are being applied across its ecosystem to drive growth, margins, and user engagement.

Creditas' technology in action

Creditas' Auto Equity solution enables customers to unlock liquidity from their vehicles entirely remotely. By simply taking and uploading photos of their car via mobile, they complete the process without requiring in-person vehicle inspections—saving time and creating a seamless experience. This innovative approach not only improves customer satisfaction but also enhances scalability, increases conversion rates, and lowers operational costs, driving Creditas' sustainable growth.

(ii) Building a powerful user base:
Creditas is leveraging its large and growing registered user base to drive progressive activation, concentrating on attracting and engaging the most profitable customers while steadily converting new users into active ones.

Creditas targets the most profitable customers



(iii) A differentiated business model:
Building a complex low-cost asset-backed lending business allows for highly efficient securitisation with no/low capital consumption and the retention of excess spread with asymmetric results (limited principal exposure while retaining all excess spread).

This allows for a business model that combines the capital efficiency of Asset Managers with the high margin and recurrence of lending banks: 2% up front-fee (similar to a set-up fee), 1% servicing fee (similar to a management fee) and 20% spread (similar to a 100% carry above a T+3% hurdle).

We believe the above factors are contributing to a strong and growing moat around Creditas' core business. Incumbent banks are less focused on Creditas' core product areas due to (1) the risk of cannibalising their core source of profits and RoE (namely personal loans and credit cards) and (2) the absence of long duration funding.

4. Strong, supportive cap table

Creditas benefits from a best-in-class shareholder base, comprised of high-quality, long-term local and international funds. These investors are active across both public and private markets, bringing valuable experience and strategic support to Creditas. With a proven track record of backing successful companies, they play a crucial role in supporting the company's growth and success.

Creditas' investors

SoftBank, VEF, KASZEK, Amadeus Capital Partners, Tarsadia Capital, mourocapital, QED Investors, lightrock, QUONA, IFC, Headline, Advent International, Redpoint eventures, Fidelity Investments, Prosus, Wellington Management

The next phase of Creditas

Since its founding in 2012, Creditas' journey can be outlined in three distinct stages of development.

1. **2016–2018:** Developing the product and business model of collateralised lending in Brazil.
2. **2019–2021:** Gaining scale, fine-tuning the model and developing channels for growth and operational leverage.
3. **2022–2023:** Focus on economics, margin expansion and achieving profitability.

The next phase of Creditas – profitable growth:

In 1Q24, Creditas reached a major milestone by achieving positive net income, marking the first profitable quarter in the company's history. This success marks the beginning of a new phase in the company's journey – one focused on driving profitable growth while continuing to invest in technology to further strengthen the customer experience.

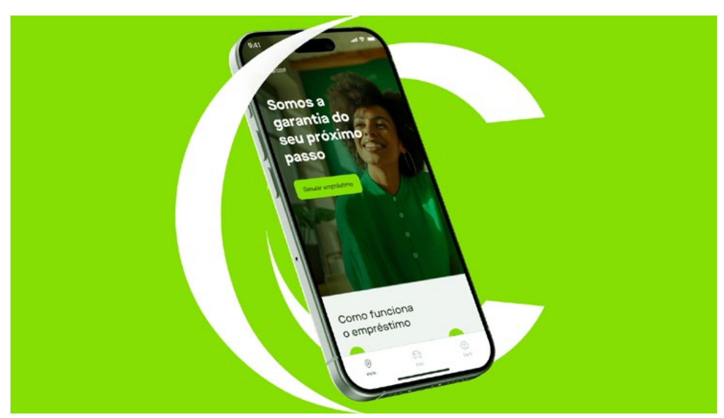
In its next phase, Creditas will be defined by three core pillars:

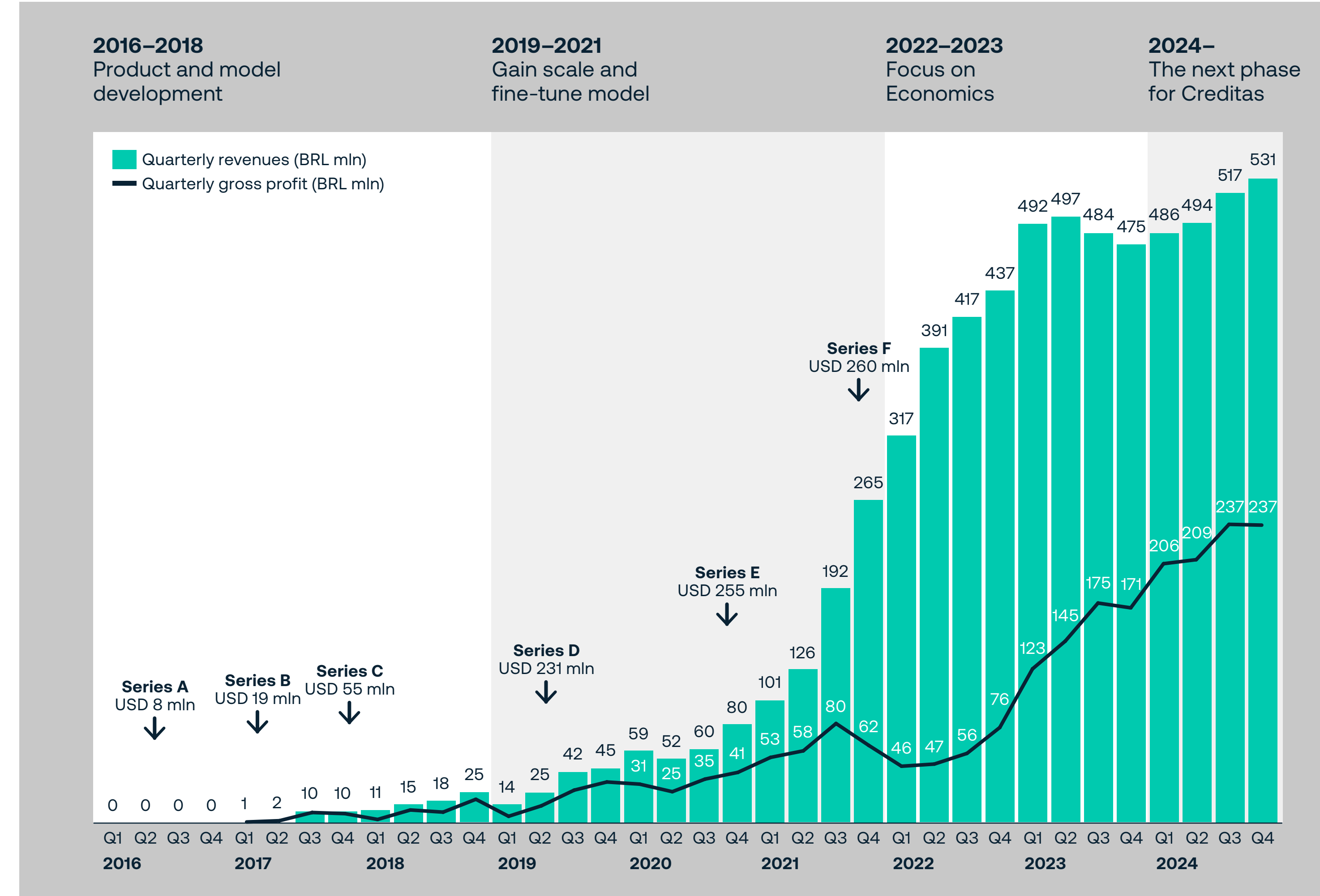
1. **Profitable growth, driven by three principles:**
   i. Focus on margins with a disciplined pricing strategy: Creditas has successfully adjusted its loan pricing to reflect the sharp increase in interest rates during 2022–2024, bringing gross profit margins back to a normalised targeted range of 40–50%. The company aims to strike an appropriate balance in pricing to maintain these margins.
   ii. Maintain risk-adjusted profitability with a focus on IRR: Creditas maintains a high IRR threshold for each loan, ensuring robust risk-adjusted profitability. This discipline will continue to guide the company as it reaccelerates growth.
   iii. Scale progressively: Creditas plans to grow by +25% annually over the coming years while maintaining profitability. This involves the selection of high-quality origination channels and gradually scaling the team to support the new growth trajectory.

This strategic approach will enable Creditas to demonstrate strong unit economics and achieve high, sustainable RoEs throughout this growth phase.

2. **Investment in technology:** Creditas will continue to invest in its technology ecosystem to enhance the customer experience. By improving conversion efficiency and productivity, the company will benefit further from reduced costs and strengthened unit economics.
3. **Path to IPO:** Creditas aims to go public in the medium term through an IPO. Becoming a publicly listed company would bring several benefits, such as more efficient capital raising, greater brand visibility, and liquidity opportunities for long-term shareholders.

With a motivated and passionate team, Creditas is well-positioned to execute this new chapter of growth.





VEF and Creditas

VEF shares a special relationship with Creditas, one of our first major investments in Latin America back in 2017. For over seven years, we've had a deep, inside perspective on the company as a board member, navigating many highs and lows together.

Our relationship with Sergio, the founder, along with the broader team and board, has evolved significantly over time. At every stage, the team demonstrated exceptional ambition and consistently exceeded expectations. As a result, Creditas became an increasingly significant part of our portfolio—an outcome we actively seek as our capital compounds in companies that show the most promise.

As Creditas continued to grow and succeed, we leveraged our network to further support its development. We introduced some of our largest shareholders, who are capable of investing in both private and public markets, to Creditas. Today, Fidelity and Wellington (a current and a former large shareholder of VEF, respectively) have invested and are direct shareholders in Creditas. Additionally, in 2023, we utilized our partner network and presence in Sweden to help Creditas issue its first corporate bond there.

Our partnership with Creditas is truly a win-win. It is a high-performing, resilient company that has become our North Star, consistently compounding in value over time.

Juspay: Transforming payments infrastructure for a digital world

India's fintech ecosystem: A global leader in digital payments

India's fintech ecosystem has rapidly emerged as a global force, marked by a significant shift from cash to digital payments. Over the past decade, key drivers such as widespread mobile internet penetration, government-backed initiatives like Digital India, and regulatory support have propelled the adoption of digital financial services. This transformation is epitomized by the adoption of public digital infrastructure like the Unified Payments Interface (UPI), which now powers over 80% of India's digital payment volumes. With over 700 million smartphone users and rising disposable incomes, India continues to offer fertile ground for innovation and growth in digital finance.

India's fintech sector has capitalized on these trends, growing into a USD 100[1] billion market with revenues surpassing USD 25 billion[1] in 2023 – registering an impressive 56%[1] year-on-year growth. This growth has been driven by technology's ability to leapfrog traditional financial systems, enabling inclusive financial services for millions of unbanked and underbanked individuals. Central to this transformation is India Stack, a pioneering digital infrastructure platform powering Aadhaar (digital identity), UPI, and other government services. By providing secure digital identities and seamless access to financial tools, India Stack has become the backbone of India's fintech revolution.

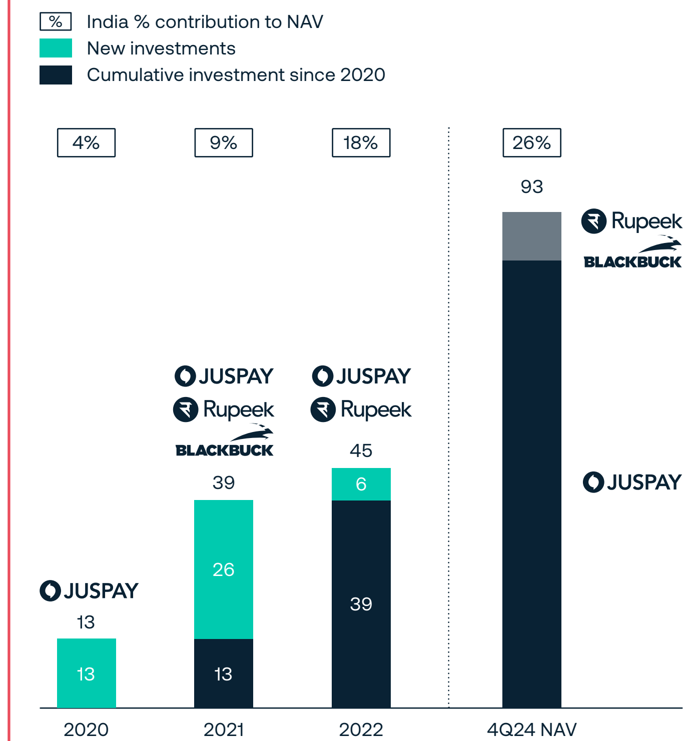
At the forefront of India's digital payments success is UPI, launched in 2016 by the National Payments Corporation of India (NPCI). UPI has redefined real-time payments, processing over 131 billion[2] transactions worth USD 2.3 trillion[2] in FY24. Its impact extends beyond India, with several countries across Asia, Africa, and South America collaborating with NPCI to develop similar systems. UPI has become a global benchmark for scalable and interoperable payment systems.

However, India's payment ecosystem is not without its challenges. The rapid growth of digital payments has led to a highly dynamic and complex landscape, marked by diverse payment methods such as UPI, credit cards, payment gateways, wallets, and Buy Now Pay Later (BNPL). Regulatory changes like two-factor authentication (2FA) requirements, tokenization and compliance mandates add another layer of complexity. Compounding these challenges is India's low-margin environment, where UPI operates with zero merchant discount rates (MDRs), and MDRs for other methods are tightly capped.

Amidst this dynamic evolution, Juspay has emerged as a key enabler within India's digital payments ecosystem. By streamlining payment infrastructure, enhancing efficiency, and reducing costs, Juspay plays a key role in navigating the complexities of this fast-growing market. As one of VEF's top 3 holdings, Juspay reflects the firm's focus on backing high-growth fintech leaders in complex and competitive markets.

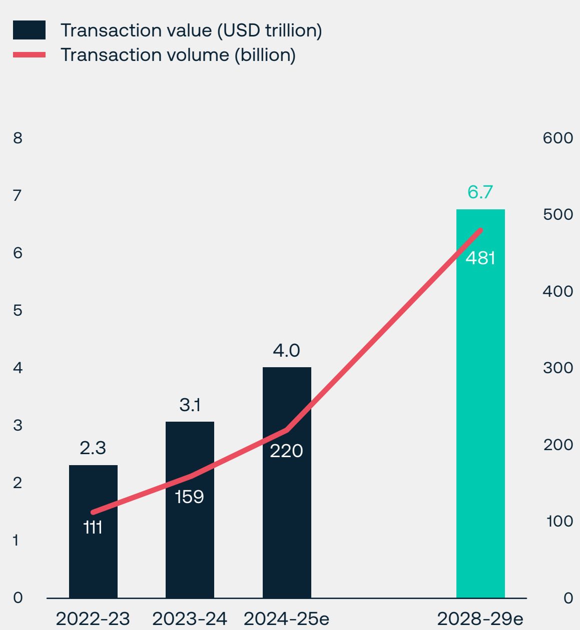
India accounts for 26% of VEF's NAV*

Cumulative capital invested in India since 2020
(USD mln)



* As of 4Q24

Digital retail payments continue to surge, with India now accounting for 48.5% of world's digital transactions



Source: The Indian Payments Handbook PwC

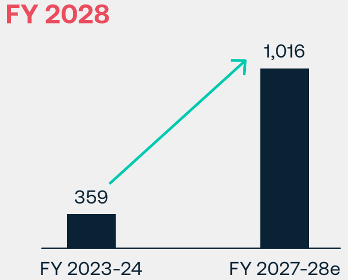
Growth across all fintech segments in financial services over the last few years

(USD bln)

	FY 2020		FY 2023
Unsecured Retail Loan book	80	→→ 1.5x growth →→	147
Credit Card spends	73	→→ 2x growth →→	143
Insurance commission	6	→→ 1.25x growth →→	7.5
Household Value of MF assets	146	→→ 2x growth →→	280

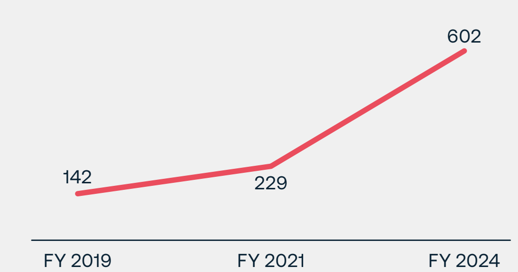
Source: State of the Fintech Union 2024 – GFF, BCG, Z47

UPI estimated to reach 1 billion transactions per day by FY 2028



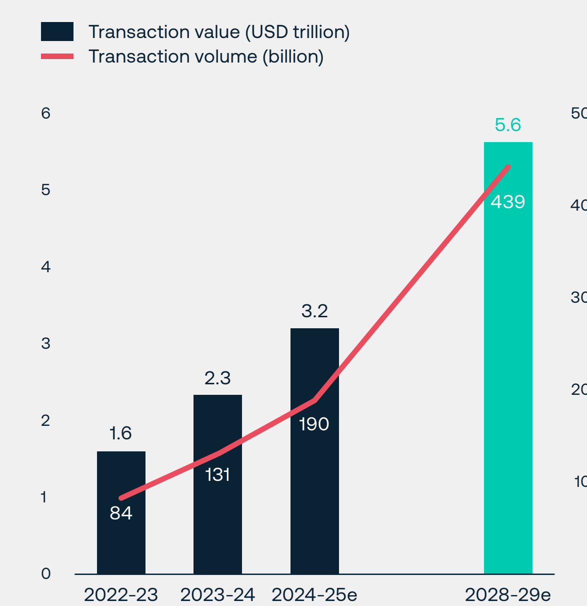
Source: The Indian Payments Handbook PwC

Banks live on UPI



Source: RBI, NPCI

UPI accounts for over 80% of the total digital retail payments in India and continue to grow



Source: The Indian Payments Handbook PwC

1. Source: State of the Fintech Union 2024 – GFF, BCG, Z47

2. PwC Indian Payments Handbook 2024

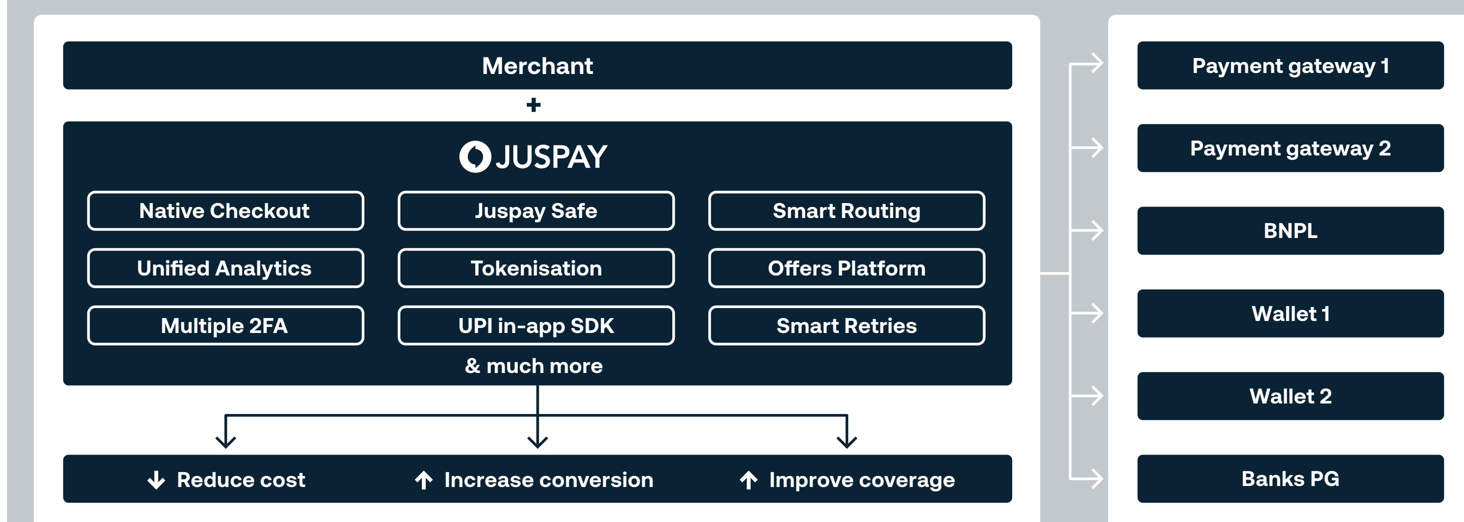
JUSPAY

Solving payments complexity

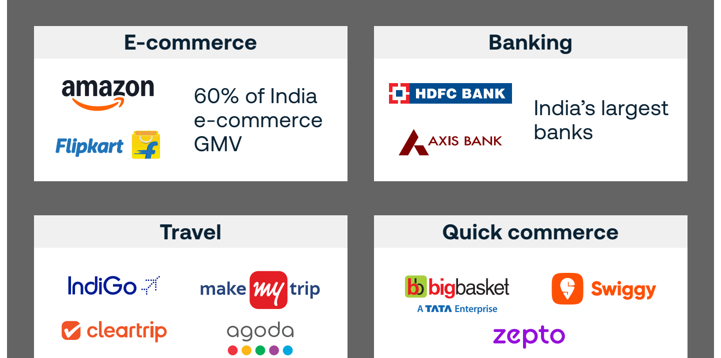
Founded in 2012, Juspay set out to simplify digital payments and address the unique challenges of India's mobile-first ecosystem. At a time when stringent two-factor authentication (2FA) requirements created significant friction in online transactions, Juspay introduced Juspay Safe, the world's first payment browser. With innovations such as one-time password (OTP) auto-read and device-based authentication, Juspay has enabled faster and more secure payments, significantly reducing user drop-offs.

Building on this foundation, Juspay expanded its capabilities with HyperCheckout, its comprehensive orchestration platform trusted by India's top enterprise merchants. HyperCheckout addresses critical pain points for merchants by reducing cart abandonment, improving transaction success rates, and enhancing payment performance. The platform offers features like smart routing, which dynamically selects the most efficient payment gateway, delivering tangible benefits to merchants, such as 5–10% improvement in transaction success rates, 75% reduction in transaction time, and up to 40% savings in processing costs.

Merchant's payments stack



Partner of choice for market-leading enterprises across segments



Juspay's end-to-end payments stack delivers measurable benefits to merchants

Ironclad reliability	Exceptional efficiency
99.99% Best-in-class uptime	**40%** Reduction in processing cost[1] for enterprises
3–5% Improvement in success rate	**80%** Reduction in operational & maintenance costs[2]
20,000+ Commerce transactions per second (TPS) capacity	**75%** Reduction in transaction time due to lower friction[3]

1. Includes interchange fees and network fees for transaction processing.
2. Includes corporate setup costs.
3. Average transaction time reduced from 32s to 8s per transaction for cards and from 22s to 5s per transaction for UPI.

Harnessing network effects and UPI leadership

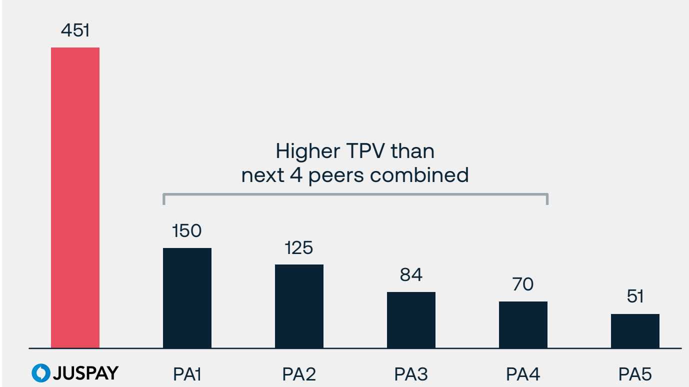
Juspay has evolved from a merchant orchestrator into a critical payments infrastructure provider, harnessing strong network effects across the ecosystem. By seamlessly connecting banks, Third-Party Application Providers (TPAPs) like Google Pay, card networks, and merchants, Juspay has built a scalable and interconnected framework that drives efficiency and widespread adoption. Its contributions to India's UPI ecosystem have been pivotal in this transformation. Collaborating with NPCI, Juspay designed the BHIM app (Bharat Interface for Money) and developed the UPI Common Library SDK, enabling seamless integration, scalability, and reliability. These foundational efforts cemented Juspay's position as a trusted partner for banks and TPAPs while driving UPI's rapid adoption across India.

Juspay's first-in-market innovations continue to reinforce its leadership in the payments ecosystem. Its cloud-native UPI PSP solution enables banks like ICICI, Axis, and Yes Bank to scale their UPI capabilities with reliability and efficiency. For TPAPs such as Google Pay, Amazon Pay, CRED, Navi and Super Money, Juspay has pioneered seamless in-app UPI experiences. For merchants, HyperUPI simplifies integration and provides advanced features like tokenization and reconciliation tools, solving critical operational challenges while encouraging further adoption.

Today, Juspay powers India's top UPI apps with best-in-class uptime, success rates, and a robust network of interconnected stakeholders, firmly establishing itself as a cornerstone of India's payments infrastructure.

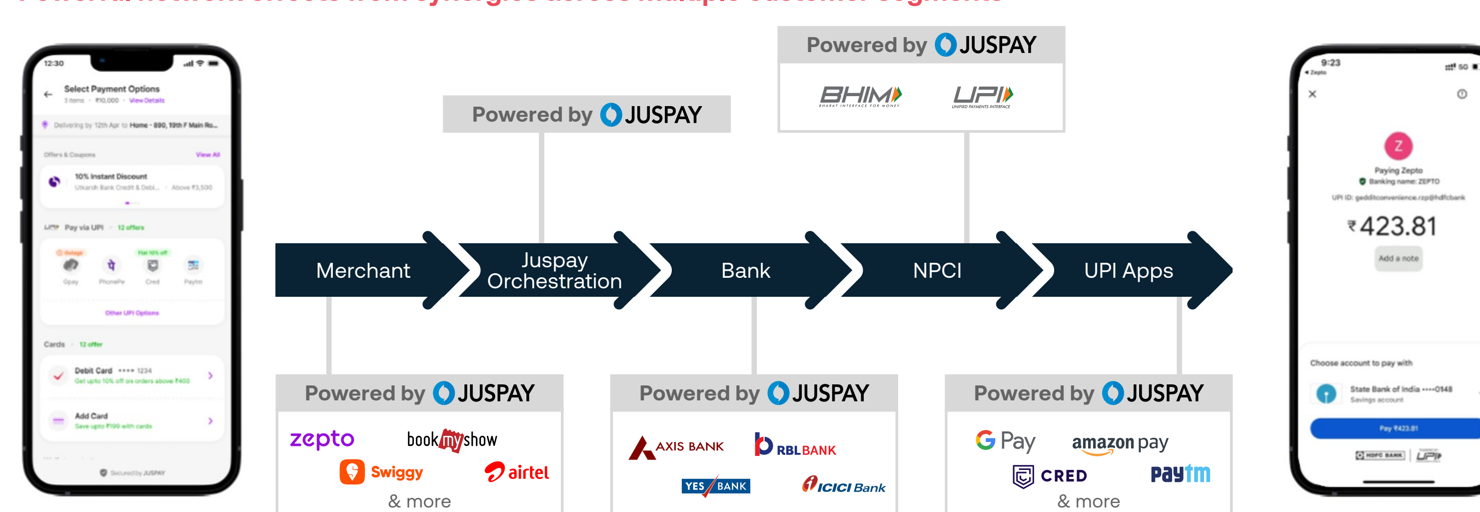
Dominant player in the Indian digital payments landscape

(Total Payment Value[1], USD bln)



Source: RBI, NPCI, Company filings, Company websites.
1. FY24 reported/estimated figures

Powerful network effects from synergies across multiple customer segments



Innovations beyond UPI: acquiring, B2B payments, payouts, and HyperCredit

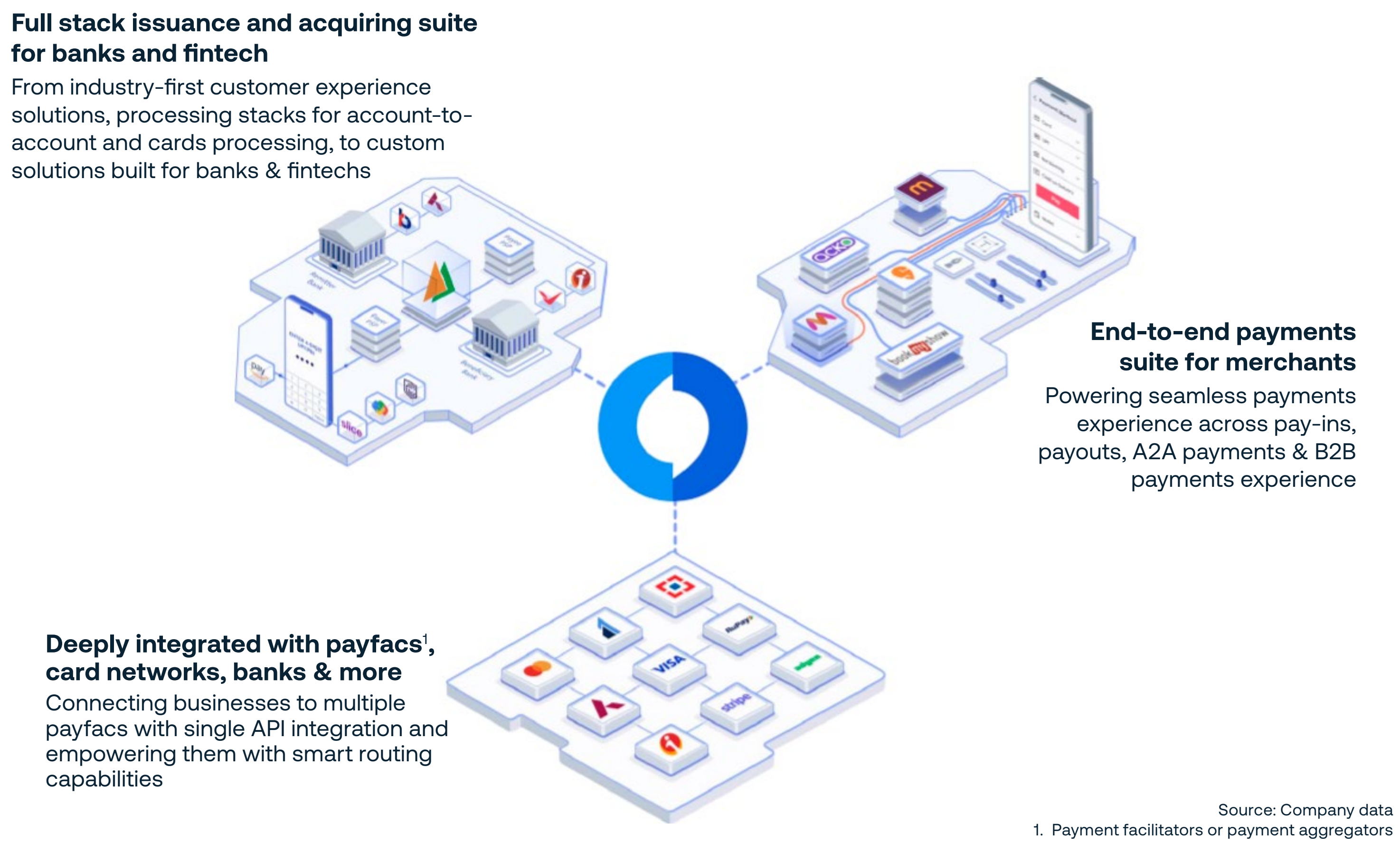
Beyond orchestration and UPI, Juspay now also offers robust solutions across acquiring, B2B payments, and embedded credit, addressing diverse and evolving market needs.

