

VEF invests into Mahaana, Pakistan's first Digital Wealth Management Company

VEF announces its USD 1 mln investment into Mahaana, Pakistan's first Digital Wealth Management Company. The seed round of USD 2.1 mln was led by VEF, SparkLabs Group and local strategic partner IGI Holdings. Mahaana received its initial investment from Mattias Martinsson (founder of Tundra Fonder) and was a graduate of Y Combinator's W22 batch.

Founded in 2022 by Shamoan Tariq, Mahaana's, mission is to leverage the latest financial technology to build a platform to onboard 50 mln + working class of Pakistan to better invest their savings & pensions based on their unique circumstances.

Mahaana has secured regulatory approvals from the Securities and Exchange Commission of Pakistan to introduce technology-led investment management in the country. The proceeds from the investment round will contribute directly to meeting the regulatory capital requirements.

The savings and pension model, such as in Sweden and the 401(k) in the US have been in practice for decades, Pakistan lags significantly behind in individual savings rates and has only around 250k individual investors (0.02% population penetration) compared to 6 mln people in Sweden (60% penetration). The main deterrents are regulatory hurdles, lack of awareness, and trust in the financial system, similar to many other emerging geographies. The company has worked actively with the regulator for policy reforms restricting financial inclusion and is well positioned to be a leading contributor to Pakistan's journey to responsible wealth & asset management, to implement innovative, secure, and responsible savings plans.

VEF CEO Dave Nangle comments:

"At VEF we first and foremost invest in people. And we're very excited to partner with Shamoan, a long-time trusted friend of VEF. Besides being our third fintech investment into the early-stage scale opportunity market that is Pakistan and our second in the digital wealth management space, this investment allows us to continue our mission of contributing to financial inclusion and well-being of the average Pakistani, in a country with very low penetration and limited offering of financial services for low- and mid-income people. We believe Mahaana is very well positioned to capture this large opportunity while building the necessary foundation for the country to continue its journey on improving the financial well-being of the country's working class."

Mahaana founder and CEO, Muhammad Shamoan Tariq comments:

"In a country where more than 50% of the population is under debt and spends 30% of their monthly income on repaying debts, the company sees opportunities for every person in Pakistan to create a financial security net in the form of their retirement funds and savings. It's heartening to see SECP acting proactively in bringing the required policy reforms and introducing new license categories, such as digital Asset Management & digital Investment Advisors, to get away with the regulatory bottlenecks restricting individual retirement and saving accounts, and we are glad we were part of the consultations and now geared up to turn that into reality."

Mattias Martinsson, founder of Tundra Fonder comments:

"Sweden's savings revolution happened during the 80's and 90's and it has played an important role in achieving our status as a welfare state. Given its low savings rate and its young population Pakistan has a great opportunity right now that it needs to take advantage of. Through stimulating private savings now, Pakistan can make sure that the state is not overwhelmed 30 years from now when the youth of today retire. I hope Mahaana can play a key role in making sure this opportunity is not lost. I have known and worked with Shamoan for 8 years and I can not think of a better person to lead Mahaana on its important mission ahead"



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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

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