

VEF invests into Rupeek, India's fastest growing asset-backed digital lending fintech platform

VEF Ltd announces its USD 7 mn investment into Rupeek, India's fastest growing asset-backed digital lending fintech platform today. VEF participated in a broader financing round which saw a majority participation from other marquee investors.

More than 90% of Indians don't have access to formal credit while 95% of Indian household net worth is in some form of assets. At the same time, 60% of their debt is unsecured. Further, unsecured debt is expensive and limited in quantum even when it is accessible. Rupeek is solving for this paradox by building products to make credit accessible to the masses in a fair and convenient manner and is contributing to the financial inclusion of the Indian population.

Rupeek have started on this mission with gold backed lending. Indian households have a unique relationship with gold holding over 25,000 tonnes. Over the past 5 years, Rupeek has championed the creation of a new category - doorstep gold loans & has transformed the way gold loans are disbursed in India. This is achieved through their state-of-the-art technology and asset-light supply chain giving a centuries-old business a much-needed technology makeover. Rupeek intends to launch more products in the gold space and the broader asset backed credit space in the near future.

In March 2021 Deloitte recognised Rupeek as India's fastest growing technology company in their 'Technology Fast 50 – India 2020 winners report'.

VEF Investment Partner, Alexis Koumoudos comments:

"Sumit, his deep bench of talented senior managers and the entire company's sense of mission and purpose stood out from the start. This was one of those rare opportunities where our excitement grew the deeper we got. At VEF we are big fans of asset-backed lending but understand its operational complexity, so we were all the more impressed by the scale, momentum and customer satisfaction achieved at Rupeek. When you combine the size of the credit gap in India with about USD 1.5 trn of unproductive gold sat in Indian households the addressable market is huge. We love what the team are building, have achieved and the very local solution to the credit problem."

This investment is VEF's second in India. India represents one of the largest opportunities in our universe of emerging market fintech. It has experienced rapid evolution of financial services, leapfrogging some of the most developed markets in many regards. A multitude of factors have contributed to this including; a highly competitive financial services ecosystem, a proactive regulator, very advanced public infrastructure, the cheapest mobile data globally and the second largest population of internet users. We are very excited about further opportunities to invest in fintech in India.

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About Us

VEF Ltd. is an investment company, whose SDRs are listed in Sweden, that invests in growth stage private fintech companies. We take minority stakes and are active investors with board representation in each of 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 First North Growth Market under the ticker VEFL SDB. For more information on VEF, please visit <http://www.vef.vc>.

VEF's Certified Adviser on Nasdaq First North Growth Market is Pareto Securities AB, +46 8 402 50 00, certifiedadviser.se@paretosec.com.

Attachments

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