In acquiring, Juspay partnered with HDFC Bank to launch Smart Gateway, a white-label solution designed to modernize legacy systems with scalable and efficient infrastructure. This transformation has simplified merchant onboarding and enhanced transaction processing for India's top private bank.

For cross-border payments, Juspay introduced B2B payout solutions powered by virtual cards, streamlining high-volume international transactions for industries like travel and e-commerce. These solutions minimize fraud risks, improve reconciliation processes, and ensure compliance for key clients like MakeMyTrip and EaseMyTrip.

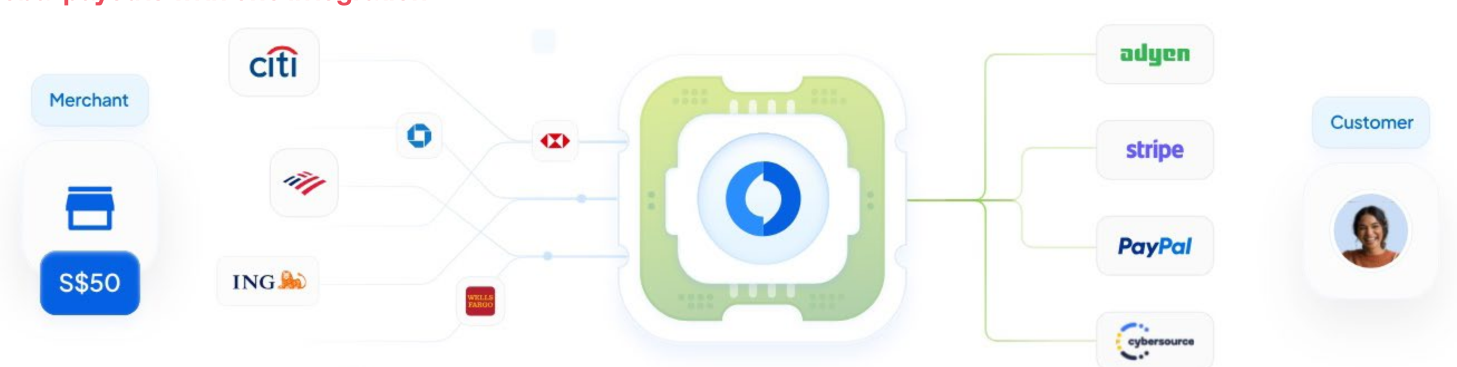
With HyperCredit, Juspay is addressing India's credit gap by embedding lending capabilities directly into customer journeys. This innovation enables merchants to offer seamless credit options at checkout, enhancing conversion rates and fostering customer loyalty.

Juspay acts as a consolidated portal to the Indian payments ecosystem



Source: Company data
1. Payment facilitators or payment aggregators

Global payouts with one integration



Next phase: global expansion – scaling India's playbook to international markets

Growing a scale profitable business in India's low take rate payment ecosystem, with a huge breadth of diversity, gives Juspay a unique foundation from which to compete and grow in global markets. By leveraging its proven playbook, Juspay is growing its opportunities across Southeast Asia, the Middle East, Europe, and the Americas and positioned well to offer region-specific solutions while strengthening its role as a trusted payments infrastructure provider globally.

A key pillar of Juspay's global expansion is its collaboration with global card networks such as Visa and Mastercard. Initiatives like Mastercard Passkeys, Click2Pay, and Visa's Virtual Card payable product (VPA) enable Juspay to address diverse payment needs across key regions, including the US, Europe, and Asia Pacific. Complementing this is Juspay's strategic partnership with a leading global bank, where it is developing a full acquiring stack across more than ten markets. This collaboration highlights Juspay's efficiency in delivering enterprise-grade infrastructure, having completed the stack in under six months.

In Europe and North America, Juspay's HyperSwitch platform is transforming payment infrastructure with its open-source approach, appealing to tech-first organizations that prioritize transparency and flexibility. Supporting over 200 payment methods, HyperSwitch empowers global SaaS platforms and e-commerce firms to modernize their operations while offering scalable and adaptable solutions to efficiently manage high transaction volumes.

In Southeast Asia and the Middle East, Juspay's orchestration platform enables businesses to manage fragmented payment systems and navigate complex regulatory requirements. Companies such as Agoda, Wego and Singapore Airlines utilize Juspay's solutions to scale operations efficiently and optimize costs. In Latin America, Juspay is leveraging its expertise in real-time payments to offer PIX-related products and solutions, supporting Brazil's payment ecosystem as it undergoes a similar evolution to UPI in India. By combining robust infrastructure with adaptability to local regulations, Juspay is now empowering merchants and financial institutions globally.

HyperSwitch: frictionless global payments enabled by an 'Open Payments Orchestration OS' for enterprises

Existing deep integrations with global payment systems

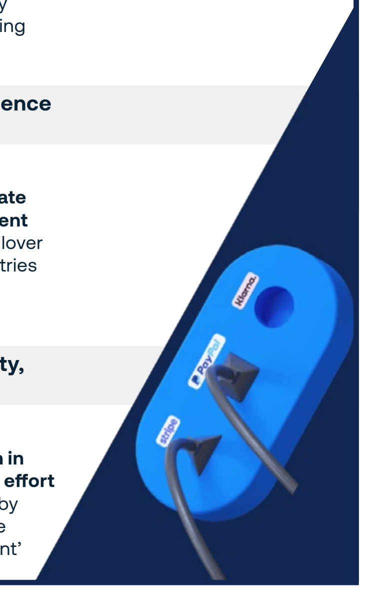
- **50+** **Pre-existing integrations** Reducing single processor dependency
- **20%+** **Processing fee reduction** Driven by smart routing

Most optimized payments experience library across the globe

- **200+** **Payment methods supported** Increased reach with local/alternate payment methods
- **5%+** **Success rate improvement** Seamless failover and auto-retries

Linux-like infra enabling scalability, speed and cost-efficiency

- **<30ms** **API latency** Actively optimized to achieve theoretical limit of 20ms
- **90%+** **Reduction in development effort** Powered by 'No code enablement'



Source: Company data, Statista, Tracxn

A massive USD 5+ tln under-penetrated market

Massive addressable TPV despite low digital penetration worldwide

	Total TPV (USD tln)	Share of digital value (%)	Addressable TPV (USD tln)
	12.6	30%	3.7
	3.8	37%	1.4
 Southeast Asia	1.2	46%	0.5

Juspay is strongly counter-positioned against established incumbents

1. Only player to offer complete end-to-end stack from routing to credit integrations
2. Proven reliability and ability to handle scale of large enterprise merchants, for over a decade
3. Incumbent aggregators have perverse incentives due to lack of neutrality, while Hyperswitch is open-source

Source: Company data, Statista, Tracxn

Juspay in figures
Best of both worlds: scalability of payments with profitability of SaaS

Payments		JUSPAY			Saas
Top-tier scalability of the technology stack	**~USD 400bln** Median global TPV[1]	**USD 450bln+** TPV[1]	**90%** Gross margin[1]	**80%** Median GM[1]	**Operating leverage** with growing client base
SDK-led GTM enables instant deployment	**0–1 days** Median time	**0 days** Deployment time	**130%+** NRR	**115%** Median NRR	**High customer retention** Mission-critical product driving key outcomes
Network effect from payment aggregation	**200+** Median network	**300+** Payment methods	**Double-digit** EBITDA margins	**22%** Median EBITDA[3]	**High operating leverage** enables healthy economics

Note: Indicative logos; Payments includes global payment players with ≥USD 200bln TPV; SaaS comprises global SaaS companies with ≥USD 500mln in LTM revenue and >20% LTM Revenue Growth.
1. FY24 figures
2. YTD Dec-24 figures
3. FY25E figures

Conclusion: shaping the future of payments

Juspay's evolution from addressing India's digital payment complexities to becoming a global payments infrastructure provider highlights its innovative approach, execution excellence, and scalability. With a proven track record in India's high-volume, low-margin ecosystem, Juspay is well-positioned to replicate this success on a global scale.

Supported by strategic partnerships with Visa, Mastercard and others, Juspay is realizing its vision of becoming the 'AWS of Payments' by delivering modular and adaptable infrastructure. VEF's continued backing of Juspay reflects its commitment to supporting fintech innovators capable of reshaping emerging market ecosystems and creating sustainable value.

Photo: Juspay

Sustainability report

Sustainability highlights 2024

SEK 500 mln
Remains allocated to portfolio companies under the Sustainability Bond Framework

+22 mln consumers and MSMEs**
served to date by VEF portfolio companies***

100%
of portfolio companies formally committed to VEF ESG Principles and Responsible Finance Principles

160 mln loans and USD 10 bln of credit
disbursed to date by VEF portfolio companies***

72%
of VEF portfolio value is in impactful companies*

"Companies addressing challenges like financial inclusion and inequality or actively supporting the green transition not only contribute to the well-being of the communities they serve, but also present a compelling growth investment case."
– Helena Caan Mattsson, General Counsel and Head of Sustainability

** Impactful companies are defined as companies contributing to financial inclusion, fairness, wellness, enablement and access to renewable energy*
*** Micro, small and medium sized enterprises*
**** Including data from exited portfolio company, Jumo, until June 2023 as VEF was a shareholder at that time*

Photo: Marcos Paulo Prado (Unsplash.com)

Our sustainability vision

VEF's mission is to create long-term sustainable value for our shareholders by investing in the future of finance across emerging markets. We believe our sustainable investment approach creates value both for the communities we invest in and for investors. A strong sustainability strategy, backed by our company values, supports us to fulfil our mission and goals as a company. Our key value and guidance in our investments is our ever-present mantra, "if it's not ethical, it's not scalable".

VEF, as an investment company, seeks to lead by example. We have adopted a strong set of sustainability principles that we live by (see page 102 below). We prioritize and focus on robust governance practices and being a diverse and inclusive company. Our contribution to and impact on society is foremost through the business of our portfolio companies. Therefore, it is of great importance that we ensure that they conduct their businesses based on strong governance and business ethics.

By allocating capital to companies that transform their local markets, we play an important role as an enabler of sustainable development in emerging markets. Through our sustainable investment approach, based on robust governance and business ethics as well as active ownership, we create conditions for our portfolio to grow and spread ethical financial services in underserved markets.

We contribute to sustainable development in emerging markets

Our sustainable investment approach

VEF – Impact-driven capital allocation based on our values
- Strong governance and ethics backed by transparent, honest, diverse and inclusive business practices
- VEF Sustainability policies – the basis for how we conduct business
- Responsible capital allocation mindset

Our portfolio management – An active and sustainability focused ownership approach
- Active ownership approach with sustainability dialogue and coaching
- VEF ESG and Responsible Finance Principles requirement for portfolio companies
- Pre-and post investment sustainability assessments

Our companies' impact

Our portfolio companies – Investing in companies that increase access to fair and affordable financial services or renewable energy in emerging markets
- Improving the daily lives of consumers and the growth potential for MSMEs

Positive impact for global society

Investing in companies that transform their local markets – our sustainability strategy

Our sustainability strategy is to invest in companies that transform their local markets. Early on, we realized that business ethics is a precondition for scalability in our markets. Simply put – if it's not ethical, it's not scalable. By investing in companies that positively impact their customers, are value-add in their lives and contribute to their local markets, our investments will in turn create the most value for our investors.

Our sustainability strategy and efforts remain focused on three key areas, identified as the most material to our business and investment focus of investing in emerging markets in private fintech companies at growth stage.

- **Fintech for inclusion, fairness, wellness and the green transition**
- **Responsible finance**
- **Governance and business ethics**

Sustainability mission: Investing in companies that transform their local markets

Focus areas	Fintech for inclusion, fairness, wellness and the green transition	Responsible finance	Governance & Business Ethics
Priorities	• Improve access to financial services for consumers and MSMEs in emerging markets • Improve the financial fairness, health and wellbeing for consumers and MSMEs in emerging markets	• Fair and transparent consumer practices • Data privacy and security • Responsible lending and prevention of over debtedness	• Sound governance practices • Regulatory compliance • Anti –corruption and AML • General business ethics
Our goals	• Invest for increased access to fair and affordable financial products • Invest for increased access to renewable energy	• All portfolio companies conducting responsible finance businesses	• VEF's organization and all portfolio companies to have strong governance routines and high business ethical conduct
Our targets	• +50% of portfolio value in impactful companies • Targets related to impacted number of consumers and MSMEs to be set in 2024	• 100% of portfolio companies committed to VEF's Responsible Finance Principles • Zero (0) incidents of unethical finance practices	• Zero (0) ESG-related incidents* in our own operations and at portfolio companies • 100% of portfolio companies committed to VEF's ESG Principles • 100% of portfolio companies to have business ethical policies, including anti-corruption and anti-bribery
Fulfilment of goals	• 72% of portfolio in impactful companies	• 100% of portfolio companies committed to VEF's Responsible Finance Principles • Zero (0) incidents of unethical finance practices	• Zero (0) ESG-related incidents* in our own operations and at portfolio companies • 100% of portfolio companies committed to VEF's ESG Principles • 100% of portfolio companies to have business ethical policies, including anti-corruption and anti-bribery

7 AFFORDABLE AND CLEAN ENERGY · 8 DECENT WORK AND ECONOMIC GROWTH · 10 REDUCED INEQUALITIES · 16 PEACE, JUSTICE AND STRONG INSTITUTIONS

* Eg. corruption, money laundering, human rights violations, data privacy breaches and violations of ESG regulations or environmental regulations.

An active and sustainability-focused investment approach

VEF takes pride in the truly sustainability-focused approach to investing we have. Our investment decision-making and portfolio management process is based on two core beliefs:

1. the power of active shareholding, to ensure strong governance and responsible business practices; and
2. sustainability as a fundamental part of business.

We have a strong sustainability focus throughout the whole investment process and life of the investment.

A hands-on and sustainability integrated investment process

We have an investment process backed by thorough sustainability and impact analysis.

The investment team is responsible for the sourcing and pipeline work at VEF. They are well-trained in our core sustainability principles and how to assess whether a potential investment lives up to VEF's sustainability and ethical standards. The Head of Sustainability is an integral part of the investment process and involved in all new investments from start to finish. Before any new investment is completed, a thorough due diligence covering commercial, financial, legal and sustainability matters is conducted in-house by the investment and legal/sustainability teams. The sustainability assessment is designed to minimize any risks as well as mitigate any potential negative impact our portfolio companies may have on society. A sustainability-risk assessment both before and during the lifetime of our investments is critical to remain an attractive long-term investment option. Where a potential investment has major sustainability-related issues that are not possible to overcome, such investment will not meet VEF's investment criteria and will not be completed.

An active and sustainability focused owner

With our active shareholding approach, we seize the opportunity to be a sustainability partner to our portfolio companies and ensure that our values and ethical principles are trickled down to them. We typically have board representation, allowing us to be active, supportive, engaging, and close to the companies. We spend time on the ground with our companies multiple times a year across the VEF team, and in between those on the ground meetings, we are never further away than a Zoom call. We have set a minimum standard for all our portfolio companies with the VEF ESG Principles and VEF Responsible Finance Principles (see page 102 below) and require all portfolio companies to formally commit to these.

We conduct a yearly sustainability and compliance assessment of portfolio companies, including collecting data directly from the portfolio companies to ensure that we are up to date with any sustainability issues that may arise and to track their progress.

Sustainability focus throughout the whole investment process and life of the investment

Pre-investment		Post investment	
Sourcing phase	**Investment phase**	**On boarding phase**	**Value creation phase**
• Relationship building with companies and their founders • Sourcing with a sustainability lense – **"If it's not ethical, it's not scalable"**	• Investment team commercial due-diligence, integrating sustainability considerations at high level (such as, responsible finance- and impact assessment) • Detailed sustainability and impact due-diligence focused on our focus areas conducted by VEF sustainability team in collaboration with investment team • Ensuring board representation as member or observer	• Formal commitment to VEF ESG and Responsible Finance Principles • Initial assessment of sustainability gaps	• Active ownership through board representation and regular contact • Time on the ground with team and founders • Continuous dialogue and sustainability coaching • Annual post-investment sustainability assessment and sustainability data collection

Fintech driving impact

VEF's largest and most meaningful contribution to emerging markets is the positive impact the portfolio companies can have on society by providing access to financial products to consumers and MSMEs in these markets. VEF can make a difference by allocating capital to companies that contribute to development of society and the lives of consumers and MSMEs in the emerging world.

Fintech for financial inclusion, wellness and fairness

In large parts of the world, financial services for consumers and MSMEs[1] are either unavailable, of poor quality and/or discriminately expensive. 1.4 bln adults globally remain unbanked and many of those are in our core markets, including India, Pakistan and Indonesia.[2] Fintech companies providing digital financial services, such as mobile wallets, electronic payments, fintech apps, digital credit services, etc. can reach people and businesses previously excluded from these services and can support positive change in emerging markets.[3] Digital financial services have been recognized as critical for accelerating financial inclusion, in particular in emerging markets.[4]

> *"Financial inclusion is improving fastest in the economies that have – or are building – a digitally-enabled financial system."*
>
> – The 2023 Global Financial Inclusion Index

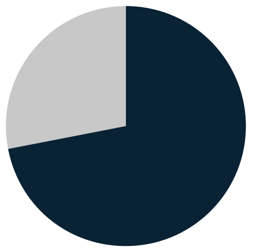
Fintech for the green transition

Improving access to renewable energy in emerging markets is key for the transition to a carbon-free society. As emerging markets are home to over 60% of the global population, and are expected to account for almost 80% of the global growth in electricity demand going forward (given increasing populations, economic development and rising incomes), it will not be possible to achieve net zero without including these markets.[5] Fintech companies can play a pivotal role by unlocking access to financial solutions that allow and enable investing in renewable energy sources, particularly for consumers.

1. Defined as per the IFC definition: IFC's Definitions of Targeted Sectors
2. Global Findex Database 2021 reports increases in financial inclusion around the world during the COVID-19 pandemic (worldbank.org)
3. Digital-Financial-Services.pdf (worldbank.org)
4. Global Financial Inclusion Index 2023 (principal.com)
5. IEA Outlook 2023 – Report

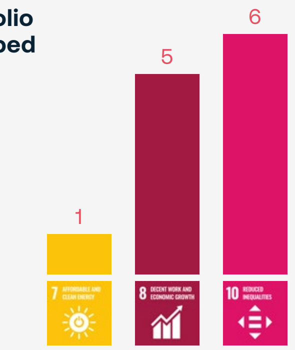
Our companies transform their local markets

From Brazil to Mexico, India, Pakistan and beyond, our portfolio companies increase access to financial services and contribute to financial inclusion, wellness and fairness or the green transition in emerging markets. By targeting underserved consumers and MSMEs, our portfolio companies improve access to financial products. Through digital solutions they reach many consumers and MSMEs previously excluded and improve financial fairness, health, and wellbeing in their markets. On the next page, there is a short introduction to some of portfolio companies that have a business model that contribute to positive impact according to our definition of impactful investing. You can read more about the businesses of each one of these in the section Investment portfolio on pages 45–53 in the Annual Report 2024.

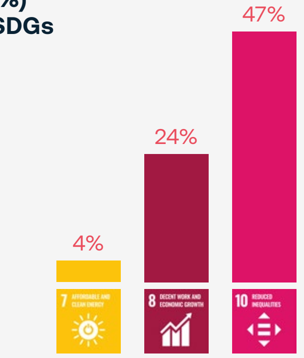


72%
of VEF portfolio value is in impactful companies

Number of portfolio companies mapped to the SDGs



Portfolio value (%) mapped to the SDGs



Konfío

Konfío builds digital banking and software tools to boost SME growth and productivity in Mexico, offering working capital loans, credit cards and digital payments solutions, through three core offerings: credit, payments and SaaS. SMEs have historically been underserved by traditional banks in Mexico, and thus have poor access to financial services – with only two out of ten businesses having access to formal credit. With their 100% digital process, Konfío has the ability to reach SMEs across all of Mexico, including remote and rural areas.

Impact theme: Improve access to financial products for underserved MSMEs

SDG 8.3

Impact:
- Served +48k MSMEs with loans to date
- Originated 83k loans to date
- 23% are sole proprietors
- 26% are female owned businesses
- 14% of business owners are below 35 years
- For 77% of customers during 2024 their credit with Konfío was their first business loan

Rupeek

Rupeek is one of India's leading asset-backed digital lending platforms focused on gold-secured loans. Through its digital lending platform, Rupeek offers low interest rate doorstep and branch gold-secured loans and gold-backed credit cards to consumers in India. Rupeek is building products to make credit accessible to Indian households in a fair and convenient manner.

Impact theme: Improve access to financial products for underserved people and MSMEs and financial fairness, health and wellbeing for consumers and MSMEs

SDG 8.3
SDG 10.2

Impact:
- Consumers and MSMEs in India are massively underserved by traditional banks and have limited access to affordable credit
- +178k unique customers to date
- Originated c. 686k loans and c. USD 2.34 bln in total to date

Mahaana

Mahaana is Pakistan's first digital wealth management company, building a platform to allow working class Pakistanis to better invest their savings and pensions.

Impact theme: Improve access to financial products for underserved people

SDG 10.2

Impact:
- Mahaana is targeting blue collar workers in Pakistan who are massively underserved when it comes to financial services in Pakistan

Solfácil

Solfácil is building a digital ecosystem for solar energy adoption in Brazil, allowing consumers to access financing for the purchase of solar panels. Brazil has some of the highest electricity costs in the world, and financing the installation of a solar system is estimated to be several times cheaper than a fully conventional supply across its lifetime.

Impact theme: Improve access to renewable energy sources

SDG 7.2

Impact:
- Through its platform, Solfácil contributes to the access and spread of renewable energy in Brazil.
- Served more than 112k customers with solar financing to date

Creditas

Latin America's leading digital lending company focusing on leveraging collateral for more affordable rates to consumers.

Impact thesis: Improve financial fairness, health and wellbeing of consumers

Consumers in Brazil pay some of the highest interest rates in the world for unsecured credit, while access to secured credit is limited for average consumers.

SDG 10.2

abhi

Financial wellness company offering early wage access to employees in Pakistan.

Impact thesis: Improve access to financial products for underserved consumers and MSMEs

Only 21% of the adult population have a bank account, and as little as 2% of adults and 7% of MSMEs receive formal credit from financial institutions.

SDG 8.3
SDG 10.2

transferGo

Provides low-cost digital money transfer services to migrants. Customers pay up to 90% less compared to traditional banks.

Impact thesis: Improve financial fairness, health and wellbeing for consumers

Migrant workers sending money to their families in their home markets often pay high transaction costs for remittance services from traditional banks.

SDG 10.c

VEF Sustainability bonds – a commitment to impact

Since 2022, our sustainability bonds have been a large and important step to deploy our impact strategy by allocating capital that support the focus areas for our sustainability work. We are convinced that the selected themes – financial inclusion, financial fairness and wellness, financial infrastructure and enablement and renewable energy – are attractive both from a business return and societal impact perspective.

Our first sustainability bond was announced in April 2022, with an issuance of SEK 500 mln in sustainability bonds under our Sustainability Bond Framework (aligned with the internationally recognized sustainable bond principles of the International Capital Markets Association (ICMA)). In November 2023 we renewed the Sustainability Bond Framework and issued new SEK 500 mln in sustainability bonds and cancelled our old bonds.

VEF remains committed to invest capital in companies that contribute to prioritized sustainability challenges in emerging markets.

In April 2024, we issued our second Impact and Allocation Report, showing that the funds from the bonds remain fully allocated to companies contributing to the financial inclusion, fairness and wellness or green transition in emerging markets. You can read our second Sustainability Bond Impact and Allocation Report here. Our next impact and allocation report will be released in April 2025.

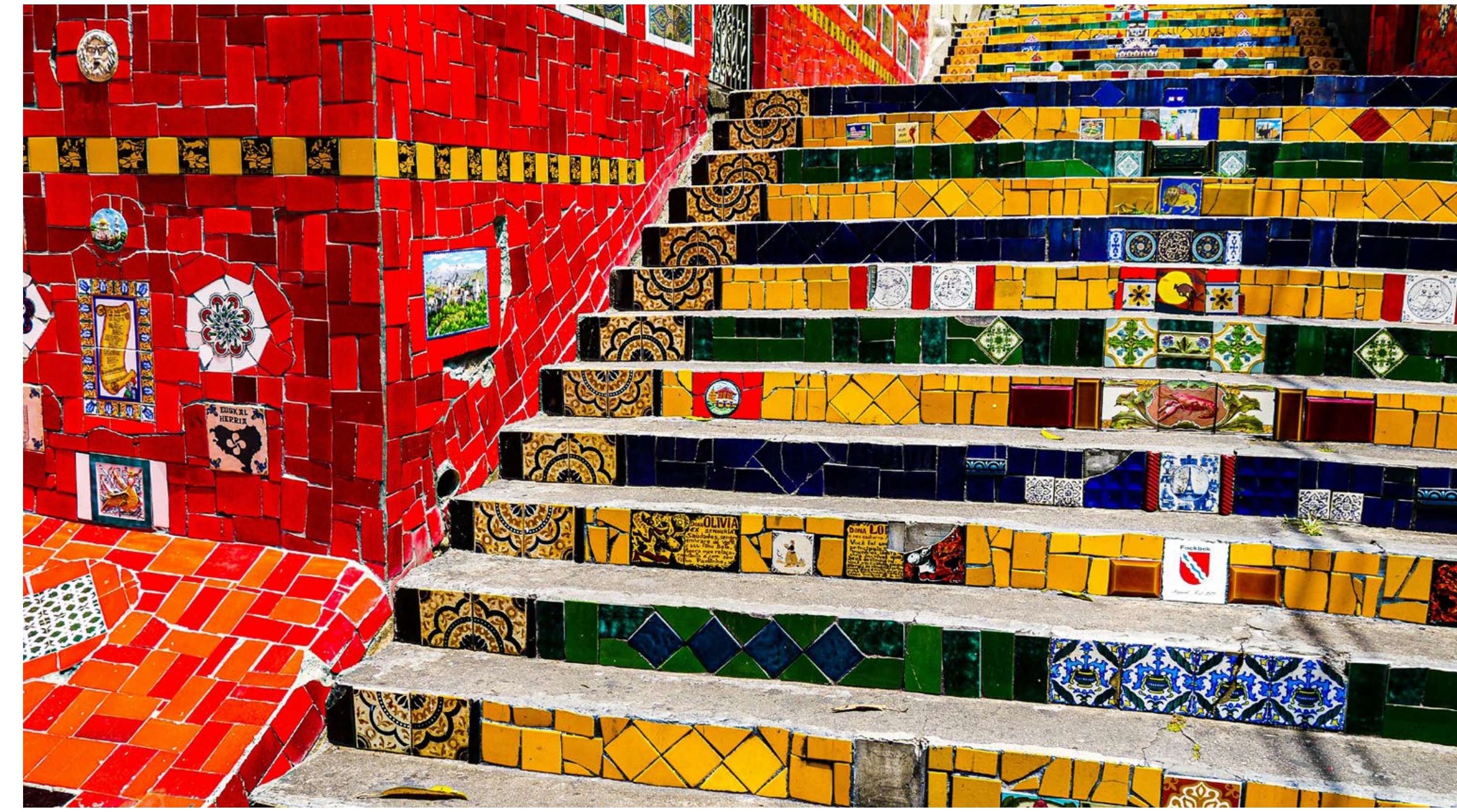


Photo: Axp Photography (Unsplash.com)

Sustainability Bond Framework – Eligible Sustainability Investment Categories

	Details	Target population	Sustainability Bond Principles aligned category
Financial inclusion	Improved access to the following financial products: • Savings • Insurance • Loans • Payments	Underserved people and MSMEs in emerging and frontier markets	• Access to essential services • Employment generation • Socioeconomic advancement and empowerment
Financial fairness and wellness	Improve financial fairness, health and wellbeing, through: • Lowering the price of financial products • Improved access to a broader array of financial products • Transparent fee structures and other cost implications of products transparency	Emerging and frontier markets where the offer of financial products is limited and underdeveloped in several aspects	• Access to essential services • Socioeconomic advancement and empowerment
Financial infrastructure and enablement	Development of services related to financial infrastructure buildout in areas such as payments	Underserved consumers and MSMEs in emerging and frontier markets, where the financial infrastructure does not support financial services to be accessed	• Access to essential services • Socioeconomic advancement and empowerment
Renewable energy	Improve access to affordable renewable energy sources through financing and distribution solutions offering private individuals the opportunity to install solar cells		• Renewable energy

Sustainability bond allocation April 2024

The gross proceeds from issued sustainability bonds were used to finance and refinance VEF's investments in companies that derive 90% or more of their revenues from one or several sustainable finance categories

Konfío	SEK 244 mln
Solfácil	SEK 181 mln
Rupeek	SEK 64 mln
Mahaana	SEK 10 mln

Investment portfolio

Portfolio development

Net asset value
VEF's NAV as of December 31, 2024, was USD 353.0 mln (442.2) or USD 0.34 per share (0.42).

