

Press release

June 18, 2018

Vostok Emerging Finance invests into Konfio, Mexican online small business lender

Vostok Emerging Finance (VEF) announces its USD 15 mln investment into Mexican online small business (SME) lending platform, Konfio. VEF led a broader Series C investment round of USD 25 mln and is joined by existing investors, including Quona Capital, QED, Kaszek Ventures and International Finance Corporation (“IFC” from The World Bank) amongst others. Following the transaction VEF holds a minority position and board representation in the company.

Mexico is Latam’s second largest market opportunity with a population of 127mln (no 10 global) and c. 7mln SMEs. Konfio is a digital-first unsecured lending platform, with a mission to support the growth of Mexico’s vast underserved small business community. Within the broader Mexican SME credit space, Konfio focuses on the top end credit of the small business segment which is viewed as a USD 45bn opportunity. For every 20 companies in Mexico, 19 are considered “very small” (annual sales up to USD 700k). With its online and digital first approach, Konfio leverages technology and big data analytics, Konfio complements traditional financial analysis and streamlines the loan application process, providing convenience and affordability to customers who are creditworthy but historically underserved by traditional banking.

Founded in 2014 by David Arana, Konfio is head quartered in Mexico City.

VEF’s Managing Director, Dave Nangle, comments:

“We are excited to announce our latest portfolio investment and our first in Mexico. Konfio is an asset we have tracked for 2 years now and it represents a truly unique opportunity and a stand-out asset in Mexican SME credit space. We love scale opportunities, with clear traction and strong management teams and Konfio very much fits our investment mantra. We look forward to working with David Arana and his team on the journey ahead.”

Konfio founder, David Arana comments:

“We’re delighted to partner with Vostok Emerging Finance to continue our mission of empowering SMEs through access to credit. Having shown strong traction in the last twelve months, we are looking forward to continue investing in building a world class company, improving our technology stack and scaling beyond unsecured business term loans, with the launch of new products for underbanked SMEs in the region.”

Dave Nangle, Managing Director

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Vostok Emerging Finance is an investment company with the goal of investing in early stage modern financial services companies across emerging and frontier markets. VEF trades in Sweden on Nasdaq First North under the ticker VEMF SDB.

Vostok Emerging Finance's Certified Adviser on Nasdaq First North is Pareto Securities AB.

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