

Konfio announces USD 125 mln Series E financing round - VEF invests an additional USD 20 mln

VEF announces a USD 20 mln follow-on investment into Konfio, Mexico's leading SME financial technology company. VEF participated in the broader Series E financing round of USD 125 mln, led by new investor Lightrock, with participation from existing investors Softbank, Kaszek Ventures, QED Investors, IFC and new investor Tarsadia Capital. VEF's participation in the round is not expected to have a material impact on VEF's latest reported NAV per 1Q21.

Konfio is VEF's second largest holding and represents 15% of VEF's NAV as at 1Q21 reporting. VEF led Konfio's Series C in 2018 and followed on in both their Series D and now Series E funding rounds. Operating in Mexico, Konfio is a technology-leading company focused on boosting the growth and productivity of small and medium sized businesses, through three strategic core offerings: credit, payments, and business management tools. Founded in 2013, Konfio offers access to agile credit with an immediate decision process based on data and artificial intelligence, business-to-business payment management and financing platform, and a cloud-based system for operational, accounting, and financial business management available to both companies and accountants who provide services to businesses.

The financing round will further expand the scope of Konfio's core offering while allowing the company to be on the outlook for acquisition opportunities that, integrated with Konfio's platform, expand the value of the ecosystem of products it delivers to small and medium-sized businesses.

VEF CEO, Dave Nangle comments:

"Konfio is VEF's second largest holding and one of the breakout names within our portfolio. What really excites us about Konfio at this juncture is the continued rapid growth of their credit offering that is being increasingly complimented by the Group's payments and ERP offering, realising a much more balanced and varied, fast growth revenue stream. This funding round is yet another milestone for both Konfio and VEF, and puts both companies in a very strong position to create value through 2021 and beyond. At VEF when we find an asset we love, we always back it harder - we view portfolio concentration as goal, not a risk, and Konfio is an excellent case in point".

Konfio CEO, David Arana comments:

"At Konfio, we see technology as a great enabler to level a playing field that for a long time has been uneven, providing growing companies opportunities and conditions to expand and compete successfully with larger companies - this is our purpose. As an example, in a challenging year and thanks to proprietary technological developments, at Konfio we managed to increase our loan book by 20% in 2020. Konfio's doors have remained and will remain open to customers with no history with us, in times when credit from traditional banks has fallen in one year by more than 10% in real terms. Today, our product offering is not just credit, and stay tuned because we will continue to expand it."

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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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