Given a SEK/USD exchange rate of 11.00 (10.04) this corresponds to a NAV of SEK 3,882 mln (4,441) or 3.73 SEK per share (4.26).

Over the year, VEF's NAV in USD decreased by 20% and in SEK by 13%. During the same period VEF's share price in SEK increased by 20% while the MSCI Emerging Markets index* increased by 8%. The decrease in NAV is a result of weaker listed peer group multiples and a weakening in key portfolio currencies, mainly during 4Q24.

Investments
During 2024, no investments were made in financial assets (USD 8.0 mln).

Divestments
Net divestments in financial assets during 2024 were USD 1.9 mln (39.2), of which the vast majority relates to the IPO of BlackBuck where VEF sold 40% of its holding in the company.

Revaluations
The three largest revaluations of financial assets in terms of USD during the year were Creditas (USD -46.3 mln), Konfío (USD -22.5 mln) and Juspay (USD 9.9 mln).

Liquidity placements
VEF has investments in money market funds as part of its liquidity management operations. As per December 31, 2023, the liquidity investments are valued at USD 4.1 mln (3.9), based on the latest closing price.

* The MSCI Emerging Markets Index is a free float weighted equity index that consists of indices in 24 emerging economies.

Net asset value
The investment portfolio stated at market value (KUSD) at December 31, 2024

Company	Fair value Dec 31, 2024	Net invested amount	Net investments/ divestments 2024	Change in fair value 2024	Fair value Dec 31, 2023	Valuation method
Creditas	142,479	108,356	–	-46,349	188,828	Mark-to-model
Juspay	83,999	21,083	–	9,946	74,053	Mark-to-model
Konfío	72,841	56,521	–	-22,508	95,349	Latest transaction
TransferGo	26,571	13,877	–	-425	26,996	Mark-to-model
Gringo	15,249	15,249	–	-2,040	17,289	Calibration methodology
Solfácil	13,734	20,000	–	-1,894	15,628	Latest transaction
Nibo	10,378	6,500	–	-2,330	12,708	Mark-to-model
BlackBuck	5,223	6,000	-1,865	-208	7,296	Publicly traded
Other[1]	9,091	38,526	-10	-12,771	21,873	
Liquidity investments	4,107	800	–	214	3,893	
Investment portfolio	**383,672**	**286,912**	**-1,875**	**-78,365**	**463,913**	
Cash and cash equivalents	8,681				17,708	
Other net liabilities	-39,392				-39,392	
Total net asset value	**352,961**				**442,229**	

1. Includes all companies individually valued at less than 1% of the total portfolio. Companies included are: Abhi, FinanZero, Finja, Mahaana, minu and Rupeek. For a more detailed presentation of these companies, see pages 45–53.

Photo: Jackson David (Unsplash.com)

Brazil

Creditas

Creditas is the leading fintech platform for secured and specialized financial solutions focused on improving the lives of individuals in Latin America across three ecosystems: auto, home and employee benefits.

In Brazil, consumers pay some of the highest interest rates in the world, while secured lending remains massively underpenetrated. Creditas democratizes access to credit by leveraging customers' assets like their real estate, vehicle and salary to offer financing and refinancing options loans at more reasonable rates through an efficient, tech-driven application system.

In 2023 VEF made a follow-on investment of USD 5.0 mln into Creditas as part of a convertible round, taking the total invested amount in Creditas to USD 108 mln.

Recent highlights:

- Creditas accelerated originations through the year, originating BRL 2.9 bln in 2024, +27% YoY, with its loan portfolio reaching BRL 6.0 bln. Gross profit surged 45% YoY to BRL 890 mln, reflecting a 44% gross margin.
- In December 2024, Creditas raised USD 60 mln through its second international bond issuance, strengthening its position in European capital markets. The bond will be listed on Nasdaq Stockholm alongside the previous issuance.

creditas.com

Segment:
Secured lending platform

Fair value (USD):
142.5 mln

VEF Stake:
8.8%

Share of VEF's portfolio:
37.1%

Gringo

Gringo is the largest digital platform for drivers in Brazil.

Founded in 2020, Gringo is building a "super-app" for drivers in Brazil and currently offers vehicle-documentation related services, credit and insurance solutions. Gringo is focused on improving drivers' vehicle ownership journey in Brazil, which is currently riddled with pain points driven by analogue processes, massive paperwork and broken legacy systems.

In 3Q24, Gringo raised an additional USD 12 mln as part of its Series C extension round at Series C valuation. In total, VEF has invested USD 15.2 mln into Gringo.

Recent highlights:

- As a result of a process initiated in 2024, VEF fully exited its position in Gringo to NYSE listed payments provider Corpay in 1Q25. Despite a sharp decrease in the BLR versus the USD in 2024 VEF manged to recoup the total invested amount of USD 15.2 mln in the transaction. VEF received the sales proceeds in March 2025.

gringo.com.vc

Segment:
Super-app for drivers

Fair value (USD):
15.2 mln

VEF Stake:
9.7%

Share of VEF's portfolio:
4.0%

solfácil

Solfácil is a renewable energy platform that allows Brazilian individuals and SMEs to finance and own their solar panels.

Solfácil is building a digital ecosystem for solar energy adoption in Brazil. It offers a holistic solution covering solar equipment procurement and distribution, financing and insurance solutions for the end user, and proprietary IoT technology to optimise monitoring and service post installation. The value proposition of solar in Brazil is strong given highly attractive climate conditions and has been strengthening over recent years thanks to electricity market dynamics, a favourable regulatory environment and falling solar input costs. Solar financing is therefore a huge opportunity in Brazil.

In 1H22, VEF invested USD 20.0 mln into Solfácil, participating in its USD 130 mln Series C round led by QED and also saw participation from SoftBank and existing investors.

Recent highlights:

- Solfácil continued to demonstrate impressive market share gains through 2024 and is now one of the largest rooftop solar financers in Brazil.
- In July 2024, Solfácil announced the opening of their new distribution centre in Jundiaí, São Paulo. At over 14,000 m² and with state-of-the-art technology, the new facility will reduce average delivery time in the Southeast region by almost 50%.

solfacil.com.br

Segment:
Digital ecosystem for solar energy

Fair value (USD):
13.7 mln

VEF Stake:
2.5%

Share of VEF's portfolio:
3.6%

nibo

Nibo is the leading accounting SaaS provider in Brazil, transforming the way accountants and SMEs interact in one of the most complex and regulated accounting and tax environments in the world.

The Nibo platform uses technology to offer a suite of financial management tools to accountants, SMEs and their BPO providers (Business Process Outsourcing), that helps them improve their productivity. Nibo is accumulating and managing a unique pool of SME data which has the potential to serve as a base for offering a variety of additional financial services to Brazil's underserved SMEs as a natural extension of the core products.

Since VEFs initial investment into Nibo in 2Q17 VEF made two follow-on investments in 2019 and 2020 and has in total invested USD 6.5 mln.

Recent highlights:

- Nibo now serves over 485,000 SMEs through a network of more than 5,500 accountants, continuing to gather one of the largest and richest data sets on SMEs in Brazil.

nibo.com.br

Segment:
Accounting SaaS

Fair value (USD):
10.4 mln

VEF Stake:
20.1%

Share of VEF's portfolio:
2.7%

FinanZero

FinanZero is the leading digital marketplace for consumer loans in Brazil.

The high interest rates on consumer loans in Brazil, where unsecured consumer loan and credit card APRs average well into triple-digits, mean it is an imperative for consumers to find loans with the lowest rates and best terms available to them in the market. Acting as an independent broker, FinanZero negotiates the customer's loan with a network of 80+ lenders, handling the lending process from start to finish, with the customer and the bank integrated into the platform. For consumers, this means that all the relevant credit providers are reached through one single application, and from the credit providers' perspective, FinanZero adds value through more effective distribution, lower customer acquisition cost, better segmentation, and lower administration costs.

Recent highlights:

- FinanZero has executed significant operational improvements through 2024, adding new credit partners, optimizing conversion rates and increasing commissions. Coupled with a carefully calibrated media investment strategy, the company has significantly improved unit economics as part of its focus on driving a path towards profitability.

finanzero.com.br

Segment:
Consumer credit marketplace

VEF Stake:
18.3%

Share of VEF's portfolio:
<1%

India

JUSPAY

Founded in 2012, Juspay is one of India's leading payment companies.

Juspay offers a unifying layer of products and value-added services to merchants, thereby enabling them to improve their conversion rates. Juspay has played a key role in India's payment transformation and is present on 300 mln+ smartphones and processing USD 200 bln+ in annualized TPV.

VEF has made a cumulative investment of USD 21.1 mln into Juspay, investing USD 13.0 mln leading its broader Series B round and investing an additional USD 8.1 mln in its Series C round 2022.

Recent highlights:

- Juspay delivered strong operational performance in 2024, with annualized payment volumes surpassing USD 200 bln and revenues growing over 60% YoY.
- The company announced key partnerships, including its collaboration with HDFC and strategic initiatives with Mastercard and Visa. International expansion accelerated with the establishment of a European hub in Dublin and a LatAm office in São Paulo, Brazil.

juspay.io

Segment:
Mobile payments platform

Fair value (USD):
84.0 mln

VEF Stake:
9.9%

Share of VEF's portfolio:
21.9%

BLACKBUCK

BlackBuck is the largest online trucking platform in India.

BlackBuck is India's leading digital trucking platform, offering solutions like tolling, fueling, telematics, and a digital marketplace to optimize logistics and trucking operations. The company also holds a lending license, enabling it to provide used vehicle financing to c. 700k monthly transacting users on its platform.

VEF made its initial USD 10 mln investment into BlackBuck in 3Q21. In November 2024, VEF partially exited its position through a share sale in BlackBuck's IPO, realizing gross proceeds of c. USD 2 mln while retaining 60% of its original stake in the now-listed business.

Recent highlights:

- BlackBuck successfully went public in November 2024, marking a pivotal milestone in its journey. BlackBuck's share price closed up 72% from IPO to YE24.
- In December 2024 quarter, BlackBuck delivered strong operational performance, registering a 45% YoY growth in net revenues and 34% adjusted EBITDA margins.

blackbuck.com

Segment:
Online trucking platform

Fair value (USD):
5.2 mln

VEF Stake:
0.5%

Share of VEF's portfolio:
1.4%

Rupeek

Rupeek is one of India's leading asset-backed digital lending platforms focused on gold-secured loans.

Through its digital lending platform, Rupeek offers low-interest rate doorstep gold loans and gold backed credit cards to consumers in India. Rupeek is building products to make credit accessible to Indian households, which hold over 25,000 tonnes of gold worth c. USD 1.5 tln, in a fair and convenient manner.

In 2024, Rupeek raised c. USD 23 mln to fund its growth plans in 2025. In total VEF has invested USD 13.9 mln into Rupeek.

Recent highlights:

- Rupeek achieved a major milestone in 2024 by reaching profit after tax break-even, driven by rigorous cost optimization and revenue scaling.

rupeek.com

Segment:
Secured lending platform

VEF Stake:
2.3%

Share of VEF's portfolio:
<1%

Mexico

Konfío

Konfío provides digital banking and software tools to drive SME growth and productivity in Mexico, offering working capital loans, credit cards and digital payment solutions.

SMEs in Mexico have long been underserved by traditional banks, with only 20% having access to formal credit. Konfío addresses this gap by creating an ecosystem of solutions designed to support SME growth. At its core, Konfío's working capital loan product uses both traditional and alternative data sources, along with proprietary technology, to assess credit risk and generate loan offers with dynamic terms in under 10 minutes – all through a fully digital process. Konfío's broader product suite also includes credit cards and digital payment solutions.

Recent highlights:

- Konfío reaccelerated growth across key metrics in 2024, with total loan book reaching MXN 9.4 bln at the end of December 2024.
- During the year, Konfío secured fresh funding in a new round led by internal investors. The round provides Konfío with additional resources to strengthen its balance sheet, accelerate growth and support its application for a banking license.

konfio.mx

Segment:
Financial services for SMEs

Fair value (USD):
72.8 mln

VEF Stake:
9.8%

Share of VEF's portfolio:
19.0%

minu

minu is an employee financial wellness company offering a digital compensation and benefits platform to thousands of employees in Mexico.

In a country where 75% of the population live paycheck to paycheck, minu is on a mission to improve the financial health of millions of workers across Mexico. minu partners with employers to give their employee base access to minu's platform which provides over 30 benefits including insurance, telemedicine, financial education, savings and credit products, and minu's market-leading salary on-demand and benefit card offering. The B2B2C subscription-based distribution model is a win-win for employers and their employees whose needs are aligned: minu's solution improves the financial, physical and mental wellbeing of employees, leading to financially healthier and thus more productive workers.

Recent highlights:

- minu announced their Series B funding round in Nov-24, led by QED with participation from a number of both internal and new investors. The funds will be used to consolidate its leadership and geographic coverage in Mexico.
- minu now serves over 2,000 companies. During the year minu also launched a partnership with Citibanamex, integrating into their banking application with the potential to offer on-demand salary to its 5 million payroll clients.

minu.mx

Segment:
Salary on-demand

VEF Stake:
0.6%

Share of VEF's portfolio:
<1%

Emerging Europe

transferGo

TransferGo is a low-cost digital money transfer business for migrant customers worldwide.

With global remittance volumes reaching USD 700 bln annually, traditional banks and money transfer operators have fallen short, charging high fees and slow transfer times. TransferGo enables customers to save up to 90% compared to banks, delivering secure transfers within just 30 minutes. Focused on blue-collar migrant workers, who are among the most consistent remittance customers in the world, TransferGo facilitates transfers to more than 160 countries worldwide. Today TransferGo serves over 8 million customers, with a strong presence in key markets such as Ukraine, Turkey and the CEE region.

Recent highlights:

- In April 2024, TransferGo secured a USD 10 mln investment from new investor Taiwania Capital, which has supported TransferGo's geographic expansion and the development of new product offerings during the year.
- TransferGo announced a partnership with Tink, the Swedish open banking platform, to integrate Pay by Bank into its payments suite, offering UK customers a secure, faster method of international transfers.

transfergo.com

Segment:
Digital payments and cross-border remittances

Fair value (USD):
26.6 mln

VEF Stake:
11.3%

Share of VEF's portfolio:
6.9%

Pakistan

abhi

Abhi is a financial wellness company for businesses and their employees, offering earned wage access (EWA), invoice factoring and payroll solutions in Pakistan and the UAE.

Abhi is transforming access to financial services for businesses and their employees across Pakistan and the UAE. Through its EWA product, Abhi partners with large corporates to provide their employees with immediate access to their earned income. Empowering employees to meet their financial needs without resorting to expensive payday loans.

Modernising the pay cycle represents a fundamental shift in how companies engage with their employees, and as a result, Abhi's partners benefit from improved employee satisfaction, motivation and retention as a result. Beyond EWA, Abhi strengthens these partnerships by offering invoice factoring and payroll solutions, creating a comprehensive suite of financial tools that align interests and enhance business efficiency.

Recent highlights:

- In May 2024, Abhi announced a partnership with Saudi Arabia's Alraedah Digital Solutions to introduce their products to the Saudi market, with a commitment to co-develop localized offerings over three years.

abhi.com.pk

Segment:
Salary on-demand

VEF Stake:
10.7%

Share of VEF's portfolio:
<1%

Mahaana

Mahaana is Pakistan's first digital wealth management company, designed to help working class Pakistanis to invest their savings and pensions more effectively.

While developed markets have long embraced sustainable savings and pension models, Pakistan continues to rely on an outdated, high-cost defined-benefit approach. Savings rates in Pakistan lag regional peers, with pensions often underfunded and primarily invested in low-yield bank deposits or treasuries that fail to keep up with inflation, placing additional strain on corporate balance sheet and government budgets. With regulatory approvals in place, Mahaana has introduced technology-driven investment management solutions to the country, with thousands of retail customers and corporate clients now using the platform to manage savings through Mahaana Save and Mahaana Invest.

Recent highlights:

- In March 2024, Mahaana launched a broad index Islamic ETF for the Pakistan stock exchange, the Mahaana Islamic Index Exchange Traded Fund (MIIETF). The ETF aims to provide investors with diversified exposure to the Pakistani stock market at a much lower cost versus competitors.
- In addition to the ETF, Mahaana's Islamic Cash Fund achieved impressive scale in the past 12 months, following the fund's AA+ rating in March 2024.

mahaana.com

Segment:
Digital wealth management

VEF Stake:
13.8%

Share of VEF's portfolio:
<1%

Finja

Finja is a digital lending platform addressing the financial needs for SMEs in Pakistan.

With over 5.2 million SMEs in Pakistan, the sector accounts for 90% of businesses and 40% of GDP in the country. Despite their importance, SMEs receive only 6-7% of private sector financing, significantly lagging behind regional peers like Bangladesh and India. Through their technology, Finja provides working capital loans to underserved MSMEs, including Kiryana stores and other businesses within the FMCG supply chain. Additionally, Finja Business – a bank agnostic business management tool – allows SMEs to streamline operations by managing banking relationships, payroll and vendor payments efficiently. Aligned with the State Bank of Pakistan's vision to expand SME financing as a catalyst for economic growth and employment Finja is driving financial inclusion of this critical sector.

Recent highlights:

- Following the sale of their EMI license to strategic buyer Opay, Finja has implemented several operational improvements at the company over the last 12 months, significantly reducing burn and bringing the company closer to break-even.

finja.pk

Segment:
Digital lending and payments

VEF Stake:
21.4%

Share of VEF's portfolio:
<1%

The VEF share

VEF has been a listed company since 2015. On June 1, 2022, VEF took a big step on its journey to be the leading investor in the future of finance across the emerging world by moving from First North Growth Market to Nasdaq Stockholm's main market. The closing price for the year was SEK 2.21, an increase by 20% in 2024. During the same period, the MSCI Emerging Markets index increased by 8% in USD terms. Since incorporation, VEF's compounded annualized share price growth rate is 8%.

Share and share capital

VEF AB (publ)'s share capital is distributed among 1,113,917,500 shares with a par value of SEK 0.01 per share as set out in the table below. Each share of the Company carries one vote.

The convertible shares of Class C 2020–2024 are held by management and key personnel of VEF under the Company's long-term incentive programs ("LTIP"). The Class C shares are redeemable pursuant to the terms set out in the Company's articles of association.

Share class	Number of shares	Number of votes	Share capital (SEK)
Common shares	1,041,865,735	1,041,865,735	10,550,600
Class C 2020	31,720,500	31,720,500	321,222
Class C 2021	7,044,835	7,044,835	71,341
Class C 2022	9,061,430	9,061,430	91,762
Class C 2023	11,725,000	11,725,000	118,734
Class C 2024	12,500,000	12,500,000	126,583
Total	1,113,917,500	1,113,917,500	11,280,242

Common shares

The common shares trade on Nasdaq Stockholm under the ticker VEFAB. At year-end, the total number of outstanding shares in the company was 1,113,917,500, of which 1,041,865,735 are common shares.

No Class C shares were converted into common shares during 2024. VEF held no repurchased common shares at year end.

Class C 2020–2024 redeemable, convertible common shares

Within the framework of the LTIP for management and key personnel of VEF of 2020–2024, participants subscribed for Class C shares in the Company. The Company's annual general meeting on May 14, 2024, approved a new LTIP 2024 for seven key employees. Depending on the performance of both the Company's NAV/share and share price (LTIP 2020–23) or total shareholder return (LTIP 2024), some or all of the Class C shares will be redeemed or reclassified as common shares. If the performance conditions are not fulfilled, then the Class C shares will be redeemed at nominal value and cancelled. The participants will be compensated for dividends and other value transfers to the shareholders during the life of the programs, pursuant to the LTIP terms. The participants are also entitled to vote for their Class C shares during the measurement period. In 2024, a total of 3,506,755 Class C shares were redeemed and cancelled due to the termination of employment for one LTIP participant.

Ownership structure

VEF had a total of approximately 18,000 shareholders at year-end. In terms of numbers, the largest category of shareholders is retail investors, and in terms of the percentage of share capital held, institutional owners dominate. The largest single shareholder category is funds, of which the largest is the Acacia funds (Conifer Management LLC).

VEF held no repurchased common shares at year end.

Shares issued during the year

No common shares were issued during 2024. 24,225,000 Class C shares under LTIP 2023 and 2024 were issued in 2024.

Share turnover

During 2024, the total turnover of the VEF share was SEK 0.7 bln, with an average daily turnover of SEK 2.8 mln and 1.3 million shares. Trading has been conducted 100% of the time.

Repurchases of own shares

At the annual general meeting of the Company on May 14, 2024, the Board's mandate to buy back own shares was renewed. The board has not used its mandate to buy back shares and the Company holds no shares in treasury at year end.

Dividends

No dividend has been proposed for the year.

The market

VEF's shares are traded on Nasdaq Stockholm under the ticker VEFAB. Recent and historic quotes for VEF's share are easily accessible on several business portals as well as via professional financial and real-time market data providers. Below are some of the symbols and codes under which the VEF share can be found.

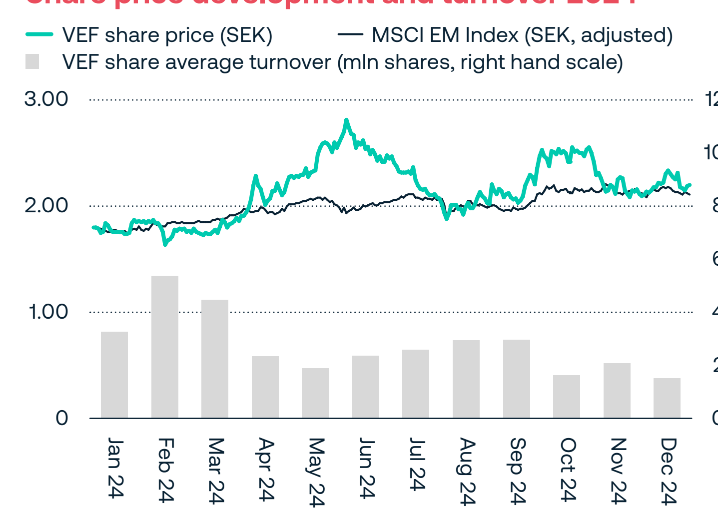
ISIN Code	SE0016128151
Nasdaq Stockholm short name (ticker)	VEFAB
Bloomberg	VEFAB:SS
Financial Times	VEFAB:STO
Yahoo Finance	VEFAB:ST

Major shareholders

As per December 31, 2024	Number of common shares	Number of C-shares	Holding and votes, %
Conifer Management LLC	217,718,740	–	19.5%
Fidelity Investments (FMR)	100,289,621	–	9.0%
Swedbank Robur Funds	83,360,000	–	7.5%
City of London Investment Management	68,095,558	–	6.1%
Avanza Pension	30,434,815	–	2.7%
Consilium Investment Management LLC	29,713,569	–	2.7%
Fidelity International (FIL)	26,275,777	–	2.4%
Asset Value Investors	24,366,968	–	2.2%
Robeco	21,928,828	–	2.0%
Dave Nangle	19,932,581	27,092,500	4.2%
10 largest owners	**622,116,457**	**27,092,500**	**58.3%**
Other holders (approx. 18,000)	419,749,278	44,959,265	41.7%
Total	**1,041,865,735**	**72,051,765**	**100.0%**

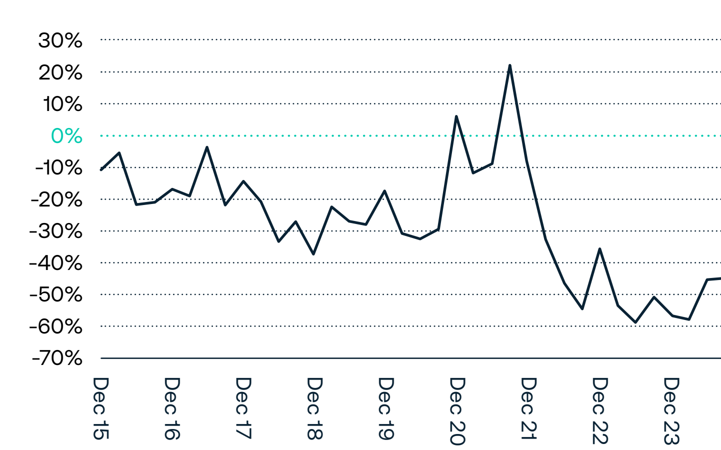
Based on Euroclear Sweden AB data and holdings known to the Company.

Share price development and turnover 2024



Share premium/discount to NAV

December 2015–December 2024



Administrative report

The Board of Directors of VEF AB (publ), corporate identity number 559288-0362, based in Stockholm, Sweden hereby presents the annual report and consolidated financial statements for the financial year January 1, 2024–December 31, 2024.

VEF AB (publ) was incorporated as a shelf company on December 7, 2020, but changed name to VEF AB (publ) and became active on May 28, 2021. The registered office is at Mäster Samuelsgatan 1, 111 44 Stockholm, Sweden. The common shares of VEF AB (publ) are listed on Nasdaq Stockholm with the ticker VEFAB.

The Group's presentation currency is USD, and the Parent Company's presentation currency is SEK due to Swedish Company regulations.

The annual report and consolidated financial statements were approved by the Board on March 26, 2025.

Business concept

VEF invests in fast growing private fintech companies across the emerging world. VEF takes minority stakes and is an active investor with board representation in most portfolio holdings. VEF's purpose is to create long-term sustainable value for our shareholders by investing in the future of finance across the emerging world. VEF always looks to back the best entrepreneurs in each market. As per December 31, 2024, VEF holds investments in 15 companies across all areas of financial services inclusive of payments, credit, asset management, embedded finance and accounting SaaS.

Strategy

VEF's strategy is to invest in private fintech companies in emerging markets with a high return potential.

Group structure

As of December 31, 2024, the VEF Group consists of the Swedish Parent company VEF AB (publ) and three wholly owned subsidiaries; VEF Cyprus Limited, VEF Fintech Ireland Limited and VEF UK Ltd. VEF Cyprus Limited act as the main investment vehicle for the group, holding twelve of fifteen investments at balance date. VEF AB (publ) holds the remaining three (BlackBuck, Juspay and Rupeek) and also act as a service company, together with VEF Fintech Ireland Limited and VEF UK Ltd, providing business and investment support services to the Group.

Key events during the year

Portfolio events

During 2024, no investment was made into new or current portfolio companies. During 4Q24 VEF's Indian portfolio company BlackBuck made its IPO on the local Indian stock exchange. VEF divested 40% of its holding in the company in the IPO, receiving gross proceeds of c. USD 2 mln.

