

VEF's key portfolio holding, Creditas, announces expansion of Series-F funding round and recently closed M&A transactions

VEF's lighthouse investment and largest holding, Creditas, accounting for 53% of our NAV as at 1Q22, released a number of exciting value-added announcements to the market this morning. Full company press release can be found [here](#). Creditas, the leading fintech platform for secured and specialized financial solutions in LatAm, announces a USD 50 mln extension to its USD 260 mln Series-F financing round, bringing the total fundraising to USD 310 mln. The round expansion brings in Andbank, the global private bank, and helps build a strategic partnership between both companies.

Creditas is acquiring the banking license of Banco Andbank (Brasil) S.A. in order to diversify the sources of funding and continue growing its credit portfolio. Andbank will continue operating the private wealth and asset management business in a separate entity, using Creditas as a partner to explore strategic synergies in asset management and capital markets. As part of the agreement, Andbank has agreed to provide Creditas with new sources of funding and purchase collateralized loans, giving both companies more attractive economics and significant avenues for growth.

After the approval of a share capital increase, Banco Andbank (Brasil) S.A. will have BRL 450 mln in equity value. The transaction, which is valued at approximately BRL 500 million, is subject to the approval of relevant authorities in Brazil and Andorra.

In addition, Creditas is raising a convertible note for an additional USD 150 million to pursue selective strategic opportunities and continue expanding its ecosystem. This includes the recently closed acquisition of Kzas, a mortgage marketplace which partners with banks to allow real estate developers and brokers to offer property buyers with a digital mortgage product. The additional funding will also help Creditas to continue supporting the accelerated growth of Voltz Motors, the electric motorcycle manufacturer which received a strategic investment from Creditas in 2021. Creditas has so far invested more than BRL 150 mln in the company, including equity and debt, which has allowed Voltz to build its manufacturing facility in Manaus and grow to more than 2,500 motorcycles sold per month, representing 2.5% of the Brazilian motorcycle market.

Creditas is finalizing the migration from BR GAAP to IFRS accounting and will be publishing the results corresponding to Q1-2022 together with the Q2-2022 statements as well as a reconciliation of historical financials through IFRS. Revenues for the first half of 2022 posted at BRL 820 mln, a 3.2x growth vs. the first half of 2021.

Sergio Furio, founder and CEO of Creditas comments:

"We are very excited about the future that is coming. The team at Creditas has been extremely resilient to the current market environment and is delivering a tremendous growth of 3.2x compared to the first semester of last year, while increasing efficiency and productivity. The expansion of our Series-F in the current environment will help us consolidating our position and maintain the high growth we have experienced in the last years. We have known the Andbank team for years, they have a global brand which is well respected in Brazil. With this operation, we will be able to continue our fast growth with deposits as an additional source of funding. Capital markets will remain our main source of capital and now we will be working together with the Andbank team to innovate in our capital markets funds including FII's, FIDCs and CRIs."

VEF CEO, Dave Nangle comments:

"Tough global macro and market environments are the best time to build and scale enduring businesses. While

many peers fade and wane, the best-funded companies can make strategic moves that create significant future value. Creditas is one of those companies. Attracting additional capital at previous round valuation is an event reserved for best-in-class private companies right now, while the bank licence acquisition opens up a number of exciting strategic avenues for Creditas regarding the breadth and depth of its funding going forward. It is a very exciting time for Creditas and VEF as its shareholders - Creditas has the capital and machine to deliver triple-digit YoY headline growth, has diverse funding resources through cycle, with a clear funded growth path to break even. Its planned IPO is only a matter of market timing."

About Creditas

Creditas is the leading fintech platform for secured and specialized financial solutions focused on improving the lives of individuals in Latin America across 3 ecosystems: auto, home and employee benefits. The company provides a complete offering to its customers including fintech solutions, digital insurance and consumer solutions, using proprietary technology to deliver a unique customer experience. Its loan portfolio includes real estate, vehicle, and payroll-collateralized loans, providing access to different solutions and services with integrated financing and refinancing options. In consumer solutions, Creditas offers home renovation solutions, a proprietary online used car retail platform (Creditas Auto) and after its strategic investment in Voltz Motors, next-generation EV motorcycles and scooters. In digital insurance, the company is the largest independent insurance broker in Brazil providing auto, residential and employment insurance in partnership with more than 16 carriers. Founded in 2012 by Spanish Sergio Furio, it employs 4,000 people in Sao Paulo, Curitiba, Porto Alegre, Recife, Valencia (Spain), and Mexico City. International venture capital funds have invested over USD 829 mln in the company, and it has been ranked by KPMG, Business Insider, and Glassdoor as one of the world's most promising fintechs.

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About Us

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

Attachments

[VEF's key portfolio holding, Creditas, announces expansion of Series-F funding round and recently closed M&A transactions](#)