Five-year summary (KUSD)	Note	2024	2023	2022	2021	2020
Equity and Net asset value	23	352,961	442,229	381,831	761,728	388,066
Net asset value change, %		-20%	16%	-50%	96%	56%
Net asset value/share, USD	23	0.34	0.42	0.37	0.73	0.47
Net asset value, TSEK	23	3,881,918	4,440,677	3,981,466	6,884,560	3,178,263
Net asset value/share, SEK	23	3.73	4.26	3.82	6.61	3.83
Share price, SEK		2.21	1.84	2.45	6.05	4.04
Cash and cash equivalents		8,681	17,708	8,612	11,131	4,224
Result from financial assets at fair value through profit or loss		-78,365	74,395	-369,936	284,574	84,672
Result for the year		-89,863	60,066	-377,359	275,513	79,454
Earnings/share, USD	23	-0.09	0.06	-0.36	0.30	0.11
Cash flow from operating activities		-4,284	24,063	-47,972	-90,125	-59,831
Cash flow from financing activities		-3,994	-17,726	48,278	97,767	58,186
Cash flow for the year		-8,278	6,337	306	7,642	-1,645

Buyback mandate

At the annual general meeting of the Company on May 14, 2024, the Board's mandate to buy back own shares was renewed. The board has not used its mandate to buy back shares and the Company holds no shares in treasury at year end.

Group result

During the year, the result from financial assets at fair value through profit or loss amounted to USD -78.4 mln (74.4). Administrative and operating expenses were USD -6.5 mln (-7.1). Net result for the year was USD -89.9 mln (60.1).

Portfolio performance

During 2024, VEF's NAV in USD decreased by 20%. The value change in the portfolio is mainly driven by the valuation depreciations in Creditas and Konfío. VEF's net asset value per share decreased by 20% in USD and 13% in SEK over the year, while VEF's share price in SEK increased by 20%. During the same period, the MSCI Emerging Markets index increased by 8% in USD terms.

During the year no investments in financial assets were made (2023: USD 8.0 mln). As of year-end, VEF's three biggest investments as percent of portfolio were Creditas (37.1%), Juspay (21.9%) and Konfío (19.0%).

Liquid assets

The liquid assets of the Group, defined as cash and bank deposits, amounted to USD 8.7 mln on Dec 31, 2024 (17.7). The Company also has investments in money market funds as part of its liquidity management operations. As of Dec 31, 2024, the liquidity investments are valued at USD 4.1 mln (3.9), based on the latest closing price.

Shareholders' equity

Total shareholders' equity amounted to USD 353.0 mln on December 31, 2024 (442.2). The decrease of USD 89.2 mln in shareholders equity during 2024 is mainly related to the revaluations of the underlying portfolio driven by market moves of listed peers and a weakening in local currencies, which was partly offset by improved forecasts for a majority of the portfolio companies.

As per the end of 2024 the company holds no repurchased shares in treasury.

Cash flow

Cash flow from operating activities for the current year amounted to USD -4.3 mln (24.1). Cash flow from financing activities amounted to USD -4.0 mln (-17.7). The proceeds from the BlackBuck IPO and coupon payments on the sustainability bonds were the major cashflow events during the year. Cash flow for the year amounted to USD -8.3 mln (6.3).

Personnel

At year-end, the VEF Group had 8 persons employed (9).

Parent company

The Parent company VEF AB (publ) is a Swedish limited liability company, incorporated in Sweden and operating under Swedish law. VEF AB (publ) is the holding company of the Group and directly owns all the companies in the Group.

The Parent company's administration report and its financial statements

VEF AB (publ) was incorporated on December 7, 2020, and started its business in May 2021. The Parent company's presentation currency is SEK and not the Group's reporting currency of USD due to Swedish Company regulations.

Result

For the year 2024, the Parent company's net result was SEK 37.2 mln (100.2) mainly related to following financial items:

- Result from financial assets at fair value through profit or loss amounted to SEK 154.9 mln (219.2) referring to revaluations in Juspay, BlackBuck, Rupeek and liquidity investments.
- Operating expenses amounted to SEK -44.2 mln (-42.2).
- Net financial items amounted to SEK -37.3 mln (-80.1) comprising of interest expenses and currency exchange gains.

Liquid assets

The Parent company has invested in money market funds, as part of its liquidity management operations. As per December 31, 2024, there were SEK 45.2 mln (39.1) in liquidity investment placements. Cash and cash equivalents of the Parent company amounted to SEK 78.2 mln (171.6).

Share capital and number of shares

By the end of the year, shareholder's equity was SEK 3,274.1 mln (3,232.2).

During the year no common shares has been repurchased.

At year-end, the total number of outstanding shares in the company was 1,113,917,500, of which 1,041,865,735 are common shares and 72,051,765 Class C shares.

Cash flow

Cash flow from operating activities for the current year amounted to SEK -54.7 mln (280.2). Cash flow from financing activities amounted to SEK -41.7 mln (-178.3) and is mainly attributable to coupon payments.

Cash flow for the year amounted to SEK -96.3 mln (101.9).

Risks and risk management
Risks, risk management and the management of financial risk, i.e. exchange, interest, liquidity, financing and credit risk are described in Note 2, which is also applicable for the Parent company.

Organisation and The Board of Directors
The work and the composition of the Board, audit and remuneration committees are described in detail in the Corporate governance report on page 93.

At year-end, the Parent company had 3 persons employed (4).

Future development
VEF does not provide any guidance on the future development beyond 2024 but is financially well-positioned for the future and will strive to further develop the net asset value. VEF continuously has the financial capacity to run the business in accordance with its strategy and objectives. For a detailed account of risks associated with investing in VEF and VEF's business, please see Note 2.

Current market environment
Risk asset performance was mixed in 2024. The year started off with continued positive momentum from 2023, anticipating further interest rate reductions. Volatility increased throughout the year. In our core market, Brazil, monetary policy easing was obscured by growing fiscal risks. In reaction to a weakening currency, the Central Bank reversed course in 2H24 and began to tighten policy. This further weakened the currency and, during 4Q24, key LatAm peer companies like Meli, Nu, XP and Banco Inter fell 17–37% QoQ. During the year, the global fintech indices ARKF and FINX that VEF is tracking, showed positive returns of 34% and 23% respectively.

Venture markets continue to recover, with increased activity in investing across stages, new fund launches and most importantly exits (M&A, IPO and secondary sales) occurring again. Despite the robust share price performance in 2024 (+20%), VEF shares continue to trade at a deep discount to the latest reported NAV. VEF's financial position remains comfortable with a solid balance sheet and a USD 12.8 mln liquidity position at the end of 2024. Importantly, more than 90% of our active portfolio already are or have the capacity to reach break-even without additional funding, the remaining portfolio companies have a weighted cash runway of 27 months.

Guidelines for remuneration for senior executives
Guidelines for remuneration for senior executives is described in the Corporate governance report on page 94.

Corporate governance report
VEF presents a separate Corporate governance report in accordance with the Swedish Annual Accounts Act. The report is included in this document on pages 92–98.

Sustainability work and sustainability report
VEF's sustainability work is disclosed in this report on pages 34–41 "Sustainability report" and pages 100–107 "Additional sustainability notes". VEF has voluntarily prepared a sustainability report for the year 2024.

Major events after the reporting year
VEF's Brazilian holding Gringo has been acquired by the NYSE listed payments company Corpay. As part of the transaction, all existing investors, including VEF, fully exit their position in Gringo. The transaction resulted in net proceeds of USD 15.2 mln for VEF, which was received in March 2025.

Treatment of retained earnings
The following amounts in SEK are at disposal at the Parents company's annual general meeting:

Additional paid in capital and shareholder contributions	2,946,234,703
Retained earnings	279,408,066
Net profit for the year	37,175,087
Total	3,262,817,856

The Board of Directors hereby propose that the unrestricted equity to be distributed as follows:

Brought forward and that no dividends to be paid for the year:	3,262,817,856

For additional information regarding the Parent company's result and financial status please refer to the income statement, balance sheet as well as the notes to the financial statements.

Group financial statements
Consolidated income statement

KUSD	Note	2024	2023
Result from financial assets at fair value through profit or loss	3,4	-78,365	74,395
Other income		–	18
Administrative and operating expenses	5-7	-6,494	-7,116
Operating result		**-84,859**	**67,297**
Financial income and expenses			
Interest income		493	531
Interest expense		-4,279	-7,966
Currency exchange gains/losses, net		2,617	336
Net financial items	8	**-1,169**	**-7,099**
Result before tax		**-86,028**	**60,198**
Taxation	9	-3,835	-132
Net result for the year		**-89,863**	**60,066**
Earnings per share, USD	23	-0.09	0.06
Diluted earnings per share, USD	23	-0.09	0.06

The Group has no items to account for as other comprehensive income and therefore the net result for the period is equal to the total comprehensive income for the period.

Consolidated balance sheet

KUSD	Note	Dec 31, 2024	Dec 31, 2023
NON-CURRENT ASSETS			
Tangible non-current assets			
Property, plant and equipment	10	49	100
Total tangible non-current assets		**49**	**100**
Financial non-current assets			
Financial assets at fair value through profit or loss:	11-13		
Equity financial assets		379,565	460,020
Liquid financial assets		4,107	3,893
Other financial assets	11	34	35
Total financial non-current assets		**383,706**	**463,948**
CURRENT ASSETS			
Tax receivables		51	277
Other current receivables	14	76	191
Prepaid expenses	15	98	123
Cash and cash equivalents	11,16	8,681	17,708
Total current assets		**8,906**	**18,299**
TOTAL ASSETS		**392,661**	**482,347**
SHAREHOLDERS' EQUITY (including net result for the year)		**352,961**	**442,229**
NON-CURRENT LIABILITIES			
Long-term liabilities	11,17	35,763	38,891
Deferred tax	9	3,300	–
Total non-current liabilities		**39,063**	**38,891**
CURRENT LIABILITIES			
Accounts payable		93	40
Tax liabilities		54	64
Other current liabilities	18	163	195
Accrued expenses	19	327	928
Total current liabilities		**637**	**1,227**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		**392,661**	**482,347**

Consolidated statement of changes in equity

KUSD	Note	Share capital	Additional paid in capital	Retained earnings	Total
Balance at Jan 1, 2023		**1,318**	**94,892**	**285,621**	**381,831**
Net result for the period		–	–	60,066	60,066
Transactions with owners:					
Retiring of shares		-12	-2,899	–	-2,912
Bonus issue		12	2,899	–	2,912
Value of employee services:	7				
- Employee share option scheme		–	6	–	6
- Share based long-term incentive program		–	326	–	326
Balance at Dec 31, 2023		**1,318**	**95,224**	**345,687**	**442,229**
Balance at Jan 1, 2024		**1,318**	**95,224**	**345,687**	**442,229**
Net result for the period		–	–	-89,863	-89,863
Transactions with owners:					
Retiring of shares		-3	–	-3	-6
Bonus issue		3	3	–	6
Value of employee services:	7				
- Employee share option scheme		–	3	–	3
- Share based long-term incentive program		24	568	–	592
Balance at Dec 31, 2024		**1,342**	**95,798**	**255,821**	**352,961**

Consolidated statement of cash flows

KUSD	Note	2024	2023
OPERATING ACTIVITES			
Result before tax		-86,028	60,198
Adjustment for non-cash items:			
Interest income and expense, net		3,786	7,435
Currency exchange gains/-losses, net		-2,617	-336
Depreciations		50	56
Result from financial assets at fair value through profit or loss		78,365	-74,395
Other non-cash items affecting profit or loss		570	333
Adjustment for cash items:			
Change in current receivables		141	-745
Change in current liabilities		-632	-103
Adjustments of cash flow in operating activities		**-6,365**	**-7,557**
Investments in financial assets		–	-8,000
Sales of financial assets		1,876	39,159
Interest received		493	531
Tax paid		-288	-70
Net cash flow from/used in operating activities		**-4,284**	**24,063**
FINANCING ACTIVITIES			
Interest paid on sustainability bonds		-4,018	-7,521
Proceeds from sustainability bonds, gross		–	38,278
Redemption of sustainability bonds		–	-48,483
Proceeds from new share issue through employee options		24	–
Net cash flow from/used in financing activities		**-3,994**	**-17,726**
Cash flow for the year		**-8,278**	**6,337**
Cash and cash equivalents at beginning of the year		**17,708**	**8,612**
Exchange gains/losses on cash and cash equivalents		-749	2,759
Cash and cash equivalents at end of the year		**8,681**	**17,708**

Alternative performance measures

Alternative Performance Measures (APMs) are financial measures other than financial measures defined or specified by International Financial Reporting Standards (IFRS) and have been issued by the European Securities and Markets Authority (ESMA).

VEF regularly uses alternative performance measures to enhance comparability from period to period and to give deeper information and provide meaningful supplemental information to analysts, investors and other parties.

It is important to know that not all companies calculate alternative performance measures identically, therefore these measurements have limitations and should not be used as a substitute for measures of performance in accordance with IFRS.

Below you find our presentation of the APMs. For more information on how we calculate these measures, see Note 23.

	Note	2024	2023
Equity ratio	23	89.9%	91.7%
Net asset value, USD	23	352,960,944	442,229,211
Exchange rate at balance sheet date, SEK/USD		11.00	10.04
Net asset value/share, USD	23	0.34	0.42
Net asset value/share, SEK	23	3.73	4.26
Net asset value, SEK	23	3,881,917,760	4,440,676,513
Share price, SEK		2.21	1.84
Traded premium/discount(-) to NAV	23	-40.8%	-56.9%
Weighted average number of shares for the financial period	23	1,041,865,735	1,041,865,735
Weighted average number of shares for the financial period, fully diluted	23	1,041,865,735	1,041,865,735
Number of shares at balance sheet date	23	1,041,865,735	1,041,865,735
Number of shares at balance sheet date, fully diluted	23	1,041,865,735	1,041,865,735

Notes for the Group

(Expressed in KUSD unless indicated otherwise)

Note 1 Significant accounting principles

Basis of accounting
VEF AB prepares its consolidated financial statements in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC), as adopted by the EU. In addition, the Swedish Financial Reporting Board's recommendation RFR 1 Supplementary Accounting Rules for Groups has been applied. RFR 1 is issued by the Swedish Financial Reporting Board. The Parent company applies the same accounting policies as the Group, except in the cases described in Note P.1 Significant Accounting Policies (page 80), according to the Swedish Financial Reporting Board's recommendation RFR 2. The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 3.

Changes in accounting policy and disclosures
New and amended standards adopted by the Group
There are no new IFRSs or IFRIC interpretations that have a material impact on the Group in 2024.

New standards and interpretations not yet adopted
The International Accounting Standards Board (IASB) has published IFRS 18 Presentation and Disclosures in Financial Statements, which is not yet applied by VEF. IFRS 18 was issued in April 2024. The standard will be effective from January 1, 2027, and has not yet been adopted by the European Union. The new standard replaces IAS 1 and introduces new requirements primarily for the presentation of financial statements and disclosures about certain performance measures. Impact on the Group's financial statements is currently being assessed. No other IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Group.

Financial period
The financial year comprises the period January 1–December 31.

Principles of consolidation
The consolidated financial statements have been prepared according to the acquisition value method except for the revaluations of financial instruments valued at fair value through profit and loss.

Subsidiaries
VEF AB (publ) is an investment company whose business concept is to identify and invest in fintech companies in emerging markets with a bias for markets with scale population and strong growth profiles for financial services. VEF AB (publ) is the parent company of the Group, VEF Cyprus Limited manage the investment portfolio whereas VEF Fintech Ireland Limited and VEF UK Ltd provides investment and business support services to the Parent company and VEF Cyprus Limited.

According to IFRS 10, VEF is classified as an investment entity and shall not consolidate holdings in subsidiaries or apply IFRS 3 Business Combinations when VEF reach controlling influence except for subsidiaries performing services connected to VEF's investment activity, which are consolidated in accordance with the acquisition method.

Investments in associated companies
Associated companies are all entities where the Group has the right to exercise significant influence, which is normally the case when the Group holds between 20% and 50% of the voting rights. VEF AB apply the exemption from the equity method in IAS 28 for its share in associates and hence recognize its investment in the associates at fair value through profit and loss in accordance with IFRS 9.

Segment reporting
Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker in the same way as for a Swedish company governed by the Swedish Companies Act and the Swedish Corporate Governance Code. The CEO of an investment company is by necessity deeply involved in investment decisions and monitoring portfolio companies' performance. The CEO has therefore been identified as the chief operating decision maker of the Group for purposes of internal reporting. In the internal reporting of the Group, there is only one operating segment.

Reporting and functional currency
The consolidated financial statements are presented in USD since that is the currency in which most of the Group's transactions are denominated, hence USD is also the Group's functional currency. The Parent company's presentation currency is SEK and not the Group's reporting currency of USD due to that Swedish company regulations only allow the parent company to use SEK or EUR as reporting currency. All amounts are rounded to the nearest thousand, unless otherwise stated.

Property, plant and equipment
Property, plant and equipment are stated at historical cost less accumulated depreciation. Depreciation on furniture, fittings and equipment is based on cost on a straight-line basis of estimated useful life of five years.

Investments and other financial assets
Classification
The group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value through profit or loss and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will be recorded in profit or loss.

Recognition and derecognition
Purchases and sales of financial assets are recognized on trade date – the date on which the Group commits to purchase or sell the asset. Financial assets are derecognized when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

Measurement
At initial recognition, the group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Interest bearing assets
Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are two measurement categories into which the Group classifies its debt instruments, namely amortized cost and FVPL.

Equity instruments
The Group subsequently measures all equity investments at fair value through profit or loss. Dividends from such investments continue to be recognized in profit or loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets are recognized in operating results in the statement of profit or loss as applicable.

Impairment
The group assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables, the group applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables. Currently the Group has no significant debt instruments carried at amortised cost. The expected credit losses for the Parent company's receivables on Group companies is considered insignificant and no expected credit loss is therefore recorded for these receivables.

Financial liabilities
Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method. Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

Cash and cash equivalents
Cash and cash equivalents include cash and bank balances and other short-term highly liquid investments with original maturities of three months or less.

Share capital
Share issue costs associated with the issuance of new equity are treated as a direct reduction of the proceeds. Buy back of own shares recorded as a reduction of retained earnings with the amount paid after reduction of transaction costs.

Current and deferred income tax
The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the company's subsidiaries and associates operate and generate taxable income. Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements.

Employee benefits
Short-term obligations
Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented under Other current liabilities in the balance sheet.

Pension obligations
The Group has a defined contribution pension plan which is based on Swedish market practice. The Group has no further obligations once the contributions have been paid. The contributions are reported as a cost recognized as Administrative and operating expenses in profit or loss when they are due.

Share-based remuneration
The Parent company operates an equity-settled, share-based compensation plan. The fair value of the employee services received in exchange for the grant of the options is recognised as an expense. The total amount to be expensed over the vesting period is determined by reference to the fair value of the options granted, excluding the impact of any non-market vesting conditions (for example, profitability and net assets development). Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. At each balance sheet date, the entity revises its estimates of the number of options that are expected to become exercisable. It recognizes the impact of the revision of original estimates, if any, in the income statement, and a corresponding adjustment to equity over the remaining vesting period.

The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and additional paid in capital when the options are exercised. For more information, see Note 7.

Long-term incentive program (LTIP)
In accordance with IFRS 2, the costs for the program, including social fees when applicable, will be reported over the income statement during the program's vesting period. The value is recognized in the income statement as a personnel cost in operating expenses, allocated over the vesting period with a corresponding increase in equity. The recognized cost corresponds to the fair value of the estimated number of shares that are expected to vest. This cost is adjusted in subsequent periods to reflect the actual number of vested shares. However, no adjustment is made when shares expire only because share price-related conditions do not reach the level. When program is exercised, shares are delivered to employee and reported in equity. For more information, see Note 7.

Operating income
Operating income comprises the fair value of the consideration received in the ordinary course of the Group's activities.

For investments held at both the start and end of year, the change in value consists of the difference in the market value between these dates. For investments acquired during the year, the change in value consists of the difference between cost and the market value at the end of the year. For investments sold during the year, the change in value consists of the difference between the sales price received and the value of investments at the start of the year. All changes in value are reported in the income statement within 'Result from financial assets at fair value through profit or loss'.

Dividend income is recognized when the right to receive payment is established. Furthermore, dividend income is accounted for inclusive of withholding taxes. These withholding taxes are shown either as an expense in the income statement, or as a current receivable, depending on whether or not the withholding tax is refundable.

Interest income on non-current loan receivables is recognized on a time-proportion basis using the effective interest method. When a receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument and continues unwinding the discount as interest income. Interest income on impaired non-current loan receivables is recognized using the original effective interest rate.

Interest income on current loan receivables and other receivables is recognized taking into account accrued interest on the transaction date.

Other consideration received in the ordinary course of the Group's activities is reported as "Other income" in the income statement.

Leases
The Group's leases refer only to office rents. When entering into a new lease contract the right-of-use asset is measured at cost. Short-term leases and leases of low-value assets are exempt. At the same time, a lease liability is recognized representing the obligation to pay lease payments for the leased assets. The lease liability is measured at the present value of the lease payments that are not paid at that date. The weighted average incremental borrowing rate applied to measure lease liabilities is 6.10% for premises.

Note 2 Financial risk management

In its business, VEF group is exposed to:
1) Investment and other business risks
2) Market risk
3) Financial risks including price, exchange rate, interest rate, credit, liquidity and financing risk
4) Legal and regulatory risks

Risk Management
Risk management is carried out by management under policies approved by the Board. Risk management is an integral part of the group's processes, meaning that control and responsibility for control is close to the business operation, finance and legal.

1) Investment and other business risks
Risks related to the portfolio companies' operations
All business operations in the portfolio companies are associated with the risk of incurring losses due to, for instance, deficient procedures, failure to increase and improve the functionality and quality of existing products and services, failure to extend existing licensing agreements on favourable conditions, failure to remain competitive or launch new products and services and to successfully optimize production and introduce cost reduction measures.

Dependence on key individuals
VEF is dependent on its senior executives and Board members. It cannot be ruled out that VEF might be seriously affected if any of the senior executives left the Group or if the Group is not able to recruit relevant people in the future.

Disposal risks
VEF has an explicit exit strategy to sell its holdings in portfolio companies to strategic investors or via the market. There is a risk that VEF will not succeed in selling its holdings at the price recorded in the balance sheet at the time of the disposal.

Exposure to early-stage companies
The majority of the investment portfolio consists of investments in startups and other companies in an early stage of growth. Such companies typically generate negative cash flows and will rarely pay dividends to their investors, mainly because the profits are typically re-invested into the business to fuel growth and build shareholder value.

Acquisition risks
VEF frequently acquires shares in unlisted companies. Such acquisitions may entail operative risks, such as the need to identify investment and acquisition opportunities on favourable terms and conditions, and failure to do so may have a detrimental effect on the company's operational or competitive environment.

2) Market risk
Emerging markets and country-specific risks
Several portfolio companies are incorporated in and/or operates in emerging countries, notably Brazil, Mexico and India. As such countries are still, from an economic point of view, in a phase of development, investments may be affected by unusually large fluctuations in profit and loss and other factors outside the Company's control that may have an adverse impact on the value of the Company's adjusted equity.

General market risks
Investment operations carried out by VEF are subject to general market risks, which refers to the risk of loss resulting from changes in the market value of the portfolio companies due to any global or regional economic downturn, particularly in emerging markets. Changes in market value impact the result of VEF's operations through changes in value of its investment assets.

3) Financial risks including price, exchange rate, interest rate, liquidity and financing risk
The Group's activities expose it to a variety of financial risks described below. Financial market risks refer to the risk of a change in value in financial instruments because of changes in share prices, exchange rates and interest rates. VEF is also exposed to credit risk, liquidity and financing risks.

Share price risk
A decrease in value of the non-quoted shares may affect the Company's net income and capital, and thereby have a material negative impact on the Group's operations, earnings and financial position. An increase/decrease of 10% of the share prices would affect the Groups profit or loss by USD 38.0 mln (46.0). The Group takes an active role in portfolio companies mainly through board representation.

Exchange rate risk
The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, mainly with respect to SEK, GBP and EUR. An increase/decrease of 10% of the USD towards SEK would affect the Groups profit or loss by 11 (1,690).

Exposure to foreign exchange	Gross assets Dec 31, 2024	Gross assets Dec 31, 2023
SEK	112	16,899
Other	210	176
Total	**321**	**17,075**

Interest rate risk
The majority of the Group's financial assets are non-interest bearing. The majority of outstanding liabilities are interest bearing and as a result the Group is subject to risk due to fluctuations in the prevailing levels of market interest rates, and mainly the Swedish 3m Stibor rate which affects the quarterly payable interest coupons on VEFs sustainability bonds. An increase/decrease of the interest rate on the Groups interest bearing liabilities of 1 percentage point would affect the Groups profit or loss by 391 (450).

Credit risk
The Group is exposed to counterparty credit risk on cash and cash equivalents and deposits with banks and financial institutions. The majority of cash is placed in bank accounts with financial institutions with high credit rating and a significant part of cash is placed in cash securities which are fully protected in the event of a bankruptcy of the custodian institution since securities on bank account are separate from the custodian's balance sheet and thus never become a part of the custodian's bankruptcy estate.

Credit Quality Step	Moody's	Fitch	S&P's
1	Aaa – Aa3	AAA – AA-	AAA – AA-
2	A1 – A3	A+ – A-	A+ – A-
3	Baa1 – Baa3	BBB+ – BBB-	BBB+ – BBB-
4	Ba1 – Ba3	BB+ – BB-	BB+ – BB-
5	B1 – B3	B+ – B-	B+ – B-
6	worse than B3	worse than B-	worse than B-

Maximum credit risk exposure	Dec 31, 2024	Dec 31, 2023
Lending to financial institutions		
– Credit Quality step 1	12,788	21,600
Total	**12,788**	**21,600**

Liquidity risk
Liquidity risk is the risk that an entity will have difficulties in paying its financial liabilities. For the Group, prudent liquidity risk management implies maintaining sufficient cash. Contractual cashflows due to borrowings refer to coupon payments for VEFs sustainability bonds, which carry a floating coupon of 3m Stibor + 650 bps. The calculations below are based on the balance sheet date's Stibor rate of 2.542%.

Contracted cash flows	Dec 31, 2024	Dec 31, 2023
Other	203	185
Borrowings 0–3 months	1,024	1,327
Borrowings 3–12 months	2,512	3,211
Borrowings >1 year	3,124	8,255

Financing risk
Refers to the risk that VEF does not receive financing or that financing can only be obtained at a significant cost. It is the responsibility of the Group's management to manage risks according to the policy adopted by the Board. The Group has a centralized finance function which has the primary task of identifying, limiting and managing financial risks in a cost-efficient manner. The Group actively pursues liquidity planning, to continuously evaluate the need for liquidity. The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders.

4) Legal and regulatory risks
Accounting practice and access to other information
Several portfolio companies are incorporated in and/or operates in emerging countries. Practice in accounting, financial reporting and auditing in emerging markets cannot be compared with the corresponding practices that exist in developed countries. The formal requirements are less broad in terms of publishing information than in more developed markets. In addition, there is a risk that access to external analysis, reliable statistics and historical data is inadequate.

Tax risks
VEF conducts its business in accordance with the legislation in relevant jurisdictions, tax treaties and tax authorities' guidelines and other requirements. Tax legislation and double tax treaty agreements have a trend of frequent changes including introduction of new taxes and fees and such changes could have a significant impact on the tax position.

Corporate governance risks
Misuse of corporate governance remains a problem in emerging markets. Minority shareholders may be mistreated in various ways, for instance in the sale of assets, transfer pricing, dilution, limited access to annual general meetings and restrictions on seats on boards of directors for external investors. Furthermore, inadequate accounting rules and standards have hindered the development of an effective system for uncovering fraud and increasing insight.

Legal disputes
Since VEF invests in companies operating in countries in which the legal framework is less certain and the business environment less reliable, there is an increased risk that VEF may become involved in legal disputes of various kinds, including labour, intellectual property, contractual or regulatory in nature.

Note 3 Significant estimates and judgements

The management of VEF has to make estimates and judgements when preparing the financial statements of the Group. Uncertainties in the estimates and judgements could have an impact on the carrying amount of assets and liabilities and the Group's result. The most important estimates and judgements in relation thereto are:

Fair value of unlisted financial assets
The estimates and judgements when assessing the fair value of unlisted investments in financial assets at fair value through profit or loss are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Fair value estimation
The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry company, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in Level 1. The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximize the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to determine the fair value of an instrument are observable, the instrument is included in Level 2. If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

Investments in assets that are not traded on any market will be held at fair value determined by recent transactions made at prevailing market conditions or different valuation models depending on the characteristics of the company as well as the nature and risks of the investment. These different techniques may include discounted cash flow valuation (DCF), exit-multiple valuation also referred to as leveraged buyout (LBO) valuation, asset-based valuation as well as forward looking multiples valuation based on comparable traded companies (peer companies). Usually, transaction-based valuations are kept unchanged for a period of twelve months unless there is cause for a significant change in valuation. After twelve months, the fair value for non-traded assets will normally be derived through any of the models described above.

The validity of valuations based on a transaction is inevitably eroded over time, since the price at which the investment was made reflects the conditions that existed on the transaction date. At each reporting date, possible changes or events subsequent to the relevant transaction are assessed and if this assessment implies a change in the investment's fair value, the valuation is adjusted accordingly. The transaction-based valuations are also frequently assessed using multiples of comparable traded companies for each unlisted investment or other valuation models when warranted.

VEF follows a structured process in assessing the valuation of its unlisted investments. VEF evaluates company specific and external data relating to each specific investment on an ongoing basis. The data is then assessed at quarterly valuation meetings by senior management. If internal or external factors are deemed to be significant, further assessment is undertaken and the specific investment is revalued to the best fair value estimate. Revaluations are first reviewed by the audit committee and later approved by the Board in connection with the Company's financial reports.

The fair value of financial instruments is measured by level of the following fair value measurement hierarchy:
- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3 – Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

Investments are moved between levels in the fair value hierarchy when the management finds the best suitable valuation technique has changed and that the current applied technique results in a new classification in the fair value hierarchy compared to the prior period.

Assets measured at fair value at Dec 31, 2024

	Level 1	Level 2	Level 3	Total balance
Financial assets at fair value through profit or loss	9,330	107,230	267,112	383,672
of which:				
Liquidity placements	4,107	–	–	4,107
Shares	5,223	107,230	231,229	343,682
Convertible and SAFE notes	–	–	35,883	35,883
Total assets	**9,330**	**107,230**	**267,112**	**383,672**

Assets measured at fair value at Dec 31, 2023

	Level 1	Level 2	Level 3	Total balance
Financial assets at fair value through profit or loss	3,893	34,421	425,599	463,913
of which:				
Liquidity placements	3,893	–	–	3,893
Shares	–	34,421	391,808	426,229
Convertible and SAFE notes	–	–	33,791	33,791
Total assets	**3,893**	**34,421**	**425,599**	**463,913**

Changes of financial assets in level 3

	2024	2023
Opening balance Jan 1	425,599	269,214
Transfers from Level 2 to Level 3[1]	8,395	75,056
Transfers from Level 3 to Level 1[1]	-7,296	–
Transfers from Level 3 to Level 2[1]	-111,655	-2,637
Change in fair value	-47,931	83,966
Closing balance Dec 31	**267,112**	**425,599**

1. No deviations have been made from established guidelines regarding valuation techniques and transfers of assets between levels in the hierarchy.

As per December 31, 2024, VEF has a liquidity management portfolio of listed corporate bonds and money market funds that are classified as Level 1 investments. The publicly traded portfolio company BlackBuck is also classified as a Level 1 investment.

The investments in Creditas, Juspay, TransferGo and Nibo are classified as Level 3 investments. The remaining smaller portfolio companies are either classified as Level 2 or Level 3 investments. During the year Konfío and Solfácil have been transferred from Level 3 to Level 2 and BlackBuck has been transferred from Level 3 to Level 1 post its IPO.

Transaction based valuations

Holdings classified as Level 2 investments are valued based on the latest transaction in the company, on market terms. The validity of valuations based on a transaction is inevitably eroded over time, since the price at which the investment was made reflects the conditions that existed on the transaction date. At each reporting date, possible changes or events subsequent to the relevant transaction are assessed and if this assessment implies a change in the investment's fair value, the valuation is adjusted accordingly. The transaction-based valuations are frequently assessed using multiples of comparable traded companies for each unlisted investment or other valuation models. When transaction-based valuations of unlisted holdings are used, no material event is deemed to have occurred in the specific portfolio company that would suggest that the transaction-based value is no longer valid. The majority of the holdings valued on the basis of the latest transactions demonstrate strong revenue growth profiles and are set to deliver growth broadly in line with their respective business plans on which the latest transaction was based.

Company	Valuation method	Date latest transaction
Konfío	Latest transaction	3Q24
Solfácil	Latest transaction	4Q24

Calibration methodology-based valuations

We use the calibration methodology in our portfolio valuation process. The calibration methodology specifically helps us calibrating valuations of companies with recently closed priced investment rounds and where the implied valuation multiple or currency exchange rate has moved significantly out of sync with our pre-determined comp group or the currency exchange rate at the time of the latest transaction.

Inputs used for the valuation include risk adjusted revenue and gross profit forecasts, currency moves and the implied revenue and gross profit multiple paid at the time of the latest transaction relative to a relevant peer group adjusted for market moves in the same peer group as of December 31, 2024. At the end of 2024, one company, Gringo, was valued using the calibration methodology.

Mark to model-based valuations

At the end of 2024, Creditas, Juspay, TransferGo and Nibo are all valued on the basis of a twelve-months (NTM) forward looking revenue and gross profit multiple. Inputs used for each valuation include risk adjusted revenue and earnings forecasts, local currency moves and listed peer group revenue and gross profit multiples as of December 31, 2024.

The difference in fair value change between the portfolio companies is dependent on relative revenue and/or gross profit forecasts in each company as well as moves in the relevant peer group and moving exchange rates. Peers used in the peer set include a mix of listed emerging and developed market companies representing accounting SaaS companies, fast growth payments companies and a range of Latin American fintech companies. The NTM multiples across the different peer groups per company and valuation range from 0.6x to 17.3x revenues and 1.9–17.7x gross profit. As a standard process, the median of each group is used, and in applicable cases VEF will adjust the resulting multiple based on prevailing local market conditions, sector and company specific factors, applying discounts or premiums to reflect the fair value of the company.

Below table summarizes the sensitivity of the assets value to changes in the underlying multiple used for the valuation.

Sensitivity analysis of valuations based on changes in peer group multiples used

	Peer group range valuation method								
Company	Revenue multiple	Gross profit multiple	-15%	-10%	-5%	0%	+5%	+10%	+15%
Creditas	0.6–7.2x	1.9–17.7x	122,393	129,088	135,784	142,479	149,174	155,869	162,565
Juspay	6.4–17.3x	7.0–17.3x	71,954	75,969	79,984	83,999	88,014	92,028	96,043
TransferGo	2.5–3.7x	4.4–5.6x	22,743	24,019	25,295	26,571	27,847	29,123	30,399
Nibo	2.5–11.7x	3.5–12.8x	8,949	9,425	9,901	10,378	10,854	11,330	11,806

Change in financial assets at fair value through profit or loss

Company	Jan 1, 2024	Investments/ (divestments), net	Fair value change	Dec 31, 2024	Percentage of portfolio	VEF ownership stake
Creditas	188,828	–	-46,349	142,479	37.1%	8.8%
Juspay	74,053	–	9,946	83,999	21.9%	9.9%
Konfío	95,349	–	-22,508	72,841	19.0%	9.8%
TransferGo	26,996	–	-425	26,571	6.9%	11.3%
Gringo	17,289	–	-2,040	15,249	4.0%	9.7%
Solfácil	15,628	–	-1,894	13,734	3.6%	2.5%
Nibo	12,708	–	-2,330	10,378	2.7%	20.1%
BlackBuck	7,296	-1,865	-208	5,223	1.4%	0.5%
Other[1]	21,873	-10	-12,771	9,091	2.3%	
Liquidity investments	3,893	–	214	4,107	1.1%	
Total	**463,913**	**-1,875**	**-78,365**	**383,672**	**100%**	

1. Includes all companies individually valued at less than 1% of the total portfolio. Companies included are: Abhi, FinanZero, Finja, Mahaana, minu and Rupeek. For a more detailed presentation of these companies, see pages 45–53.

Note 4 Result from financial assets at fair value through profit or loss

	2024	2023
Realised result:		
Proceeds from sale of financial assets at fair value through profit or loss	1,875	39,159
Acquisition value of sold financial assets at fair value through profit or loss	-10,668	-41,665
Reversal of fair value adjustments of sold assets at fair value through profit or loss	8,010	4,165
Total realised result	**-783**	**1,659**
Unrealised result:		
Change in fair value of remaining financial assets at fair value through profit or loss	-77,582	72,736
Total unrealised result	**-77,582**	**72,736**
Total result from financial assets at fair value through profit or loss	**-78,365**	**74,395**

Financial assets at fair value through profit or loss comprises the result from fair value changes of financial assets that have been designated on initial recognition as assets to be measured at fair value with fair value changes in profit or loss. Divestments in 2024 are divestments in the BlackBuck IPO and Magnetis.

Note 5 Operating expenses

	2024	2023
Employee benefit expense (Note 7)	4,588	5,131
External services	1,075	1,112
Other expenses	780	817
Depreciations	51	56
Total operating expenses	**6,494**	**7,116**

Note 6 Remuneration to Auditors

PwC	2024 Sweden	2024 Cyprus	2024 Total
Audit assignments	88	15	103
Other audit activities	17	–	17
Tax advice	44	4	48
Other services	–	–	0
Total remuneration to auditors	**149**	**19**	**168**

PwC	2023 Sweden	2023 Cyprus	2023 Total
Audit assignments	102	15	117
Other audit activities	12	–	12
Tax advice	11	3	14
Other services	22	–	22
Total remuneration to auditors	**147**	**18**	**165**

PwC Audit assignment refers to the auditor's reimbursement for execution of the statutory audit. The work includes the audit of the annual report and consolidated financial statements and the accounting, the administration of the Board and the CEO and for audit advice provided as a result of the audit assignment. Other audit activities refer to other audit assignments as required by laws and regulations as well as the review of quarterly reports in accordance with ISRE 2410. Tax advice refer to general tax advisory services. Other services are services mainly related to accounting and compliance matters.

Note 7 Employee benefit expense

	2024	2023
Wages and salaries	2,205	2,485
Social security cost	541	636
Pension cost	244	309
Other employee benefits	1,598	1,701
Total employee benefit expense	**4,588**	**5,131**

	2024		2023	
	Salaries and other remuneration	Social security contributions	Salaries and other remuneration	Social security contributions
Board of Directors, CEO and management				
Salaries and other remuneration	1,385	193	1,611	258
Variable compensation	208	21	649	82
Pension expenses	171	11	233	25
Share-based compensation	495	–	315	–
Other[1]	468	154	272	87
Other employees				
Salaries and other remuneration	821	93	874	105
Variable compensation	160	22	343	47
Pension expenses	72	1	77	2
Share-based compensation	75	–	27	5
Other[1]	192	46	94	25
Total	**4,047**	**541**	**4,495**	**636**

1. Other refers to facilitate participation in LTIP- and options programs, the Company subsidized the subscription price payable by program participants for the acquisition cost.

	2024		2023	
	Men	Women	Men	Women
Board of Directors incl. CEO, Parent company	3	3	3	3
Board of Directors, subsidiaries	1	2	1	2
Key management	1	1	2	1
Other personnel	3	2	3	3
Total	**8**	**8**	**9**	**9**

Decisions regarding remuneration to the CEO are made by the Board of Directors in accordance with the remuneration's principles, while decisions regarding fixed remuneration to other management within the group are made by the CEO. The CEO has the right to six months' salary in the event of the termination of appointment on part of the company. The CEO has nine months' mutual notice period. The rest of the management has a notice period of three months, which also applies to the Company in the event of termination on part of the Company. No notice period applies to the Board of Directors.

Group 2024

	Base salaries/ board fee	Variable compensation	Other compensation[1]	Pension expenses	Share based compensation	Total
Lars O Grönstedt, *Chairman of the Board*	120	–	–	–	–	120
Per Brilioth, *Board member*	49	–	–	–	–	49
Allison Goldberg, *Board member*	52	–	–	–	–	52
Hanna Loikkanen, *Board member*	55	–	–	–	–	55
Katharina Lüth, *Board member*	46	–	–	–	–	46
David Nangle, *Board member and CEO*	528	106	194	116	226	1,170
Key management personnel	535	103	274	55	269	1,235
Total	**1,385**	**208**	**468**	**171**	**495**	**2,727**

1. Other compensation refers to facilitate participation in LTIP- and options programs, the Company subsidized the subscription price payable by program participants for the acquisition cost.

Group 2023

	Base salaries/ board fee	Variable compensation	Other compensation[1]	Pension expenses	Share based compensation	Total
Lars O Grönstedt, *Chairman of the Board*	156	–	–	–	–	156
Per Brilioth, *Board member*	58	–	–	–	–	58
Allison Goldberg, *Board member*	48	–	–	–	–	48
Hanna Loikkanen, *Board member*	58	–	–	–	–	58
Katharina Lüth, *Board member*[2]	31	–	–	–	–	31
David Nangle, *Board member and CEO*	546	290	117	117	134	1,204
Key management personnel	714	359	156	116	182	1,526
Total	**1,611**	**649**	**272**	**233**	**315**	**3,081**

1. Other compensation refers to facilitate participation in LTIP- and options programs, the Company subsidized the subscription price payable by program participants for the acquisition cost.
2. Elected on May 9, 2023

Option plan
The Company had an option plan, adopted in 2015, that entitled present and future employees to be allocated call options to acquire shares in the Company ("Options"). The option plan expired on December 17, 2024.

Exercised options
No Options were exercised in 2024. In 2023, 500,000 Options were exercised.

Options outstanding

	2024	2023
Beginning of the period	500,000	1,000,000
Options exercised	–	-500,000
Options expired	-500,000	–
Outstanding at the end of the period	**0**	**500,000**

Share-based incentive program (LTIP)
There are five running long-term share-based incentive programs for management and key personnel in the Group. The LTIP 2020–2023 programs are linked to the long-term performance of both the Company's NAV/share and share price, while LTIP 2024 is linked to the total shareholder return.

Outstanding program 2020
The Company's annual general meeting on May 13, 2020, approved a three-year long-term share incentive plan ("LTIP 2020") for six key employees in the Company. The participants purchased incentive shares in the Company as part of LTIP 2020. Incentive shares will be reclassified as common shares to the extent the performance conditions have been met. If the performance conditions have not been met, then the incentive shares will be redeemed by the Company. The performance conditions are linked to the development of the Company's NAV/share and the share price.

The participants will be compensated for dividends and other value transfers to the shareholders during the program period. The participants are also entitled to vote for the incentive shares during the measurement period. If a participant ceases to be employed by the Group within this period, the incentive shares will be redeemed, except in limited circumstances that are approved by the Board on a case-by-case basis.

The objective of LTIP 2020 is to encourage the employees to financially commit to the long-term value growth of VEF and thereby align their interests with those of the shareholders. VEF has compensated the participants with a cash subsidy for the subscription price of the incentive shares and the tax effects arising due to the subsidy of the subscription price and benefit (based on the fair value of the incentive shares on the grant date) of a total cost, excluding social charges of USD 1.47 mln, excluding the cost of the amended program described below. The fair value of the incentive shares on the grant date was calculated on the basis of the market price of the Company's shares on the grant date and market conditions prevailed by using the Monte Carlo Valuation Method.

At a special general meeting in VEF Ltd. (the group's former parent company) on October 22, 2020, it was approved to amend the Company's long-term incentive program for 2020. The amended program will run over five years, instead of three, and is resolved to issue no more than 33,250,000 in total incentive shares, instead of 13,640,000, to the participants in the program. The cost impact of the amended program was USD 1.14 mln related to the subsidy of the subscription price and benefit, excluding social charges. The cost for financing and acquiring the incentive shares is expensed directly.

Outstanding program 2021
The Company's annual general meeting on May 6, 2021, approved a five-year long-term share incentive plan ("LTIP 2021") for six key employees in the Company. LTIP 2021 is a performance-based incentive program which is based on the same structure, with the same economic characteristics for the participants, and the same criteria for measuring performance as the 2020 share-based incentive program. The objective of LTIP 2021 is the same as the 2020 program, to align the employee's long-term interests with the shareholders. VEF has compensated the participants with a cash subsidy for the subscription price of the incentive shares and the tax effects arising due to the subsidy of the subscription price and benefit of a total cost, excluding social charges of USD 0.66 mln. The cost for financing and acquiring the incentive shares is expensed directly.

Outstanding program 2022
The Company's annual general meeting on May 10, 2022, approved a five-year long-term share incentive plan ("LTIP 2022") for eight key employees in the Company. LTIP 2022 is a performance-based incentive program which is based on the same structure, with the same economic characteristics for the participants, and the same criteria for measuring performance as LTIP 2020 and 2021. The only deviation from the previous programs is that the vesting period is three years, while the measurement period is five years. The objective of LTIP 2022 is the same as the 2020 and 2021 programs, to align the employee's long-term interests with the shareholders. VEF has compensated the participants with a cash subsidy for the subscription price and the tax effects arising due to the subsidy of the subscription price of the incentive shares and benefit of a total cost, excluding social charges of USD 0.12 mln. The cost for financing and acquiring the incentive shares is expensed directly.

Outstanding program 2023
The Company's extraordinary general meeting on Oct 3, 2023, approved a five-year long-term share incentive plan ("LTIP 2023") for seven key employees in the Company. LTIP 2023 is a performance-based incentive program which is based on the same structure and with the same economic characteristics for the participants and the same criteria for measuring performance as LTIP 2020–2022. The LTIP 2023 incentive shares were issued in 1Q24 and did therefore not affect the Company's share capital or number of shares in 2023. VEF has compensated the participants with a cash subsidy for the subscription price of the incentive shares and the tax effects arising due to the subsidy of the subscription price and benefit of a total cost, excluding social charges of USD 0.36 mln. The cost for financing and acquiring the incentive shares is expensed directly.

New program 2024
The Company's annual general meeting on May 14, 2024, approved a five-year long-term share incentive plan ("LTIP 2024") for seven key employees in the Company. LTIP 2024 is a performance-based incentive program which is based on the same structure, with the same economic characteristics for the participants as LTIP 2020-2023. The performance criteria for LTIP 2024 is linked to the Company's total shareholder return during the period. VEF has compensated the participants with a cash subsidy for the subscription price of the incentive shares and the tax effects arising due to the subsidy of the subscription price and benefit of a total cost, excluding social charges of USD 0.65 mln. The cost for financing and acquiring the incentive shares is expensed directly.

	LTIP 2020	LTIP 2021	LTIP 2022	LTIP 2023	LTIP 2024
Performance measurement period	Jan 2020–Dec 2024	Jan 2021–Dec 2025	Jan 2022–Dec 2026	Jan 2023–Dec 2027	Jan 2024–Dec 2028
Vesting period	Nov 2020–Apr 2025	Sep 2021–Apr 2026	Aug 2022–Apr 2025	Jan 2024–Apr 2026	May 2024–Apr 2027
Maximum no. of shares, CEO	13,300,000	3,325,000	3,325,000	3,517,500	3,625,000
Maximum no. of shares, others	18,420,500	3,719,835	5,736,430	8,207,500	8,875,000
Maximum no. of shares, total	31,720,500	7,044,835	9,061,430	11,725,000	12,500,000
Maximum dilution	2.95%	0.67%	0.86%	1.11%	1.19%
Share price on grant date, SEK	3.14	4.34	2.31	1.87	2.34
Incentive share price on grant date, SEK[1]	0.37	0.62	0.10	0.30	0.53

1. The difference in common share price and incentive share price derive from that incentive share price has been calculated using the Monte Carlo method applying the performance criteria applicable in the terms for the long-term incentive program and the current share price at grant date.

Total employee benefit expense excl. bonuses paid and social taxes	LTIP 2020[1]	LTIP 2021[1]	LTIP 2022[1]	LTIP 2023[1]	LTIP 2024[1]
2024	175	59	29	157	147
2023	187	103	31	–	–
2022	204	131	14	–	–
2021	201	22	–	–	–
2020	31	–	–	–	–
Total accumulated	**798**	**315**	**74**	**157**	**147**

1. The total IFRS 2 expense does not include subsidy for acquisition and taxes arisen.

Note 8 Net financial items

	2024	2023
Interest income	493	531
Interest expense	-4,279	-7,966
Currency exchange gains	6,146	4,986
Currency exchange losses	-3,529	-4,650
Total	**-1,169**	**-7,099**

Note 9 Tax

Corporate income tax – general

Applicable income tax rates for 2024:

VEF AB (publ)'s taxable profits are subjected to Swedish income tax at the rate of 20.6%.

VEF Cyprus Limited is subject to corporation tax on taxable profits at the rate of 12.5%. Under certain conditions, interest may be exempt from income tax and only subject to special defense contribution at the rate of 30% as from April 29, 2013. Any gains from disposal of qualified securities are not subject to corporate tax in Cyprus.

VEF UK Ltd's taxable profits are subject to UK corporate income tax of 25%.

VEF Fintech Ireland Limited is subject to corporation tax at the rate of 12.5% for trading income.

Income tax expense

	2024	2023
Current tax	-535	-132
Deferred tax	-3,300	–
Taxation	**-3,835**	**-132**

Deferred tax refers to the whole, or part of, the temporary differences arising between the tax bases of assets and liabilities and their carrying amounts. Deferred tax in the above table relate to unrealised capital gains tax on Indian holdings.

The tax on the Group's result before tax differs from the theoretical amount that would arise using the tax rate of the countries where the Group operates as follows:

	2024	2023
Result before tax	-86,028	60,198
Tax calculated at domestic tax rates applicable to profits in the respective countries	10,678	-8,488
Tax effects of:		
– Non-taxable effects from financial assets measured at fair value	-12,574	10,930
– Expenses not deductible for tax purposes	-1,281	-1,760
– Tax losses carried forward for which no deferred tax assets are recognized	-450	-696
– Adjustment in respect of prior years	-208	-54
Tax charge	**-3,835**	**-132**

The weighted average applicable tax rate 2024 was -4.46% (0.22%).

Note 10 Property, plant and equipment

Group	Property, plant and equipment	Right-of-use assets: premises	Total
Opening net book amount January 1, 2023	0	156	156
Acquired right-of-use assets	–	–	0
Depreciation	–	-56	-56
Currency change effect	–	–	0
Closing net book amount December 31, 2023	**0**	**100**	**100**
Opening net book amount January 1, 2024	0	100	100
Acquired right-of-use assets	–	–	0
Depreciation	–	-51	-51
Currency change effect	–	–	0
Closing net book amount December 31, 2024	**0**	**49**	**49**

Depreciation amounting to 51 (56) has been recognised among operating expenses in the income statement, also, see Note 5.

Note 11 Financial instruments by category

The accounting policies for financial instruments have been applied to the line items below:

December 31, 2024

Assets as per balance sheet	Fair value through profit and loss	Amortised costs	Total
Financial assets at fair value through profit or loss	383,672	–	383,672
Cash and cash equivalents	–	8,681	8,681
Other financial assets	–	34	34
Total financial assets	**383,672**	**8,715**	**392,387**

Liabilities as per balance sheet	Amortised costs	Total
Non-current liabilities	35,763	35,763
Total financial liabilities	**35,763**	**35,763**

December 31, 2023

Assets as per balance sheet	Fair value through profit and loss	Amortised costs	Total
Financial assets at fair value through profit or loss	463,913	–	463,913
Cash and cash equivalents	–	17,708	17,708
Other financial assets	–	35	35
Total financial assets	**463,913**	**17,743**	**481,656**

Liabilities as per balance sheet	Amortised costs	Total
Non-current liabilities	38,891	38,891
Total financial liabilities	**38,891**	**38,891**

Note 12 Non-current financial assets at fair value through profit or loss

	Dec 31, 2024	Dec 31, 2023
Beginning of the year	463,913	420,677
Additions (new investments)	–	8,000
Disposal value	-1,875	-39,159
Change in fair value for the year	-78,365	74,395
Total	**383,672**	**463,913**

The assets specified in the table above are investments in financial assets at fair value through profit or loss. See Note 3 for further information.

Note 13 Interests in associated companies

Associated companies are companies over which VEF has significant influence. Significant influence means the opportunity to participate in decisions relating to the company's financial and operational strategies but does not imply control or joint control. Normally, ownership equivalent to at least 20% and up to 50% of the votes means that a significant influence is held. Circumstances in the individual case can result in a significant influence even with ownership of less than 20% of the votes. Associated companies are measured at fair value and gains and losses will be recorded under results from financial assets at fair value through profit or loss in the income statement.

Company	Operation	Main market	Country of incorporation	Fair value, Dec 31, 2024	Ownership	Voting share
Nibo	Accounting SaaS	Mexico	Cayman Island	10,378	20.1%	21.7%

Note 14 Other current receivables

	Dec 31, 2024	Dec 31, 2023
Deposits	3	13
Other	73	178
Total	**76**	**191**

Note 15 Prepaid expenses

	Dec 31, 2024	Dec 31, 2023
Rent	30	25
Other	68	98
Total	**98**	**123**

Note 16 Cash and cash equivalents

Cash, cash equivalents and bank overdrafts include the following for the purposes of the cash flow statement:

	Dec 31, 2024	Dec 31, 2023
Cash and cash equivalents	8,681	17,708
of which short-term investments equivalent to cash	–	–
Total	**8,681**	**17,708**

Note 17 Long-term liabilities

	Dec 31, 2024	Dec 31, 2023
Borrowings	35,763	38,838
Leasing liabilities	–	53
Total	**35,763**	**38,891**

Borrowings

	Dec 31, 2024	Dec 31, 2023
Opening balance	38,838	46,872
Proceeds from borrowings, net	–	-10,205
Non-cash transactions	-3,075	2,171
Closing balance	**35,763**	**38,838**

Sustainability bonds 2023/2026
During 4Q23, VEF issued sustainability bonds of three years, to the amount of SEK 500 mln, within a frame of SEK 1.000 mln. VEF holds SEK 100 mln of the bonds. The bonds carry a floating coupon of 3m Stibor + 650 bps with interest paid quarterly. The bonds are due in December 2026. The bonds are trading on the sustainable bond list of Nasdaq Stockholm and on the Open Market of the Frankfurt Stock Exchange. In connection with the issuance of the 2023/2026 bonds the outstanding 2022/2025 bonds were redeemed in full.

Leasing liabilities

Maturity analysis – contractual discounted cash flow	Dec 31, 2024	Dec 31, 2023
Leasing liabilities < 1 year	49	47
Leasing liabilities 2–5 years	–	53
Total discounted lease liabilities	**49**	**100**
Total cash flow for leases	**-51**	**-56**
Amounts recognised in the consolidated income statement	**-3**	**-3**
Interest on lease liabilities	-8	-8

The weighted average incremental borrowing rate applied to measure lease liabilities is 6.10% (6.10%).

Note 18 Other current liabilities

	Dec 31, 2024	Dec 31, 2023
Tax and VAT liabilities	114	148
Other	–	–
Leasing liabilities < 1 year	49	47
Total	**163**	**195**

Note 19 Accrued expenses

	Dec 31, 2024	Dec 31, 2023
Employee related expense	12	510
Accrued interest expense	201	268
Other	114	150
Total	**327**	**928**

Note 20 Pledged assets and contingent liabilities
The Group had no contingent liabilities or pledged assets as per December 31, 2024.

Note 21 Related party transactions
During the period VEF has recognized the following related party transactions:

	Operating expenses		Current liabilities	
	2024	2023	Dec 31, 2024	Dec 31, 2023
Key management and Board of Directors[1]	2,727	3,081	–	–

1. Compensation paid or payable includes salary, bonus, share based remuneration and pension to the management and remuneration to the Board members.

Note 22 Repurchased shares

	Number of shares		Amounts affecting equity	
	2024	2023	2024	2023
Opening balance, repurchased shares	0	12,824,243	0	-2,910
Repurchases for the year	3,506,755	651,875	-3	-2
Retiring of repurchased shares	-3,506,755	-13,476,118	3	2,912
Outgoing balance, repurchased shares	**0**	**0**	**0**	**0**

No common shares were repurchased during 2024. The 3,506,755 repurchased shares are Class C shares held by a long-term incentive program participant who resigned from the Company.
For more details on the Parent company's equity, see Note P.17.

Note 23 Key and alternative performance measures

IFRS defined performance measures (not alternative performance measures)

Earnings per share
Result for the period divided by the average number of outstanding common shares. Class C shares issued to participants under the Company's LTIP are not treated as outstanding common shares and thus are not included in the weighted calculation, but they are however recognized as an increase in shareholder's equity. Repurchased common shares held in treasury by the Company is neither included in the calculation.

Diluted earnings per share
When calculating diluted earnings per share, the average number of common shares is adjusted to consider the effects of potential dilutive common shares that have been offered to employees, originating during the reported periods from share-based incentive programs. Dilutions from share-based incentive programs affect the number of shares and only occur when the incentive program performance conditions of the respective programs are fulfilled.

Key ratios – reconciliation table

	2024	2023
Earnings per share, USD		
Weighted average number of shares	1,041,865,735	1,041,865,735
Result for the period	-89,862,997	60,065,547
Earnings per share, USD	**-0.09**	**0.06**
Diluted earnings per share, USD		
Diluted weighted average number of shares	1,041,865,735	1,041,865,735
Result for the period	-89,862,997	60,065,547
Diluted earnings per share, USD	**-0.09**	**0.06**

Alternative performance measures

Equity ratio
Shareholders' equity in percent in relation to total assets.

Net asset value (NAV), USD and SEK
Net value of all assets on the balance sheet, equal to the shareholders' equity.

Net asset value per share, USD and SEK
Net asset value/share is defined as shareholders' equity divided by total number of shares outstanding at the end of the period.

Traded premium/discount to net asset value
Traded premium/discount to NAV is defined as the share price divided to the net asset value/share.

Number of shares outstanding
Total number of outstanding common shares at balance day. Class C shares issued to participants under the Company's LTIP are not treated as outstanding common shares and thus are not included in the calculation, but they are however recognized as an increase in shareholder's equity. Repurchased common shares held in treasury by the Company is neither included in the calculation.

Number of shares outstanding fully diluted
When calculating the number of shares outstanding fully diluted, the number of common shares outstanding is adjusted to consider the effects of potential dilutive common shares that have been offered to employees, originating during the reported periods from share-based incentive programs. Dilutions from share-based incentive programs affect the number of shares and only occur when the incentive program performance conditions of the respective programs are fulfilled.

Other definitions

Portfolio value
Total book value of financial assets held at fair value through profit and loss.

Alternative performance measures – reconciliation table

	Dec 31, 2024	Dec 31, 2023
Equity ratio		
Net asset value/shareholders equity, USD	352,960,944	442,229,211
Total assets, USD	392,661,145	482,345,699
Equity ratio	89.9%	91.7%
Net asset value, USD	**352,960,944**	**442,229,211**
Net asset value, SEK		
Net asset value, USD	352,960,944	442,229,211
SEK/USD	11.00	10.04
Net asset value, SEK	3,881,917,760	4,440,676,513
Net asset value/share, USD		
Net asset value, USD	352,960,944	442,229,211
Number of outstanding shares	1,041,865,735	1,041,865,735
Net asset value/share, USD	0.34	0.42
Net asset value/share, SEK		
Net asset value, USD	352,960,944	442,229,211
SEK/USD	11.00	10.04
Net asset value, SEK	3,881,917,760	4,440,676,513
Number of outstanding shares	1,041,865,735	1,041,865,735
Net asset value/share, SEK	3.73	4.26
Premium/discount(-) to NAV		
Net asset value, USD	352,960,944	442,229,211
SEK/USD	11.00	10.04
Net asset value, SEK	3,881,917,760	4,440,676,513
Number of outstanding shares	1,041,865,735	1,041,865,735
Net asset value/share, SEK	3.73	4.26
Share price, SEK	2.21	1.84
Premium/discount(-) to NAV	-40.8%	-56.9%

Note 24 Events after the balance sheet date
VEF's Brazilian holding Gringo has been acquired by the NYSE listed payments company Corpay. As part of the transaction, all existing investors, including VEF, fully exit their position in Gringo. The transaction resulted in net proceeds of USD 15.2 mln for VEF, which was received in March 2025.

Note 25 Adoption of annual report
The annual report has been submitted by the Board of Directors on March 26, 2025, see page 87. The balance sheet and profit and loss accounts are to be adopted by the Company's shareholders at the annual general meeting on May 13, 2025.

Parent company financial statements

Parent company income statement

KSEK	Note	2024	2023
Result from financial assets at fair value through profit or loss	P.2	154,915	219,153
Other income		–	3,369
Administrative and operating expenses	P.3–5	-44,159	-42,236
Operating result		**110,756**	**180,286**
Financial income and expenses			
Interest income		4,471	4,652
Interest expense		-44,772	-82,170
Currency exchange gains/losses, net		3,014	-2,594
Net financial items	P.6	**-37,287**	**-80,112**
Result before tax		**73,469**	**100,174**
Taxation	P.7	-36,294	–
Net result for the year		**37,175**	**100,174**

The Parent company has no items to account for as other comprehensive income and therefore the net result for the period is equal to the total comprehensive income for the period.

Parent company balance sheet

KSEK	Note	Dec 31, 2024	Dec 31, 2023
NON-CURRENT ASSETS			
Financial non-current assets			
Shares in subsidiaries	P.8	2,562,161	2,519,361
Financial assets at fair value through profit or loss	P.9–10		
Equity financial assets		1,022,868	894,463
Liquid financial assets		45,170	39,089
Other financial assets		50	50
Total financial non-current assets		**3,630,249**	**3,452,963**
CURRENT ASSETS			
Tax receivables		118	245
Other current receivables	P.11	727	1,740
Other current receivables, Group	P.8	1,487	6,352
Prepaid expenses	P.12	912	1,136
Cash and cash equivalents	P.13	78,152	171,628
Total current assets		**81,396**	**181,101**
TOTAL ASSETS		**3,711,645**	**3,634,064**

SHAREHOLDERS' EQUITY (including net result for the year)		**3,274,140**	**3,232,214**
NON-CURRENT LIABILITIES			
Long-term debt	P.14	393,333	390,000
Deferred tax		36,294	–
Total non-current liabilities		**429,627**	**390,000**
CURRENT LIABILITIES			
Accounts payable		875	398
Other current liabilities, Group	P.8	3,242	3,938
Other current liabilities	P.15	585	828
Accrued expenses	P.16	3,176	6,686
Total current liabilities		**7,878**	**11,850**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		**3,711,645**	**3,634,064**

Parent company statement of changes in equity

KSEK	Note	Share capital	Additional paid in capital	Retained earnings	Total
Balance at Jan 1, 2023		**11,067**	**821,401**	**2,296,202**	**3,128,670**
Net result for the period		–	–	100,174	100,174
Transactions with owners:					
Retiring of shares		-135	-31,559	-7	-31,700
Bonus issue		135	31,565	–	31,700
Value of employee services:	P.5, P.17				
- Employee share option scheme		–	66	–	66
- Share based long-term incentive program		–	3,304	–	3,304
Balance at Dec 31, 2023		**11,067**	**824,777**	**2,396,370**	**3,232,214**
Balance at Jan 1, 2024		**11,067**	**824,777**	**2,396,370**	**3,232,214**
Net result for the period		–	–	37,175	37,175
Transactions with owners:					
Retiring of shares		-35	–	-35	-70
Bonus issue		35	35	–	70
Value of employee services:	P.5, P.17				
- Employee share option scheme		–	34	–	34
- Share based long-term incentive program		256	4,461	–	4,717
Balance at Dec 31, 2024		**11,323**	**829,307**	**2,433,510**	**3,274,140**

Parent company statement of cash flows

KSEK	Note	2024	2023
OPERATING ACTIVITES			
Result before tax		73,469	100,174
Adjustment for non-cash items:			
Interest income and expense, net		40,301	77,518
Currency exchange gains/-losses, net		-3,014	2,594
Result from financial assets at fair value through profit or loss		-154,915	-219,153
Other non-cash items affecting profit or loss		4,496	3,370
Adjustment for cash items:			
Change in current receivables		6,190	-3,792
Change in current liabilities		-3,310	3,390
Adjustments of cash flow in operating activities		**-36,783**	**-35,899**
Investments in subsidiaries		-42,800	-118,561
Proceeds from liquidation of subsidiary		–	3,232
Investments in financial assets		–	–
Sales of financial assets		20,430	426,739
Interest received		4,471	4,652
Net cash flow from/used in operating activities		**-54,682**	**280,163**
FINANCING ACTIVITIES			
Interest paid on sustainability bonds		-41,912	-78,312
Proceeds from sustainability bonds, gross		–	400,000
Redemption of sustainability bonds		–	-500,000
Buy-back of own shares	P.17	–	–
Proceeds from new share issue through employee options	P.17	256	–
Net cash flow from/used in financing activities		**-41,656**	**-178,312**
Cash flow for the year		**-96,338**	**101,851**
Cash and cash equivalents at beginning of the year		**171,628**	**74,592**
Exchange gains/losses on cash and cash equivalents		2,862	-4,815
Cash and cash equivalents at end of the year		**78,152**	**171,628**

Notes for the Parent company

(Expressed in KSEK unless indicated otherwise)

Note P.1 Significant accounting principles

The Parent company's financial statements are to be prepared in accordance with the Swedish Annual Accounts Act (1995:1554) and the Swedish Financial Reporting Board's recommendation RFR 2 Accounting for Legal Entities. The Swedish Financial Reporting Board's statements for listed companies are also applied. RFR 2 requires the Parent company, as a legal entity, to prepare its annual financial statements in compliance with all the IFRS and IFRIC interpretations adopted by the EU, to the extent possible within the framework of the Swedish Annual Accounts Act.

The Parent company applies the accounting policies detailed for the Group with the exception of the following:

Reporting currency
The Parent company's presentation currency is SEK and not the Group's reporting currency of USD due to Swedish Company regulations.

Leases
All leasing agreements in the Parent company are recognized as operating leases.

Shares in subsidiaries
Subsidiaries are valued at their acquisition cost and after write-down, if any. Dividends from subsidiaries are recognized as dividend income.

Inter-company receivables and liabilities
Inter-company receivables and liabilities are accounted for at amortised cost. The expected credit loss for inter-company receivables is considered insignificant.

Note P.2 Result from financial assets at fair value through profit or loss

	2024	2023
Realised result:		
Proceeds from sale of financial assets at fair value through profit or loss	20,430	426,739
Acquisition value of sold financial assets at fair value through profit or loss	-43,805	-450,563
Reversal of fair value adjustments of sold assets at fair value through profit or loss	14,811	41,822
Total realised result	**-8,564**	**17,998**
Unrealised result:		
Change in fair value of remaining financial assets at fair value through profit or loss	163,479	201,155
Total unrealised result	**163,479**	**201,155**
Result from financial assets at fair value through profit or loss	**154,915**	**219,153**

Financial assets at fair value through profit or loss comprises the result from fair value changes of financial assets that have been designated on initial recognition as assets to be measured at fair value with fair value changes in profit or loss. Divestments in 2024 are all related to the BlackBuck IPO.

Assets measured at fair value at Dec 31, 2024

	Level 1	Level 2	Level 3	Total balance
Financial assets at fair value through profit or loss	102,614	–	965,424	1,068,038
of which:				
Liquidity placements	45,170	–	–	45,170
Shares	57,444	–	965,424	1,022,868
Total assets	**102,614**	**0**	**965,424**	**1,068,038**

Assets measured at fair value at Dec 31, 2023

	Level 1	Level 2	Level 3	Total balance
Financial assets at fair value through profit or loss	39,089	77,587	816,876	933,552
of which:				
Liquidity placements	39,089	–	–	39,089
Shares	–	77,587	816,876	894,463
Total assets	**39,089**	**77,587**	**816,876**	**933,552**

For more information of the Parent company's financial assets and their valuations please see Group Note 3 on page 67.

Change in financial assets at fair value through profit or loss

Company	Jan 1, 2024	Investments/ divestments, net	Changes in fair value[1]	Dec 31, 2024
Juspay	743,609	–	180,222	923,831
BlackBuck	73,267	-20,430	4,606	57,444
Rupeek	77,587	–	-35,994	41,593
Liquidity investments	39,089	–	6,081	45,170
Total	**933,552**	**-20,430**	**154,915**	**1,068,038**

1. Change in fair value include currency exchange effects.

Note P.3 Operating expenses

	2024	2023
Employee benefit expense (Note P.5)	21,166	23,643
External services	10,175	12,974
Other expenses	4,987	4,178
Intra-group services, net	7,831	1,441
Total operating expenses	**44,159**	**42,236**

Note P.4 Remuneration to Auditors

PwC	2024	2023
Audit assignments	925	1,085
Other audit activities	180	130
Tax advice	462	111
Other services	–	232
Total remuneration to auditors	**1,567**	**1,558**

Audit assignment refers to the auditor's reimbursement for execution of the statutory audit. The work includes the audit of the annual report and consolidated financial statements and the accounting, the administration of the Board and the CEO and for audit advice provided as a result of the audit assignment. Other audit activities refer to other audit assignments as required by laws and regulations as well as the review of quarterly reports in accordance with ISRE 2410. Tax advice refer to general tax advisory services. Other services are services mainly related to accounting and compliance matters.

Note P.5 Employee benefit expense

	2024	2023
Wages and salaries	8,381	11,066
Social security cost	2,778	3,767
Pension cost	525	1,195
Other employee benefits	9,482	7,615
Total employee benefit expense	**21,166**	**23,643**

	2024		2023	
	Salaries and other remuneration	Social security contributions	Salaries and other remuneration	Social security contributions
Board of Directors, CEO and management				
Salaries and other remuneration	8,112	1,154	10,449	1,905
Variable compensation	1,476	240	1,924	604
Pension expenses	480	117	1,102	267
Share-based compensation	4,325	–	3,273	–
Other[1]	3,426	1,143	1,943	654
Other employees				
Salaries and other remuneration	269	87	617	195
Variable compensation	84	26	218	68
Pension expenses	44	11	93	23
Share-based compensation	171	–	258	50
Other[1]	–	–	–	–
Total	**18,388**	**2,778**	**19,876**	**3,767**

1. Other refers to facilitate participation in LTIP- and options programs, the Company subsidized the subscription price payable by program participants for the acquisition cost.

	Dec 31, 2024		Dec 31, 2023	
	Men	Women	Men	Women
Board of Directors incl. CEO	3	3	3	3
Key management	–	1	1	1
Other personnel	–	1	–	1
Total	**3**	**5**	**4**	**5**

Decisions regarding remuneration to the CEO are made by the Board of Directors in accordance with the remuneration's principles, while decisions regarding fixed remuneration to other management within the group are made by the CEO. The CEO has the right to six months' salary in the event of the termination of appointment on part of the company. The CEO has nine months' mutual notice period. The rest of the management has a notice period of three months, which also applies to the Company in the event of termination on part of the Company. No notice period applies to the Board of Directors.

2024

	Base salaries/ board fee	Variable compensation	Other compensation[1]	Pension expenses	Share based compensation	Total
Lars O Grönstedt, *Chairman of the Board*	1,200	–	–	–	–	1,200
Per Brilioth, *Board member*	535	–	–	–	–	535
Allison Goldberg, *Board member*	565	–	–	–	–	565
Hanna Loikkanen, *Board member*	600	–	–	–	–	600
Katharina Lüth, *Board member*	500	–	–	–	–	500
David Nangle, *Board member and CEO*	2,793	1,097	1,955	–	2,384	8,228
Key management personnel	1,919	380	1,472	480	1,941	6,192
Total	**8,112**	**1,476**	**3,426**	**480**	**4,325**	**17,820**

1. Other compensation refers to facilitate participation in LTIP- and options programs, the Company subsidized the subscription price payable by program participants for the acquisition cost.

2023

	Base salaries/ board fee	Variable compensation	Other compensation[1]	Pension expenses	Share based compensation	Total
Lars O Grönstedt, *Chairman of the Board*	1,620	–	–	–	–	1,620
Per Brilioth, *Board member*	600	–	–	–	–	600
Allison Goldberg, *Board member*	500	–	–	–	–	500
Hanna Loikkanen, *Board member*	600	–	–	–	–	600
Katharina Lüth, *Board member*[2]	325	–	–	–	–	325
David Nangle, *Board member and CEO*	2,895	–	1,178	–	1,432	5,505
Key management personnel	3,909	1,924	765	1,102	1,841	9,541
Total	**10,449**	**1,924**	**1,943**	**1,102**	**3,273**	**18,691**

1. Other compensation refers to facilitate participation in LTIP- and options programs, the Company subsidized the subscription price payable by program participants for the acquisition cost.
2. Elected on May 9, 2023

Option plan
The Company had an option plan, adopted in 2015, that entitled present and future employees to be allocated call options to acquire shares in the Company ("Options"). The option plan expired on December 17, 2024.

Exercised options
No Options were exercised in 2024. In 2023, 500,000 Options were exercised.

Options outstanding

	2024	2023
Beginning of the period	500,000	1,000,000
Options exercised	–	-500,000
Options expired	-500,000	–
Outstanding at the end of the period	**0**	**500,000**

Share-based incentive program (LTIP)
There are five running long-term share-based incentive programs for management and key personnel in the Group. LTIP 2020-2023 programs are linked to the long-term performance of both the Company's NAV and share price, while LTIP 2024 is linked to the VEF total shareholder return. For detailed information on the Company's long-term incentive programs see the Group's Note 7 on page 71.

	LTIP 2020	LTIP 2021	LTIP 2022	LTIP 2023	LTIP 2024
Performance measurement period	Jan 2020–Dec 2024	Jan 2021–Dec 2025	Jan 2022–Dec 2026	Jan 2023–Dec 2027	Jan 2024–Dec 2028
Vesting period	Nov 2020–Apr 2025	Sep 2021–Apr 2026	Aug 2022–Apr 2025	Jan 2024–Apr 2026	May 2024–Apr 2027
Maximum no. of shares, CEO	13,300,000	3,325,000	3,325,000	3,517,500	3,625,000
Maximum no. of shares, others	18,420,500	3,719,835	5,736,430	8,207,500	8,875,000
Maximum no. of shares, total	31,720,500	7,044,835	9,061,430	11,725,000	12,500,000
Maximum dilution	2.95%	0.67%	0.86%	1.11%	1.19%
Share price on grant date, SEK	3.14	4.34	2.31	1.87	2.34
Incentive share price on grant date, SEK[1]	0.37	0.62	0.10	0.30	0.53

1. The difference in common share price and incentive share price derive from that incentive share price has been calculated using the Monte Carlo method applying the performance criteria applicable in the terms for the long-term incentive program and the current share price at grant date.

Total employee benefit expense excl. bonuses paid and social taxes	LTIP 2020[1]	LTIP 2021[1]	LTIP 2022[1]	LTIP 2023[1]	LTIP 2024[1]
2024	1,850	621	169	943	880
2023	2,007	1,101	209	–	–
2022	2,086	1,357	147	–	–
2021	1,020	186	–	–	–
2020	–	–	–	–	–
Total accumulated	**6,963**	**3,265**	**525**	**943**	**880**

1. The total IFRS 2 expense does not include subsidy for acquisition and taxes arisen.

Note P.6 Net financial items

	2024	2023
Interest income	4,471	4,652
Interest expense	-44,772	-82,170
Currency exchange gains	7,792	2,315
Currency exchange losses	-4,778	-4,909
Total	**-37,287**	**-80,112**

Note P.7 Tax

VEF AB (publ)'s taxable profits are subjected to Swedish income tax at the rate of 20.6%.

Reconciliation between theoretical tax expense and reported tax

	2024	2023
Result before tax	73,469	100,174
Tax calculated at domestic tax rates applicable to profits in the respective countries	-15,135	-20,636
Tax effects of:		
– Non-taxable effects from financial assets measured at fair value	-4,375	45,149
– Expenses not deductible for tax purposes	-7,316	-12,935
– Tax losses carried forward for which no deferred tax assets are recognized	-9,468	-11,578
Tax	**-36,294**	**0**

Deferred tax refers to the whole, or part of, the temporary differences arising between the tax bases of assets and liabilities and their carrying amounts. Deferred tax in the above table relate to unrealised capital gains tax on Indian holdings.

Note P.8 Subsidiaries

	Country	Number of shares	Share of capital and votes, %	Book value SEK Dec 31, 2024	Book value SEK Dec 31, 2023
VEF Cyprus Limited	Cyprus	289,036,056	100	2,562,161,447	2,519,360,957
VEF Fintech Ireland Limited	Ireland	1	100	10	10
VEF UK Ltd	United Kingdom	1	100	10	10
Total				**2,562,161,467**	**2,519,360,977**

All subsidiaries are included in the consolidated financial statements from the time of incorporation.

Transactions with subsidiaries
The Parent company had related-party transactions with VEF Cyprus Limited, VEF Fintech Ireland Limited and VEF UK Ltd in 2024. The Parent company's business is to act as the holding company, while also providing business and investment support services to the group. VEF Fintech Ireland Limited and VEF UK Ltd provide investment and business support services to the Parent company.

	Dec 31, 2024	Dec 31, 2023
Current receivables:		
VEF Cyprus Limited	1,069	2,124
VEF Fintech Ireland Limited	209	1,476
VEF UK Ltd	209	2,752
Total current receivables, Group	**1,487**	**6,352**
Current liabilities:		
VEF Fintech Ireland Limited	1,275	1,402
VEF UK Ltd	1,967	2,536
Total current liabilities, Group	**3,242**	**3,938**

	2024	2023
Intra group support services:		
Sales to:		
VEF Cyprus Limited	4,816	6,241
VEF Fintech Ireland Limited	1,339	3,393
VEF UK Ltd	1,339	3,393
Purchases from:		
VEF Fintech Ireland Limited	-5,482	-5,617
VEF UK Ltd	-9,843	-8,851
Net included in Administrative and operating expenses	**-7,831**	**-1,441**

Note P.9 Financial instruments by category
The accounting policies for financial instruments have been applied to the line items below:

2024

Assets as per balance sheet	Assets at fair value through profit and loss	Amortised costs	Total
Financial assets at fair value through profit or loss	1,068,038	–	1,068,038
Receivables from group companies	–	1,487	1,487
Cash and cash equivalents	–	78,152	78,152
Other financial assets	–	50	50
Total financial assets	**1,068,038**	**79,689**	**1,147,727**

Liabilities as per balance sheet	Amortised costs	Total
Non-current liabilities	393,333	393,333
Liabilities to group companies	3,242	3,242
Total current financial liabilities	**396,575**	**396,575**

2023

Assets as per balance sheet	Assets at fair value through profit and loss	Amortised costs	Total
Financial assets at fair value through profit or loss	933,552	–	933,552
Receivables from group companies	–	6,352	6,352
Cash and cash equivalents	–	171,628	171,628
Other financial assets	–	50	50
Total financial assets	**933,552**	**178,030**	**1,111,582**

Liabilities as per balance sheet	Amortised costs	Total
Non-current liabilities	390,000	390,000
Liabilities to group companies	3,938	3,938
Total current financial liabilities	**393,938**	**393,938**

Note P.10 Non-current financial assets at fair value through profit or loss

	Dec 31, 2024	Dec 31, 2023
Beginning of the year	933,552	1,141,138
Additions (new investments)	–	–
Disposal value	-20,430	-426,739
Change in fair value for the year	154,915	219,153
Total	**1,068,038**	**933,552**

The assets specified in the table above are investments in financial assets at fair value through profit or loss. See the Group's Note 3 for further information.

Note P.11 Other current receivables

	Dec 31, 2024	Dec 31, 2023
Deposits	35	128
Other	692	1,612
Total	**727**	**1,740**

Note P.12 Prepaid expenses

	Dec 31, 2024	Dec 31, 2023
Rent	161	159
Other	751	977
Total	**912**	**1,136**

Note P.13 Cash and cash equivalents
Cash, cash equivalents and bank overdrafts include the following for the purposes of the cash flow statement:

	Dec 31, 2024	Dec 31, 2023
Cash and cash equivalents	78,152	171,628
of which short-term investments equivalent to cash	–	–
Total	**78,152**	**171,628**

Note P.14 Long-term liabilities

	Dec 31, 2024	Dec 31, 2023
Borrowings	393,333	390,000
Total	**393,333**	**390,000**

	Dec 31, 2024	Dec 31, 2023
Opening balance	390,000	488,750
Proceeds from borrowings, net	–	-100,000
Non-cash transactions	3,333	1,250
Closing balance	**393,333**	**390,000**

Sustainability bonds 2023/2026
During 4Q23, VEF issued sustainability bonds of three years, to the amount of SEK 500 mln, within a frame of SEK 1.000 mln. VEF holds SEK 100 mln of the bonds. The bonds carry a floating coupon of 3m Stibor + 650 bps with interest paid quarterly. The bonds are due in December 2026. The bonds are trading on the sustainable bond list of Nasdaq Stockholm and on the Open Market of the Frankfurt Stock Exchange. In connection with the issuance of the 2023/2026 bonds the outstanding 2022/2025 bonds were redeemed in full.

Note P.15 Other current liabilities

	Dec 31, 2024	Dec 31, 2023
Tax and VAT liabilities	585	828
Other	–	–
Total	**585**	**828**

Note P.16 Accrued expenses

	Dec 31, 2024	Dec 31, 2023
Employee related expenses	127	2,887
Interest expense	2,213	2,687
Other	836	1,112
Total	**3,176**	**6,686**

Note P.17 Share capital and additional paid in capital
VEF AB (publ)'s share capital per December 31, 2024, is distributed among 1,113,917,500 shares with a par value of SEK 0.01 per share as set out in the table below. Each share of the Company carries one vote. The common shares trade on Nasdaq Stockholm's main market.

The convertible shares of Class C 2020-2024 are held by management and key personnel of VEF under the Company's long-term incentive programs. The Class C shares are redeemable pursuant to the terms set out in VEF's articles of association.

Share class	Number of shares	Number of votes	Share capital, SEK
Common shares[1]	1,041,865,735	1,041,865,735	10,540,805
Class C 2020	31,720,500	31,720,500	320,924
Class C 2021	7,044,835	7,044,835	71,274
Class C 2022	9,061,430	9,061,430	91,677
Class C 2023	11,725,000	11,725,000	128,975
Class C 2024	12,500,000	12,500,000	126,587
Total	**1,113,971,500**	**1,113,971,500**	**11,280,242**

1. The company holds no shares in treasury.

	Change in number of shares	Total number of shares	Quota value, SEK	Change in share capital, SEK	Share capital, SEK
January 1, 2023		**1,106,675,373**	**0.01**		**11,066,754**
Retiring of repurchased shares	-12,824,243	1,093,851,130	0.01		11,066,754
Retiring of incentive shares	-651,875	1,093,199,255	0.01	-6,595	11,060,159
December 31, 2023		**1,093,199,255**	**0.01**		**11,060,159**
Issuance of incentive shares, Class C 2023	11,725,000	1,104,924,255	0.01	128,975	11,189,134
Retiring of incentive shares	-3,506,755	1,101,417,500	0.01	-35,479	11,153,655
Issuance of incentive shares, Class C 2024	12,500,000	1,113,917,500	0.01	126,587	11,280,242
December 31, 2024		**1,113,917,500**	**0.01**		**11,280,242**

Share capital
In January, 2024, the Company repurchased and retired 3,506,755 incentive shares held by a long-term incentive program participant who resigned from the Company.

At year-end, the total number of outstanding shares in the company was 1,113,917,500, of which 1,041,865,735 are common shares and 72,051,765 are Class C shares. No shares are held in treasury by the Company.

Class C 2020–2024 redeemable, convertible common shares
Within the framework of the share-based long-term incentive programs ("LTIP") for management and key personnel of the Group of 2020-2024, participants subscribed for Class C shares in the Company. Depending on the performance of both the Company's NAV/share and of the Company's share price, some or all of the Class C shares will be redeemed or reclassified as ordinary common shares. If the performance conditions are not fulfilled, then the Class C shares will be redeemed at nominal value and cancelled. The participants will be compensated for dividends and other value transfers to the shareholders during the life of the programs, pursuant to the LTIP terms. The participants are also entitled to vote for their Class C shares during the measurement period.

Additional paid in capital
Additional paid in capital comprise of share premiums regarding new shares issued and shares issued under the Company's employee share option plan, which expired on December 17, 2024. For more information on LTIP and the options, see Note P.5.

Repurchased shares

	Number of shares		Amounts affecting equity	
	2024	2023	2024	2023
Opening balance, repurchased shares	0	12,824,243	0	-31,687
Repurchases for the year	3,506,755	651,875	35,479	-13
Retiring of repurchased shares	-3,506,755	-13,476,118	-35,479	31,700
Outgoing balance, repurchased shares	**0**	**0**	**0**	**0**

Note P.18 Pledged assets and contingent liabilities
The Parent company had no contingent liabilities or pledged assets as per December 31, 2024.

Note P.19 Related party transactions

The Parent company has identified the following related parties:

Key Management and Board of Directors
Including members of the Board and Management. During the period, the Parent company has recognized the following related party transactions:

	Operating expenses		Current liabilities	
	2024	2023	Dec 31, 2024	Dec 31, 2023
Key management and Board of Directors[1]	17,820	18,691	–	–

1. Compensation paid or payable includes salary, bonus, share based remuneration and pension to the management and remuneration to the Board members.

Subsidiaries
The Parent company has related-party transactions with its subsidiaries, VEF Cyprus Limited, VEF Fintech Ireland Limited and VEF UK Ltd. For a detailed statement of the related party transactions between the Parent company and its subsidiaries, see Note P.8.

Declaration

The Board of Directors and the CEO declare that the consolidated financial statements have been prepared in accordance with IFRS as adopted by the EU and give a true and fair view of the Group's financial position and results of operations. The financial statements of the Parent company have been prepared in accordance with IFRS and give a true and fair view of the Parent company's financial position and results of operation.

The administration report and the other parts of the annual report of the Group and the Parent company provide a fair review of the development of the Group's and the Parent company's operations, financial position and results of operations and describe material risks and uncertainties facing the Parent company and the companies included in the Group.

The statutory corporate governance report and the other parts of the annual report of the Group provides a fair review of the development of the Group's operations, financial position and results of operations and describes material risks and uncertainties facing the companies included in the Group.

March 26, 2025

Lars O Grönstedt
Chairman of the Board

Per Brilioth
Board member

Allison Goldberg
Board member

Hanna Loikkanen
Board member

Katharina Lüth
Board member

David Nangle
Board member and CEO

Our auditor's report was submitted on March 26, 2025

Öhrlings PricewaterhouseCoopers AB

Bo Karlsson
Authorized Public Accountant
Auditor in charge

Johan Brobäck
Authorized Public Accountant

Auditor's report

To the general meeting of the shareholders of VEF AB (publ), corporate identity number 559288-0362

Report on the annual accounts and consolidated accounts

Opinions

We have performed an audit of the annual accounts and consolidated accounts of VEF AB (publ) for year 2024. The annual accounts and consolidated accounts of the company are included on pages 56–87 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the parent company as of December 31, 2024 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act.

The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of December 31, 2024 and their financial performance and cash flow for the year then ended in accordance with IFRS Accounting Standards, as adopted by the EU, and the Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and group.

Our opinions in this report on the annual accounts and consolidated accounts are consistent with the content of the additional report that has been submitted to the parent company's audit committee in accordance with the Audit Regulation (537/2014) Article 11.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements. This includes that, based on the best of our knowledge and belief, no prohibited services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided to the audited company or, where applicable, its parent company or its controlled companies within the EU.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Key audit matters

Key audit matters of the audit are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts and consolidated accounts of the current period. These matters were addressed in the context of our audit of, and in forming our opinion thereon, the annual accounts and consolidated accounts as a whole, but we do not provide a separate opinion on these matters.

Key Audit Matter

Valuation of unlisted holdings

The valuation of unlisted holdings at fair value is material to the company's financial statements as a significant portion of the group's net asset value consists of unlisted holdings in private equity companies. As of December 31, 2024, these holdings had a book value of USD 374 million, corresponding to 95.3% of total assets. The fair value of unlisted holdings is determined based on recent transactions under prevailing market conditions or through various valuation models depending on the nature of the companies and the assessed risk of the investment. The choice of valuation technique for each unlisted holding is based on management's judgment at each balance sheet date. For transaction-based valuations, each transaction needs to be evaluated by management to assess whether the values based on the transactions correspond to the fair value of the holdings at the balance sheet date. Fair value for holdings valued through valuation models is largely based on unobservable data and requires significant assumptions to be made by management. Due to the complexity of the valuations, there is a risk of material misstatement in the value of these holdings. The selected valuation methods and the significant assumptions applied for each investment are presented in Note 3 to the financial statements. The development of the company's net asset value is also a significant parameter in the long-term share-based incentive programs described in Note 7.

How our audit consider the Key audit matter

Our audit procedures included an assessment of management's process for valuing unlisted holdings and management's selection of valuation methods for each investment. Valuation specialists have participated in the audit of the most significant holdings. Valuations based on recent transactions were evaluated by obtaining and analyzing underlying documents to assess whether the transaction can form the basis for a reasonable estimate of fair value at the balance sheet date. This assessment included an assessment of the parties to the transaction, the size of the transaction and other relevant transaction terms. We have also evaluated management's assessment of events after the transaction date, including both company-specific events and macroeconomic events, to assess whether these are reflected in the valuations. Valuations based on valuation models have been reviewed by confirming input data against external sources. Furthermore, we have evaluated management's assessments in the valuation models. Our audit also included control calculations of the valuations and reconciliation of the final valuations to the financial reporting and review of the overall presentation of the valuations in the notes to the financial statements.

Other information than the annual accounts and consolidated accounts

This document also contains information other than the annual report and consolidated financial statements and is found on pages 1–33, 42–55 and 108–109 and the Sustainability Report on pages 34–41 and 100–107. The other information also consists of the remuneration report that we have received prior to the date of this auditor's report. The Board of Directors and the CEO are responsible for this other information.

Our opinion on the annual accounts does not cover this other information and We do not express any form of assurance conclusion regarding this other information.

In connection with my audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act. and, as regards the consolidated accounts, according to IFRS Accounting Standards, as adopted by the EU, and the Annual Accounts Act. The Board of Directors and the Managing Director are also responsible for such internal control as they determines is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts, the Board of Directors and the Managing Director are responsible for the assessment of the company and group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intends to liquidate the company, cease operations or has no realistic alternative to doing any of this.

The Audit Committee shall, without prejudice to the Board of Director's responsibilities and tasks in general, among other things oversee the company's financial reporting process.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

A further description of our responsibility for the audit of the annual accounts and consolidated accounts is available on Revisorsinspektionen's website: www.revisorsinspektionen.se/revisornsansvar. This description is part of the auditor's report.

Report on other requirements according to laws and other constitutions

The auditor's examination of the administration of the company and the proposed appropriations of the company's profit or loss

Opinions

In addition to our audit of the annual accounts and consolidated accounts, We have also audited the administration of the Board of Directors of VEF AB (publ) for year 2024 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Basis for Opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent in relation of the parent company and group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled my ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibility of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company and group's type of operations, size and risks place on the size of the parent company's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the management of the company's affairs. This includes among other things continuous assessment of the company and group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

A further description of our responsibility for the audit of the administration can be found on the Auditor's Inspection's website: www.revisorsinspektionen.se/revisornsansvar. This description is part of the auditor's report.

The auditor's examination of the ESEF report

Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also examined that the Board of Directors and the Managing Director have prepared the annual accounts and consolidated accounts in a format that enables uniform electronic reporting (the Esef report) pursuant to Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528) for VEF AB (publ) for the year 2024.

Our examination and our opinion relate only to the statutory requirements.

In our opinion, the Esef report has been prepared in a format that, in all material respects, enables uniform electronic reporting.

Basis for Opinions

We have performed the examination in accordance with FAR's recommendation RevR 18 Examination of the Esef report. Our responsibility under this recommendation is described in more detail in the Auditors' responsibility section. We are independent of VEF AB (publ) (publ) in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibility of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of Esef report in accordance with the Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), and for such internal control that the Board of Directors and the Managing Director determine is necessary to prepare the Esef report without material misstatements, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to obtain reasonable assurance whether the Esef report is in all material respects prepared in a format that meets the requirements of Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), based on the procedures performed.

RevR 18 requires us to plan and execute procedures to achieve reasonable assurance that the Esef report is prepared in a format that meets these requirements.

Reasonable assurance is a high level of assurance, but it is not a guarantee that an engagement carried out according to RevR 18 and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the ESEF report.

The firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

The examination involves obtaining evidence, through various procedures, that the Esef report has been prepared in a format that enables uniform electronic reporting of the annual accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the report, whether due to fraud or error. In carrying out this risk assessment, and in order to design audit procedures that are appropriate in the circumstances, the auditor considers those elements of internal control that are relevant to the preparation of the Esef report by the Board of Directors and the Managing Director, but not for the purpose of expressing an opinion on the effectiveness of those internal controls. The examination also includes an evaluation of the appropriateness and reasonableness of assumptions made by the Board of Directors and the Managing Director.

The procedures mainly include a validation that the Esef report has been prepared in a valid XHMTL format and a reconciliation of the Esef report with the audited annual accounts and consolidated accounts.

Furthermore, the procedures also include an assessment of whether the consolidated statement of financial performance, financial position, changes in equity, cash flow and disclosures in the Esef report have been marked with iXBRL in accordance with what follows from the Esef regulation.

Öhrlings PricewaterhouseCoopers AB, Torsgatan 21, 113 97 Stockholm was appointed as VEF AB (publ)'s auditor by the general meeting on May 14, 2024 and has been the company's auditor since the listing on Nasdaq Stockholm's main list on June 1, 2022 and is thus subject to the rules for public interest companies.

Gothenburg March 26, 2025

Öhrlings PricewaterhouseCoopers AB

Bo Karlsson
Authorized Public Accountant
Auditor in charge

Johan Brobäck
Authorized Public Accountant

This is a translation of the Swedish language original. In the event of any differences between this translation and the Swedish language original, the latter shall prevail.

Corporate governance

VEF AB (publ) ("**VEF**" or the "**Company**") is trading on Nasdaq Stockholm main market. As a Swedish publicly listed company, VEF applies the Swedish Corporate Governance Code (the "**Code**") in full. The Code is based on the principle of "comply or explain". According to this principle a company may choose whether it wants to follow a clause in the Code or explain why it has chosen not to. The Company has not deviated from the Code during 2024.

The corporate governance principles of the Company are described below.

Shareholders

At year-end 2024, VEF had approximately 18,000 shareholders according to the register of shareholders maintained by Euroclear. The largest shareholder is the Acacia Funds (Conifer Management LLC), who's joint shareholding at year-end 2024 amounted to 217,718,740 shares, representing a total of 19.5% of the outstanding shares and votes of the Company. There is no other shareholder holding more than 10% of the shares or the votes in the Company.

Annual general meeting and other general meetings

The general meeting of shareholders is the highest decision-making body of the Company, in which all shareholders are entitled to attend in person or by proxy. The annual general meeting ("**AGM**") of the Company is held in Stockholm, Sweden, where the Company is domiciled, it's shares are listed and where most of the Company's shareholders are domiciled.

The Swedish Companies Act (2005:551) (the "**Companies Act**") and the Articles of Association (the "**Articles**") determine how the notice to the AGM and extraordinary general meetings shall occur, and who has the right to participate in and vote at such meetings. There are no restrictions on the number of votes each shareholder may cast at general meetings. Each ordinary share equals to one vote. Each shareholder entitled to vote may vote for the entire number of the shares owned. The documents and minutes from any general meetings, including the AGMs, are published on the website of the Company.

Pursuant to a decision by the 2024 AGM, the Board has been authorized to issue shares, with or without deviation from the common share shareholders' preferential rights. The Board's resolutions to issue shares with deviation from the common share shareholders' preferential rights may result in an increase of the number of shares in the company of not more than 20% of the outstanding shares at the time the authorization is adopted, in aggregate. The Board has not used this authorization during 2024.

Pursuant to a decision by the 2024 AGM, the Board has been authorized to purchase its own shares to the extent that the Company's holding of its own shares, on any occasion, does not exceed 5% of the Company's total number of shares. The Company has not repurchased any shares during 2024 and does currently not hold any of its own shares in treasury.

The 2025 AGM of VEF will take place on May 13, 2025. All documents related to the 2025 AGM will be published on VEF's website.

Nomination committee

Shareholders in the Company have the right to nominate members of the Board, and auditors, to the AGM. According to the Code, a company shall have a nomination committee that prepares proposals regarding certain appointments by the AGM, including proposals for the Chairman of the AGM, candidates for election to the Board, Chairman of the Board, the auditor of the Company as well as remuneration to the Board. VEF has a nomination committee appointed for the 2025 AGM.

In accordance with the instruction adopted by VEF's 2024 AGM, the nomination committee of VEF shall comprise of up to four representatives chosen from among the largest shareholders of the Company as at August 31, 2024 and the Chairman of the Board. The Company announced on September 30, 2024, that the nomination committee consists of the following representatives: Jake Hennemuth, appointed by Acacia Partners (Conifer Management LLC); Pia Gisgård, appointed by Swedbank Robur Fonder; Simon Westlake, appointed by City of London, and Lars O Grönstedt, Chairman of the Board of VEF, who is co-opted. The composition of the Company's nomination committee meets the requirements concerning the independence of the committee set out in the Code.

The nomination committee's task is to prepare proposals for the following resolutions at the 2025 AGM: (i) election of the chairman of the AGM, (ii) the election of Board members, (iii) the election of the Chairman of the Board, (iv) the remuneration of the directors, (v) election of auditors and their remuneration, and (vi) proposals on the nomination process for the AGM 2026. In proposing Board members for election at the AGM, the nomination committee is guided by section 4.1 of the Code, which contains provisions regarding diversity and breadth of qualifications, experience and background, gender equality, and the directors' independence of the company, its executive management and major shareholder. The proposal by the nomination committee for the 2025 AGM will be published on the Company's website before the 2025 AGM.

Board of Directors

Board members are elected at the AGM for a period ending at the close of the next AGM. The Articles specify that the Board shall consist of not less than three and not more than ten directors.

At the 2024 AGM six directors were elected with no deputies. The Board currently consists of six members and no deputies. The CEO is the only executive Board member. The nomination committee applied the Code rule 4.1 as diversity policy in its nomination work. The nomination committee's assessment is that the current Board is appropriate given the Company's operations, current stage of development and general state of affairs and that the Board has the breadth and diversity required to meet the Company's needs. The composition of VEF's Board meets the independence requirement set out in the Code. The independence of Board members in relation to the Company and its management, and to the major shareholders of the Company is set out on pages 95–96 below.

Work of the Board

During the year, the Board has held 12 board meetings, of which two in person, five by video conference, and has passed five resolutions by circulation. The Board meetings are conducted in English. The secretary of the Board meetings was VEF's General Counsel. The Board typically meets in person at least two-three times a year and more frequently if needed. Between meetings, the CEO has regular contact with the Chairman of the Board and the other Board members.

Tasks of the Board

The Board's tasks, delegation procedures and authorities, as well as instructions for the CEO, are set out in the Companies Act and the Company's board instructions and corporate policies reviewed and approved at least once a year by the Board. According to these, and subject to any directions given by the general meeting, the Board shall manage the business of the Company in the interests of the Company and all shareholders and may exercise all the powers of the Company. The Board shall ensure that the organization of the Company is adapted to its purpose, why the Board continuously shall evaluate the Company's routines, processes and guidelines for management of the Company.

The Board adopts decisions on overall issues affecting the Group which include preparing and issuing investment recommendations to the Board of the subsidiary VEF Cyprus. The whole Board is involved in evaluations and recommendations of investments and have not formed a sub-committee that specifically focus on the investments. As VEF is an investment company and its core business is investing, the Board has agreed that this task should be performed by the Board as a whole.

During 2024, the VEF Board has mainly focused on managing the investments in the portfolio companies, reviewing and evaluating divestment proposals, the financial reporting, remuneration of the CEO and management (particularly LTIP 2024) and capital management and liquidity planning of the Company.

The Board has an audit committee and a remuneration committee. These committees are preparatory bodies of the Board and do not reduce the Board's overall responsibility for the governance of the Company and decisions taken.

Sub-committees of the Board

Audit committee

The main tasks of the audit committee follow from Chapter 8, Section 49b of the Swedish Companies Act. The tasks of the committee include monitoring the Company's financial reporting and the efficiency of the Company's internal controls and overseeing work related to risk assessment. They also have frequent contacts with the external auditors. The audit committee's work primarily focuses on the quality and accuracy of the Group's accounting and reporting. The committee is also responsible for evaluating the auditors of the Company and to make recommendations regarding auditor elections to the nomination committee. The audit committee monitors the development of relevant accounting policies and requirements, discusses other significant issues related to the financial reporting and reports its observations to the Board.

The audit committee consists of Hanna Loikkanen (Chair) and Lars O Grönstedt (member). The audit committee has held five meetings during 2024, where both members were present at all meetings.

Remuneration committee

The main task of the remuneration committee is to review and propose amendments to the Remuneration principles as well as to evaluate and propose for the Board's consideration the structure and size of the Company's incentive programs (detailed information can be found in Note 7) and other variable remuneration as well as the annual remuneration of the CEO. The remuneration committee currently consists of Lars O Grönstedt (Chair) and Allison Goldberg (member). Per Brilioth was a member of the committee at the start of 2024 and Allison Goldberg replaced him during 2024. The remuneration committee has held two meetings during 2024, where both members were present (Lars O Grönstedt and Per Brilioth at that time).

Investment decisions and recommendations

One of the main responsibilities and tasks of the Board is to review and evaluate investment proposals from the CEO and the investment team. Typically, the investment team, including the CEO, will prepare an investment proposal for the Board, upon which the Board will have the opportunity to discuss the proposal in detail with the investment team and the CEO. Following initial review and discussions, the proposal will be brought to a Board meeting for final assessment.

The role of the Board in the investment process is to make suitable investment recommendations to the Cypriot subsidiary, VEF Cyprus Limited. These recommendations must at all times be in line with the overall strategy of the Company as decided by the Board from time to time.

In order to make these recommendations the Board will, e.g.:

- evaluate the current developments in the relevant markets
- review the current investments and development plans and evaluate their performance in light of the overall strategy
- review and assess the impact of any current trend, legislation or regulation affecting the relevant markets (including ESG in relation to existing and potential investments)
- evaluate the performance of any new management initiative or structure in any current investment
- identify potential new investments and evaluate their suitability in light of the overall strategy
- identify and evaluate the potential development of any other areas or markets outside the main focus

On the basis of the above factors, the Board will make recommendations to VEF Cyprus in such form and in a timely manner as to enable VEF Cyprus to properly and fully consider the recommendations. The Board of VEF Cyprus will make an independent decision on whether to approve an investment based on the recommendation of the Company Board.

The Board may decide that an investment is made by the Parent company instead of the Cypriot subsidiary for e.g., regulatory or other reasons. In such case, any investment decision by the Board shall be final. Similarly, any divestment decisions/recommendations related to portfolio companies directly held by the Parent company shall be taken by the Board.

The CEO and management

The CEO is appointed by the Board. The CEO is responsible for the day-to-day management of the Company in accordance with the Board's guidelines and instructions and the CEO instructions approved at least once a year. This includes managing investments, employees, finance and accounting issues and regular contact with various stakeholders of VEF, such as investors, public authorities and the financial market. The CEO is responsible for providing the Board with the necessary material for making well-informed decisions, including investment proposals. The CEO keeps the Board regularly updated and informed of developments in VEF's business, including the development of portfolio companies.

VEF also has a management team to support the CEO in the management of VEF's overall business. For members of the VEF management team, see page 97. The CEO and management team meet regularly to discuss all areas of importance for the overall management of the Company, including portfolio companies, new investments, investor relations, sustainability and ESG matters, regulatory and compliance matters and financial reporting.

Evaluation of the Board, the CEO and management

The Chairman of the Board conducts an annual evaluation of the Board by distributing self-assessment forms and conducting one-on-one interviews with the other Board members with a view to assessing how well the Board functions and whether there are areas that need improvement or competences that are deemed lacking. The Chairman compiles the results of the self-assessment forms and interviews and presents them to the nomination committee along with any issues raised by board members during the year. The purpose of the evaluation is to identify measures that could make the work of the Board more effective, identify areas with room for improvement and the overall view of the Board members on the functioning of the Board. The purpose is further to provide some insight to the nomination committee to assist in their nomination process for the coming AGM.

The Board evaluates the performance of the CEO and the management team on a yearly basis.

Remuneration

Compensation to the Board

The compensation to the Board is determined by the shareholders of VEF at the AGM each year based on a proposal from the nomination committee.

The total compensation to the Board approved by the 2024 AGM was a cash consideration of in total SEK 3,400,000. The allocation of the Board compensation is provided on pages 95–96 and in Note 7.

Remuneration to the management

The Board determines the total remuneration of the CEO. The Board also proposes the remuneration principles for the CEO and management and the long-term incentive program for employees in the Company to the AGM each year.

The remuneration principles (the "**Principles**") currently in force were adopted at the AGM of the Company held on May 9, 2023. According to the Principles, remuneration shall be on market terms and may consist of the following components: fixed cash salary, variable remuneration, pension benefits and other benefits. The satisfaction of criteria for awarding variable cash remuneration shall be measured over a period of one year. The variable cash remuneration may amount to not more than 200% of the fixed annual cash salary. Further variable cash remuneration may be awarded in extraordinary circumstances, provided that such extraordinary arrangements are only made on an individual basis, either for the purpose of recruiting or retaining executives, or as remuneration for extraordinary performance and one-time highly remarkable achievements and results. Such remuneration may not exceed an amount corresponding to 300% of the fixed annual cash salary and may not be paid more than once each year per individual. Any resolution on such remuneration shall be made by the Board based on a proposal from the remuneration committee.

For the CEO and other members of management, pension benefits, including health insurance, shall be premium defined. Variable cash remuneration shall not qualify for pension benefits. The pension premiums for premium defined pension shall amount to not more than 30% of the fixed annual cash salary.

Other benefits may include, for example, life insurance, medical insurance (*Sw.* sjukvårdsförsäkring) and partial compensation for loss of salary in connection with parental leave. Such benefits may amount to not more than 50% of the fixed annual cash salary. The Board has not deviated from these principles.

For details regarding remuneration of the CEO and management, see pages 96–97 and Note 7.

Incentive programs

The Company had five different incentive programs outstanding during 2024, more detailed information can be found in Note 7.

Board of Directors

Lars O Grönstedt

Chairman of the Board, Chairman of the remuneration committee and member of the audit committee
Appointed: Chairman and member of the Board since 2015
Nationality: Swedish citizen
Born: 1954
Independence: Independent of the Company, management, and major shareholders.
Education: BA in languages and literature from Stockholm University, and an MBA from Stockholm School of Economics.
Previous experience and other significant positions: Lars O Grönstedt spent most of his professional life at the Swedish bank Handelsbanken. He was CEO of the bank between 2001–2006, and Chairman of the Board between 2006–2008. Today he is, among other things Chairman of the housing association Blå Tornet, member of the board in the Fabius group of companies, speaker of the body of elected representatives at SEB Trygg Foundation and council member at Global Access Partners, Australia.
Holdings in VEF: 130,000 shares.
Remuneration: USD 120k. No agreement regarding severance pay or pension.

Per Brilioth

Board member
Appointed: Member of the Board since 2015
Nationality: Swedish citizen
Born: 1969
Independence: Independent of the Company, management, and major shareholders.
Education: Graduate of Stockholm University and a Master of Finance from London Business School.
Previous experience and other significant positions: Between 1994 and 2000, Per Brilioth was head of the Emerging Markets section at the Swedish investment bank Hagströmer & Qviberg. Since 2001, he is the Managing Director of VNV Global AB (publ). He is a member of the board of VNV Global AB (publ), Kontakt East Holding AB, NMS Invest AB and multiple portfolio companies of VNV Global.
Holdings in VEF: 1,932,672 shares.
Remuneration: USD 49k. No agreement regarding severance pay or pension.

Allison Goldberg

Board member and member of the remuneration committee
Appointed: Member of the Board since 2020
Nationality: US citizen
Born: 1976
Independence: Independent of the Company, management, and major shareholders.
Education: Bachelor of Science in Economics, with concentrations in Finance and Operations & Information Management from Wharton School at the University of Pennsylvania.
Previous experience and other significant positions: Allison Goldberg is currently Senior Vice President and

Managing Partner at Comcast Ventures and Startup Engagement, the venture capital arm of Comcast Corporation. She is also a Venture Partner at the venture capital fund Saints Capital Media Ventures, a media and technology fund. Prior to this, she was a Partner at the venture capital fund Advancit Capital, focusing on early-stage investments in consumer and media technology companies. Previously, she has also served as Group Managing Director and SVP of Time Warner Investments, where she ran the group focused on investments in private companies, worked as an Investment Associate at Groupe Arnault and she started her career in the Global Media Group, Investment Banking at Morgan Stanley. Allison Goldberg is a board member of YieldMo and is an advisor to Bustle Digital Group, the largest female-focused digital media company.
Holdings in VEF: –
Remuneration: USD 52k. No agreement regarding severance pay or pension.

Hanna Loikkanen
Board member and Chairman of the audit committee
Appointed: Member of the Board since 2021
Nationality: Finnish citizen
Born: 1969
Independence: Independent of the Company, management, and of major shareholders.
Education: Master in economics from the Helsinki School of Economics and Business Administration.
Previous experience and other significant positions: She currently holds the role of Chief Investment Officer at Finnfund, a Finnish state owned development financier. She began her career in 1995 at Merita Bank in Russia, where she was Vice President and chief representative of the St. Petersburg office and until 2007 had a number of different senior managerial roles in the financial services industry at companies such as SEB, Nordea and at FIM Group based in Russia, Poland and Baltics. Between 2007–2019, Hanna worked at East Capital where she held various positions, including responsibility for East Capital's Russian private equity business. She has extensive board experience and is currently a board member of Eastnine AB and LSE listed Bank of Georgia Group PLC.
Holdings in VEF: 52,000 shares.
Remuneration: USD 55k. No agreement regarding severance pay or pension.

Katharina Lüth
Board member
Appointed: Member of the Board since 2023
Nationality: German citizen
Born: 1983
Independence: Independent of the Company, management, and of major shareholders.
Education: MBA from IESE Business School. Dual degree program, a Diploma (FH) in International Business and BSc in International Business, at the European School of Business (ESB) in Germany and at Northeastern University in Boston.
Previous experience and other significant positions: She joined the international management and consulting firm McKinsey & Company in October 2006 and worked there as an Engagement and Senior Project Manager until 2014. In 2014, she joined the management team of Raisin SE, a Berlin based fintech. Since joining Raisin, she has held various positions, such as Head of Europe, Head of Distribution and VP Europe. Since May 2022, she holds the role of Chief Client Officer and Member of the Management Board, responsible for Raisin's customer service, operations (banks and servicing partners) as well as communications and PR.
Holdings in VEF: 119,000 shares.
Remuneration: USD 46k. No agreement regarding severance pay or pension.

David Nangle
CEO and Board member
Appointed: Member of the Board since 2015
Nationality: Irish citizen
Born: 1975
Independence: Not independent of the Company and management, but independent of major shareholders.
Education: Degree in B. Comm International (French) from University College Dublin, Ireland.
Previous experience and other significant positions: David Nangle has spent his career focusing on emerging markets and within that the financial services sector. He was part of ING Baring's emerging markets research team between 2000 and 2006, after which he spent nearly 10 years with Renaissance Capital in both Moscow and London and helped the firm develop and grow their financials and broader research footprint from a strong Russia base to a leading emerging markets and frontiers franchise.
Holdings in VEF: 19,932,581 common shares, of which 743,000 constitute investment shares under various long-term incentive plans, as well as 13,300,000 Class C 2020 shares under LTIP 2020, 3,325,000 Class C 2021 shares under LTIP 2021, 3,325,000 Class C 2022 shares under LTIP 2022, 3,517,500 Class C 2023 shares under LTIP 2023 and 3,625,000 Class C 2024 shares under LTIP 2024.
Salary and variable remuneration: USD 634k.
Agreement regarding severance pay and pension: David Nangle has the right to six months' salary in the event of termination of appointment on the part of the Company. He has nine months' mutual notice period. David Nangle also has a pension plan based on Irish market practice.

Overview of meeting attendance

Name	Attended board meetings
Lars O Grönstedt	12/12
Per Brilioth	12/12
Allison Goldberg	12/12
Hanna Loikkanen	12/12
Katharina Lüth	12/12
David Nangle	11/12

Group management

David Nangle
CEO
See heading "Board of Directors".

Helena Caan Mattsson
General Counsel and Head of Sustainability
Employed since: 2017
Nationality: Swedish citizen
Born: 1987
Holdings in VEF: 2,900,000 common shares, of which 289,092 constitute investment shares under various long-term incentive plans, as well as 4,322,500 Class C 2020 shares under LTIP 2020, 1,184,540 Class C 2021 shares under LTIP 2021, 1,291,430 Class C 2022 shares under LTIP 2022, 1,876,000 Class C 2023 shares under LTIP 2023 and 2,062,500 Class C 2024 shares under LTIP 2024.

Alexis Koumoudos
CIO
Employed since: 2016
Nationality: British citizen
Born: 1985
Holdings in VEF: 5,288,364 common shares, of which 557,187 constitute investment shares under various long-term incentive plans, as well as 9,476,250 Class C 2020 shares under LTIP 2020, 2,369,045 Class C 2021 shares under LTIP 2021, 2,625,000 Class C 2022 shares under LTIP 2022, 2.931,250 Class C 2023 shares under LTIP 2023 and 3,000,000 Class C 2024 shares under LTIP 2024.

Auditor

VEF is required to have an auditor. A firm of auditors may be appointed as VEF's auditor. The auditor is elected by the AGM for a mandate period of one year. At the 2024 AGM, the registered auditing company, Öhrlings PricewaterhouseCoopers AB ("**PwC**") was re-elected as auditor for the period until the end of the 2025 AGM. PwC has been the auditor of the Company since 2015.[1]

1. PwC was the auditor of the previous parent company of the group, VEF Ltd. since its registration in 2015. Following the redomestication of the group and change of parent company to VEF AB (publ), PwC became the auditor of the Company.

The Authorized Public Accountant Bo Karlsson is the auditor in charge. In 2024 in addition to the regular audit, PwC also have performed a general review of the interim report for the third quarter and assisted the company with advice on general accounting and tax issues. The "Auditor's report" is to be found on pages 88–91.

Bo Karlsson
Born 1966. Authorised Public Accountant, Auditor-in-charge. Auditor in the Company since 2022.
Öhrlings PricewaterhouseCoopers AB, Gothenburg, Sweden.

Internal control and risk management

The Board is responsible for the Company's organization and administration of the Company's activities, which includes internal control. Internal control in this context regards those measures taken by the Company's Board, management and other personnel, to ensure that bookkeeping, asset management and the Company's financial condition in general are controlled in a reliable fashion and in compliance with relevant legislation, applicable accounting standards and other requirements for Swedish listed companies. This control is exercised by the Board in its entirety. This report on internal control is made in accordance with section 7.3, 7.4 and 10.2 of the Code and the Annual Accounts Act (1995:1554), which governs internal control over the financial reporting.

VEF is an investment company whose main activity is the management of financial investments. As such, the Company's internal control over financial reporting is focused primarily on ensuring an efficient and reliable process for managing, evaluating and reporting on purchases, sales and holdings of shares and equity-related instruments.

The Board has decided that an internal audit function is not needed as VEF is a fairly small organization. The Board believes that the internal control can be maintained through the work methods described below.

Control environment
The Board has adopted rules of procedure and instructions for the CEO and its two committees to ensure appropriate division of duties and responsibilities with the purpose of ensuring efficient management of risks of the Group. The Board has further adopted policies and guidelines to further govern the handling of internal controls and control and risk processes. These include instructions regarding the financial reporting, authorization procedures, purchasing policies, investment policies, accounting principles and financial risk management. The Company's management is responsible for the system of internal controls required for managing risks associated with ongoing operations. This includes guidelines for the

employees to ensure that they understand the importance of their particular roles in efforts to maintain efficient internal control.

Risk assessment and control activities

VEF uses the COSO definition of risk ("*Any future event that threatens the organization's ability to achieve its business goals and objectives*") when assessing risks. The two areas of greatest importance when it comes to internal control and risk management are the financial reporting of the Company and the investment process. VEF has established documented policies, guidelines and routines for controlling of such risks and continuously evaluates the efficiency of such control actions. Based on the risk type, the identified risks are categorized into any of the four risk categories below:

- strategic and business risk,
- operational risks,
- compliance risks,
- financial risks

The identified risks are mapped to any of VEF's processes. In addition, each risk shall have a risk owner who is responsible for monitoring and mitigation of the risk. The risks shall be presented to the audit committee for review and to the Board for review and approval.

Financial risks as well as operational, strategic, business and compliance risks are reported to the audit committee as well as the whole Board, including an analysis of potential impact, probability, control over such risks as well as possibility to mitigate the risks. Each risk has a risk owner who is responsible for monitoring and mitigating the risk.

The purpose of the audit committee is to increase the quality and improve the supervision and control of the Company's financial risk exposure and risk management. The audit committee prepares proposals for resolutions, subject to final approval by the Board, regarding matters related to the Company's and the Group's accounting, financial reporting and internal control but also financial risk exposure and risk management. The committee reports decisions, proposals, findings and matters discussed to the Board on a regular basis.

As for the financial reporting, it must be ensured that it is in compliance with relevant legislation, applicable accounting standards, other requirements for listed companies and does not contain significant errors. As VEF is an investment company whose main activity is investing in and managing investments in portfolio companies, the internal control over the financial reporting is largely focused on ensuring an efficient and reliable process for managing and reporting on purchases, sales and holdings of shares and equity-related instruments in portfolio companies as well as the quarterly valuations of the portfolio companies. The Company has established policies, guidelines and processes to ensure a consistent and reliable process.

The Board is to ensure that the Company has adequate policies and procedures for the Board, management and other employees to ensure accurate and timely financial reporting and a consistent and risk-minimized investment- and divestment process. The audit committee monitors the application of the Company's accounting principles and the financial reporting of the Company and the efficiency in the Company's internal control and risk management in relation to the financial reporting. The main responsibility for day-to-day maintenance of the control environment lies with the Company's CEO. To ensure that the Company has an appropriate and adequate level of control and proper process for detecting, reporting and handling risks, management has established a number of control activities and guidelines to manage significant risks in the business and ensure efficient internal control. The control activities are documented in an internal control framework and implemented throughout the organization, and the effectiveness of the controls are evaluated on an annual basis. The CEO and management report regularly to the audit committee and the Board on control effectiveness and risk issues.

As for the investment and divestment process, this is the responsibility of the whole Board. The Board has established policies in relation to this process and management has implemented detailed guidelines to ensure that the Company has a robust and secure investment process. This includes a detailed investment policy, well documented investment decisions, well documented investment proposals and assessments of investments. The investment process and the responsibilities of the Board as well as the CEO and management are described in more detail on pages 93–94.

Focus is also put on making sure that the requirements and routines for the accounting procedure, including consolidation of accounts and creation of interim and full year reports comply with relevant legislation as well as generally accepted accounting principles and other requirements for listed companies.

VEF has a small and flat organizational structure. The small number of employees and close cooperation between them contribute to high transparency within the organization, which complements fixed formal control routines. This also facilities the work in identifying risk and potential errors in the financial reporting as well as the investment process.

Auditor's report on the Corporate Governance Statement

To the general meeting of the shareholders in VEF AB (publ), corporate identity number 559288-0362

Engagement and responsibility

It is the board of directors who is responsible for the corporate governance statement for the year 2024 on pages 92–98 and that it has been prepared in accordance with the Annual Accounts Act.

The scope of the audit

Our examination has been conducted in accordance with FAR's auditing standard RevR 16 The auditor's examination of the corporate governance statement. This means that our examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

Opinions

A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2-6 the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the annual accounts and the consolidated accounts and are in accordance with the Annual Accounts Act.

Gothenburg March 26, 2025

Öhrlings PricewaterhouseCoopers AB

Bo Karlsson *Authorized* *Public Accountant* *Auditor in charge*	Johan Brobäck *Authorized* *Public Accountant*

This is a literal translation of the Swedish original report included in RevR 16.

Additional sustainability notes

Framework and scope of the sustainability report

VEF has issued sustainability reports on a voluntary basis since 2020. We believe in the importance of communicating our progress and giving our stakeholders insight into how we work with and progress in sustainability matters. As we will become subject to mandatory EU reporting requirements in the coming years, we will adjust our reporting and approach to comply with these requirements. In the meantime, we will remain focused on the key sustainability areas that we have focused on for the past several years and gradually increase the scope of our reporting.

VEF's sustainability report consists of the section "Sustainability report" (pages 34–41) and this section "Additional sustainability notes" (pages 100–107) of the Annual Report for 2024. This report has been prepared in accordance with the GRI Standards: Core option, and the requirements in the EU-directive on non-financial reporting (2014/95/EU). VEF's sustainability report also fulfils the requirements in the Swedish Annual Accounts Act. The direct scope of this report is VEF's own operations and not the portfolio companies' operations. However, certain data related to portfolio companies is set out in various places in the report. We have also taken steps to align our sustainability report with the new regulatory requirements under the EU Corporate Sustainability Reporting Directive (CSRD).

The content and topics of the sustainability report are based on VEF's analysis of what sustainability related topics that are material to VEF's business as set out below.

Stakeholder engagement and materiality analysis

To define our material topics, we initiated a materiality analysis in 2021, identifying the sustainability topics that are most material to VEF based on their potential impact on VEF but also the impact VEF may have on society through these topics. Each year we revisit the materiality assessment and revise our list of material topics if needed. This year we have not made any changes to the list.

The material topics have been identified through discussions with key stakeholders, the board, management as well as peer and industry benchmarks. The materiality analysis has allowed us to identify where we have a direct as well as an indirect impact, acknowledging that there are aspects that we can control more than others. Combining the impact assessment and the learnings from our stakeholder dialogues, we have identified a list of material topics, both from a risk as well as opportunity perspective, defining the scope for VEF's sustainability strategy both internally and in relation to our portfolio companies.

We started our more formal stakeholder engagement in 2021 and have continued to engage with stakeholders since then. We identified our stakeholders with the help of sustainability experts in 2021 who mapped our stakeholders in accordance with AA1000SES, based on their interest and potential impact from and on our operations. Our key stakeholders are our employees, board of directors, management, portfolio companies, and investors. We have engaged with these in different ways over the year and leading up to this sustainability report, including through regular communication, interviews, workshops, financial reporting, investor meetings and roadshows, and dedicated dialogues focused on sustainability.

Out of our broader list of material topics, we have during the last several years focused specifically on three areas (see also page 36 above), 1) Fintech for financial inclusion, fairness, wellness and the green transition, 2) Responsible finance and 3) Governance and business ethics. These have been chosen as most relevant given that we invest in emerging markets and specifically in private fintech companies in growth stage. As our investment strategy is very thematic and geographically specified, the assessment of sustainability related risks is largely the same for all portfolio companies. Generally, the risks are related to governance, business ethics, data privacy and security and customer related behavior (irresponsible finance activities). Not all companies face all of these risks, but broadly these are the relevant themes and thus the reason why we have chosen these areas as key focus for our sustainability work.

We have initiated the process for a double materiality assessment (i.e. analyzing and understanding how VEF impacts sustainability matters, as well as how sustainability matters may impact VEF) but has postponed the majority of the work while awaiting additional EU-guidelines for LSMEs (listed SMEs like VEF). We will put a time plan in place once it has been determined what reporting obligations LSMEs will have under the CSRD.

VEF material topics

Key material topics

- Fintech for inclusion, fairness, wellness and the green transition
- Responsible finance and consumer practices
- Business ethics & Governance

Additional material topics

- Transparent sustainability communication and reporting
- Human rights
- Promote equality, diversity, and inclusion
- Attract, retain and develop employees
- Ensure well-being and work-life balance among employees
- Reduce climate impact and resource consumption from VEF operations

VEF sustainability management and governance

The Board of VEF has the ultimate responsibility for setting the sustainability framework for VEF. At least once a year the sustainability progress and roadmap are presented and discussed with the full board. The CEO and the Head of Sustainability are responsible for ensuring that the sustainability framework is implemented and executed in accordance with the overall strategy of the Company. The Board of VEF evaluates, updates, and adopts multiple policies on an annual basis to ensure that we continuously conduct business ethically and sustainably. Management has further implemented guidelines and practices to ensure compliance with VEF's various policies and sustainability principles. Our CEO, together with the Board, is responsible for ensuring internal compliance with all policies and that relevant and updated policies are in place when needed. The Board is also responsible for ensuring that no conflicts of interest arise and, if they do, are mitigated. No conflicts of interest arose in 2024.

VEF has not yet formed a formal sustainability committee. As the organization is small it has been determined that there is not yet a need to formalize this. However, there is an informal sustainability committee where the Head of Sustainability regularly discuss sustainability matters, including setting VEF's sustainability roadmap, with the audit committee and in particular the Chair of the audit committee, as well as the CEO.

Sustainability related policies

VEF's Sustainability Policy and Code of Conduct sets out our core values and principles and acts as a framework for our sustainability standards, including accepted behaviour at VEF regarding human rights, anti-corruption, and diversity and inclusion. The policy recognizes the importance of following international standards for business conduct and specifically the principles of the UN Global Compact, but also the OECD Guidelines for Multinational Enterprises, the ILO's core conventions, and the UN Guiding Principles on Business and Human Rights. All employees at VEF are bound to follow this policy. Through active shareholding, we also strive and work to instil these values and guidelines in our portfolio companies, especially through the VEF ESG Principles (see page 102 below).

Our Responsible Investment and Shareholding Policy sets out our expectations on and how we work with portfolio companies when it comes to sustainability matters.

The Board of Directors adopts multiple sustainability related policies on a yearly basis including:

- Sustainability Policy and Code of Conduct
- Responsible Investment and Shareholding Policy
- Information- and Insider Policies
- Investment Policy
- Anti-corruption Policy
- Sanctions and AML Policy

With these policies as basis, the management team has adopted detailed guidelines to further guide the team, including:

- People Guideline
- Guidelines for the sourcing and investment processes
- Responsible Finance Framework
- Risk management guideline
- Data privacy guideline
- Supplier guideline
- Whistleblower guideline

VEF ESG Principles

We have adopted several ESG principles that we follow in our own operations. Our goal is also for all portfolio companies to sign and adhere to our ESG principles.

Environment	• Improve environmental impact • Comply with environmental laws and regulations • Measure climate footprint
Social	• Respect for people and human rights • Comply with the principles of the UN Global Compact and the OECD Guidelines for Multinational Enterprises • Healthy and safe working environments • Fair and reasonable working conditions • Employee wellbeing, equality and diversity • Zero tolerance for discrimination • Responsible finance practices
Governance	• Compliance with laws and regulations • High business ethics, zero tolerance for corruption, money laundering and fraud • Handle personal data responsibly, securely and in accordance with law • Accuracy of financial and non-financial reporting • Adequate financial control and risk assessment

VEF Responsible Finance Principles

VEF has implemented a Responsible Finance Framework based on our mantra "*If it's not ethical, it's not scalable*", which includes VEF's Responsible Finance Principles, a detailed guideline for what the principles mean and how to implement them in policies and processes at portfolio company level. The principles guide our investment decisions and how we manage our portfolio.

1. Provide responsible, fair, and transparent financial products
2. Have clear and understandable terms and conditions
3. Work to prevent over-indebtedness
4. Provide accessible and clear customer service in a timely and responsive manner
5. Handle personal data responsibly, securely and in accordance with law
6. Promote digital financial literacy and awareness initiatives

Investment process and portfolio management

Our Responsible Investment and Shareholding Policy outlines the sustainability principles for our investment process and our commitment to sustainability in our investment strategy. It also sets out our expectations on our portfolio companies when it comes to sustainability. We have multiple policies, guidelines, and tools for managing our portfolio, the pre- and post-investment assessments as well as tools that we can share with the portfolio companies. We require all our portfolio companies to formally commit to comply with our ESG and Responsible Finance Principles. Our Head of Sustainability is responsible for general compliance with policies and guidelines related to the investment process and portfolio management. She reports directly to the CEO.

Responsible and impactful investing

We divide our investments into two different sustainable investment categories: Responsible Investing and Impactful Investing. All our investments fulfil the criteria of being responsible investments, but according to our own definition they are not all impactful investments. With that said, 100% of VEF's portfolio is responsibly managed and a sustainability assessment is made prior to all new investments. We also conducted a sustainability assessment of 100% of portfolio companies on a yearly basis. 100% of portfolio companies are subject to active ownership, management and engagement.

Responsible Investing

At VEF, this means taking into account sustainability factors pre- and post- investing, excludes and avoids investments with negative sustainability impact.

- Takes into account sustainability factors, mainly social and governance
- Assessment of risks and opportunities
- Assessment of sustainability status of portfolio companies
- Fulfils VEF's ESG criteria
- Fulfils VEF's Responsible Finance criteria
- Eliminates harmful activities and fulfils VEF's exclusion criteria
- Mandatory for all our investments

Impactful Investing

At VEF, this means portfolio companies solving for prioritized problems in society for underserved target groups and/or addressing the climate change.

- Provides positive impact on a prioritized societal problem in one of VEF impact themes:
  - Improve access to financial products for underserved people and MSMEs in emerging markets
  - Improve the financial fairness, health and wellbeing for people and MSMEs in emerging markets
  - Improve access to renewable energy sources through financing and distribution solutions in emerging markets

Sound governance and high business ethical conduct

At the core of running a sustainable company is having a sound governance model. Sound governance means having an organisation with high integrity, with proper control functions, a clear division of duties between board and management and an alignment of interest between shareholders, board members, management and other employees. In this lays also the conduct of honest and transparent business. As a company listed on Nasdaq Stockholm, having a sound governance model and practices is absolute key. You can read more about VEF's governance structure in the Corporate Governance Report on pages 92–98 in the Annual Report 2024.

We work with our portfolio companies to ensure that they also have sound governance practices and guide them where needed.

At VEF, we take a clear stance against all forms of economic crimes and poor business ethics. We have zero tolerance for bribes, corruption, money laundering, and other forms of illicit and unethical practices, both in relation to our own and our portfolio companies' businesses. The VEF anti-corruption policy, which has been communicated to all employees and directors of VEF, stipulates the correct behaviour relating to interaction with business partners and other parties. It contains guidelines concerning gifts, benefits, and hospitality as well as compensation to business partners and potential influence on portfolio companies. 100% of VEF employees have received training and information regarding our anti-corruption and money laundering policies during 2024.

Human rights

Human rights is one of our material topics and respecting human rights is one of VEF's key sustainability values and we require our portfolio companies to formally commit to respecting human rights. We particularly recognize the importance of freedom of association, elimination of discrimination, the importance of providing healthy, safe and harassment free working conditions and complying with other labor rights. We have had no human rights violation incident during the year.

Whistleblower program

VEF has a whistleblower policy that includes all employees at VEF. Any employee is obligated to report suspected and/or confirmed unethical or unlawful behaviour according to our Sustainability Policy and Code of Conduct to the closest manager, the CEO, or the Chairman of the Board. The policy includes clear instructions on how such reports should be handled. Our policy is to treat any reports confidentially and without any retaliation towards reporting individuals. We have not had any reports of misconduct in 2024.

Anyone, both employees as well as external third parties, can anonymously make reports 24/7 via our website. Any such reports will be received by the legal and compliance team at VEF and will be forwarded to either the Chairman of the board or the CEO, as appropriate, and will be handled confidentially.

All employees are being informed about how to make a report proactively on a yearly basis and have been informed about this during 2024.

Value chain ethics

We recognize the importance of choosing our business partners and suppliers with care to ensure that our value chain upholds our business standard. VEF has a Supplier Guideline, including a Code of Conduct, routines for assessment of new material suppliers, periodical reviews of suppliers and compliance with VEF's Code of Conduct as well as actions in case of non-compliance with VEF's Code of Conduct. In the past year, we have assessed our suppliers to determine whether we have any high-risk suppliers from a sustainability perspective. As all our material suppliers consists of consultants (financial, legal, audit, tax or IT), office suppliers, banking partners and other similar suppliers, we have concluded that we do not have any high-risk suppliers from a sustainability perspective. We are however exposed to risk with regards to our downstream value chain, as our portfolio companies operate in markets that are more exposed to human and labor rights issues, as well as issues with regards to ethical business practices. We have not identified any non-compliance with our Supplier Guidelines during the past year.

Industry involvement

We are members of Venture ESG, a community-based non-profit organisation from VCs for VCs to support the ecosystem with meaningful ESG integration, and the National Advisory Board for Impact Investing.

The VEF Team

Diversity, Equality and Inclusion

One of VEF's most important assets is people. Being a small investment firm, having the right people and giving them the best platform to stand on and grow from, is absolute key to our success. We strongly believe that innovation and success, come out of bringing people together from different backgrounds, with different ideas, strengths, and experiences and having an inclusive culture. Diversity is key to adapting to a fast-paced international economy and understanding the local and regional markets where we invest, allowing us to make the best investment decisions but also building long-term sustainable operations. VEF management is responsible for ensuring that VEF has a diverse team and inclusive and equal work environment. VEF prides itself on being an inclusive, equal and diverse workplace, where we strive towards improved diversity, both from a gender perspective and also more generally. At year end, 33% of the employees, 50% of the Board, and 33% of the management team were women.

We strive to have a culture that promotes openness, inclusion and transparency as well as having a flat organization. All of this contributes to a collaborative culture and sets the platform for maximizing the sharing of ideas for the growth of VEF as a company, but also each employee. As we have a small team and flat organization style, all employees have quick and regular access to management and the investment decisions process. We believe that is one of our strengths as an investment company as it allows room for everyone to contribute and share their thoughts and ideas.

Matters within Human Resources are in general managed by our People Guideline. As stated in our Sustainability Policy and Code of Conduct and our People Guideline, we have zero tolerance towards discrimination, and there were no (0) such incidents reported during 2024. VEF recruits, promotes, and compensates based on merit, regardless of gender, ethnicity, religion, age, nationality, sexual orientation, union membership, or political opinion.

Professional development and wellbeing

As one of our most valuable assets is our staff, with a wide array of competencies and experiences, it is important that we provide the best opportunities for professional development and wellbeing. We have yearly performance reviews, which are held between the employee and the CEO and/or their immediate supervisor. 100% of employees have had performance reviews in 2024.

We also see the importance in developing new skills and gaining new knowledge. Professional development, courses, and conferences are, in general, emphasized and encouraged as set out in our People Guideline, but is an individual responsibility for our employees. Internal knowledge initiatives during the year included training and participating in conferences related to sustainability, fintech, venture capital, finance, accounting, legal, and tax. Currently, VEF does not have a general approach to evaluating professional development initiatives but rather evaluates these before and after each activity. We are looking to put this process in print in our People Guideline.

We have not had any incidents of long-term sickness, injuries or accidents during 2024 (0 in 2023).

Composition of governance bodies and employees

	Male	Female	Age <30	Age 30–50	Age 50<	Independent	Non-independent
Board	50%	50%	0%	50%	50%	80%	20%[1]
Managers	67%	33%	0%	100%	0%	N/A	N/A
Employees	67%	33%	11%	89%	0%	N/A	N/A

1. The CEO, David Nangle, is the only non-independent board member

Employment type

	Permanent	Temporary	Full-time	Part-time	Total
Male	6	0	6	0	6
Female	3	0	3	0	3
Total	**9**	**0**	**9**	**0**	**9**

Employment location

	Permanent	Temporary
Sweden	3	0
UK	4	0
Ireland	2	0
Total	**9**	**0**

New employees and employee turnover

	Male	Female	Age <30	Age 30–50	Age 50<
New employees	0 (0%)	0 (0%)	0 (0%)	0 (0%)	0 (0%)
Employee turnover	0 (0%)	1 (10%)	1 (10%)	0 (0%)	0 (0%)

CEO pay ratio

	2024	2023
CEO to FTE	457%	462%

Environmental impact

We recognize the importance of being contributors to a more environmentally sustainable world and the potential risks environmental issues may have on us and our portfolio companies. However, we believe ours and our portfolio companies' environmental impact and risks are limited given the service-oriented nature of our respective businesses. The nature of our operations also means that we have a limited supply chain (mostly consultants and subletters) with limited impact on the environment through our upstream supply chain. Most of our direct environmental impact comes from business travel, office energy usage and indirectly from our portfolio companies and their use of energy and by extension emissions of greenhouse gases. Our Sustainability Policy and Code of Conduct, govern how we manage our environmental impact.

The following are some measures we take to reduce our impact:

- Almost fully work digitally to reduce physical office footprint
- Strive towards using work equipment as long as possible
- Limit air travel where possible by e.g. doing multi-purpose trips and avoid non-essential travel

We lease two of our offices at business centers and sublease one office. Therefore, it is difficult for us to actively work with energy savings. However, our largest office in Stockholm uses energy from 100% renewable energy sources.

MWh	2024	2023	2022
Total amount of electricity, offices[2]	9.6	8.5	6.9
Renewable energy usage (% of total usage)	100% for Stockholm office, no information from other offices	100% for Stockholm office, no information from other offices	Not measured

2. Includes offices in Sweden, Ireland and UK.

Greenhouse gas emissions

Tonnes CO_2e	2024	2023	2022
Direct emissions (Scope 1)	0.0	0.0	0.0
Indirect emissions (Scope 2): Office electricity	2.0	1.7	1.7
Other indirect emissions (Scope 3): Business travel and Scope 3.3 Energy	98.5	75.7	89.2
Total	**100.5**	**77.4**	**90.9**

Emission factors used to calculate air travel are based on passenger-kilometer data and DEFRA 2023 emission factors. Location-based emission factors for IEA 2024 are used for calculating emissions from office electricity and IEA for scope 3.3. For the energy consumption in Sweden, an estimate based on the percentage of number of employees compared to total number of people in that office since no VEF-specific consumption data was available. Consumption for the London office is estimated for December since actual data was not available prior to publication of this report.

Other environmental impact

Given the nature of VEF's business and the type of companies we invest in, we have limited environmental impact other than greenhouse gas emissions.

Environmental impact areas

	Impact
Exposure to companies active in the fossil fuel sector	None
Activities negatively affecting biodiversity sensitive areas	None
Hazardous waste	None

Environmental goals

We measure some of our impact, such as energy consumption and greenhouse gas emissions, since several years and will continue to expand our environmental reporting in-line with the requirements in the CSRD and ESRS as well as ask our portfolio companies to measure theirs if there will be such requirements. We commit to reduce our environmental impact where we can, and we request that our portfolio companies do as well. As VEF's (as well as our portfolio companies') environmental impact is limited, we have not yet set any specific measurable goals and targets. In 2023 we decided to postpone setting specific targets and work on that simultaneously as we set our new reporting roadmap in connection with the mandatory reporting requirements under CSRD. We have initiated dialogues with some of our larger portfolio companies around this and will continue the discussions in 2025.

GRI Index

Statement of use	VEF AB (publ)
GRI 1 Used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	N/A

Disclosure		Page number in Annual Report	Omission/Comment
GRI 2: General Disclosures			
The organization and its reporting practices			
2-1	Organizational details		VEF AB (publ)
2-2	Entities included in the organization's sustainability reporting		VEF AB (publ), VEF Cyprus Limited, VEF Fintech Ireland Limited and VEF UK Ltd.
2-3	Reporting period, frequency and contact point		2024.01.01–2024.12.31, annual, Helena Caan Mattsson, General legal counsel and Head of Sustainability, helena@vef.vc
2-4	Restatements of information		No restatements
2-5	External assurance		This sustainability report has not been assured by an external assurance
Activities and workers			
2-6	Activities, value chain and other business relationships	6-9	Annual Report: The emerging market fintech investor
2-7	Employees	104	The VEF Team
2-8	Workers who are not employees	104	The VEF Team
Governance			
2-9	Governance structure and composition	92	Corporate Governance
2-10	Nomination and selection of the highest governance body	92-93	Corporate Governance
2-11	Chair of the highest governance body	93	Board of Directors
2-12	Role of the highest governance body in overseeing the management of impacts	101	VEF sustainability management and governance
2-13	Delegation of responsibility for managing impacts	101	VEF sustainability management and governance
2-14	Role of the highest governance body in sustainability reporting	101	VEF sustainability management and governance
2-15	Conflicts of interest	101	VEF sustainability management and governance
2-16	Communication of critical concerns	103	Whistleblower program
2-17	Collective knowledge of the highest governance body	95-96	Board of Directors
2-18	Evaluation of the performance of the highest governance body	94	Evaluation of the Board, the CEO and management
2-19	Remuneration policies	95	Remuneration
2-20	Process to determine remuneration	95	Remuneration
2-21	Annual total compensation ratio	104	The VEF team
Strategy, policies and practices			
2-22	Statement on sustainable development strategy	10-14	Management report
2-23	Policy commitments	101	Sustainability related policies
2-24	Embedding policy commitments	101	VEF sustainability management and governance
2-25	Processes to remediate negative impacts	37	An active and sustainability-focused investment approach. Such processes only exist to a certain extent today. These will be developed and reported on in 2025.
2-26	Mechanisms for seeking advice and raising concerns	103	Whistleblower program
2-27	Compliance with laws and regulations	103	Sound governance and high business ethical conduct
2-28	Membership associations	103	Industry involvement
Stakeholder engagement			
2-29	Approach to stakeholder engagement	100	Stakeholder engagement and materiality analysis
2-30	Collective bargaining agreements		We do not apply collective bargaining agreement, hence no (0%) of employees are covered by this in 2024.

GRI Index (continued)

Disclosure		Page number in Annual Report	Omission/Comment
GRI 3: Material Topics			
3-1	Process to determine material topics	100	Stakeholder engagement and materiality analysis
3-2	List of material topics	101	Table Material topics
GRI 200 Economic Standard Series			
Indirect Economic Impact			
3-3	Management of material topics	37	An active and sustainability-focused investment approach
GRI 203: Indirect Economic Impacts			
203-2	Significant indirect economic impacts	34	Sustainability highlights 2024
Anti-corruption			
3-3	Management of material topics	103	Sound governance and high business ethical conduct
GRI 205: Anti-corruption			
205-3	Confirmed incidents of corruption and actions taken	36	Our sustainability vision
GRI 300 Environmental Standards			
Energy			
3-3	Management of material topics	105	Environmental impact
GRI 302: Energy			
302-1	Energy consumption within the organization	105	Environmental impact
Emissions			
3-3	Management of material topics	105	Environmental impact
GRI 305: Emissions			
305-1	Direct (Scope 1) GHG emissions	105	Environmental impact
305-2	Energy indirect (Scope 2) GHG emissions	105	Environmental impact
305-3	Other indirect (Scope 3) GHG emissions	105	Environmental impact
GRI 400 Social Standards			
Employment			
3-3	Management of material topics	104	The VEF team
GRI 401: Employment			
401-1	New employee hires and employee turnover	104	The VEF team
Training and Education			
3-3	Management of material topics	104	Professional development and wellbeing
GRI 404: Training and Education			
404-3	Percentage of employees receiving regular performance and career development reviews	104	Professional development and wellbeing
Diversity and Equal Opportunity			
3-3	Management of material topics	104	The VEF team
GRI 405: Diversity and Equal Opportunity			
405-1	Diversity of governance bodies and employees	104	The VEF team
Non-discrimination			
3-3	Management of material topics	104	The VEF team
GRI 406: Non-discrimination			
406-1	Incidents of discrimination and corrective actions taken	104	The VEF team

Glossary

of terms and acronyms used in the annual report

BNPL	Buy now pay later
CAGR	Compound annual growth rate
CEE	Central and Eastern Europe
CoC	Cash on cash return
EM	Emerging market
ESG	Environmental, social and governance
FMCG	Fast-moving consumer goods
GDP	Gross domestic product
IMF	International monetary fund
IoT	Internet of things
IPO	Initial public offering
IRR	Internal rate of return
LTIP	Long-term incentive program
LTM	Last twelve months
LTV	Loan-to-value
MSME	Micro, small, and medium enterprises
NAV	Net asset value
PIX	Instant payment platform in Brazil
QoQ	Quarter-on-quarter
SaaS	Software as a service
SDG	Sustainable Development Goals, The UN's sustainable development goals
SDK	Software development kit
SME	Small and medium-sized enterprises
TAM	Total addressable market
TPV	Total payment volume
UPI	Unified payments interface
VC	Venture capital
YE	Year-end
YoY	Year-on-year
1H	First half (year)
2H	Second half (year)

Financial calendar

Q1 Interim report
April 16, 2025

Annual general meeting of shareholders 2025
May 13, 2025

Q2 Interim report
July 16, 2025

Q3 Interim report
October 22, 2025

Financial accounts bulletin
January 21, 2026

Annual report 2025
March 2026

Annual general meeting of shareholders 2026
May 2026

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VEF

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