

Impact & Investment Results 2023

This glossary provides definitions for the metrics in LeapFrog's Impact and Investment Results for the reporting period ending on 31 December 2023.

- The definitions are informed by IRIS+. Managed by the Global Impact Investing Network (GIIN), IRIS+ is a system for impact investors to measure and manage impact.
- For new investments during the year, data is only included from the date of LeapFrog's investment.

In order of the report:

	Metric	Unit	Definition	Companies included
Customers and reach	1. Total reach	#	An estimate of the total number of people reached with financial or healthcare products and services provided by LeapFrog companies. This is a scaled-up number and is calculated as the total number of customers multiplied by a product-based, household multiplier.	For active portfolio companies, the quarter ending 31 December 2023 is used as the reporting number. For exited or blackout companies, the quarter of the last report is used.
	2. Total emerging consumer reach	#	An estimate of the total number of emerging consumers reached with financial or healthcare products and services provided by LeapFrog companies. This is a scaled-up number and is calculated as the total number of emerging consumers multiplied by a product-based household multiplier. <ul style="list-style-type: none"> Emerging consumers are defined as those earning less than \$10 a day (2011 PPP\$) for investments made before February 2022. Due to inflation, companies invested in since February 2022 define emerging consumers as those earning less than \$11.20 a day (2017 PPP\$). 	
	3. Household multiplier	#	For products that benefit the entire household, a multiplier of the household size is used to calculate the total people reached and emerging consumers reached. <ul style="list-style-type: none"> The household multiplier is determined based on reviewing third-party research on product benefits at the household level and reviewing national and international demographic data from household surveys conducted by local government agencies, compiled by the United Nations or other international organisations. Our household multiples are between 1-5 The multiple used is based upon the sector, type of product or service and location. For example, these include companies where products are only intended to provide for 1 beneficiary (such as healthcare companies or financial services companies providing ride insurance). 	Multipliers of 1-5 are applied across all companies, both active, exited or blackout companies.
	4. Customers	#	The total number of individual customers to which LeapFrog companies provide a financial or healthcare product or service. <ul style="list-style-type: none"> LeapFrog works with companies to support them to provide 'active, unique customers'. For example, for a healthcare company in the portfolio that offers an app, only users that have used the app 5+ times in the past year are considered customers. Data on total customers attempts to eliminate duplication resulting from one customer purchasing multiple products from LeapFrog portfolio companies in the same market. Across the aggregate LeapFrog portfolio, duplication of discreet individuals may exist if LeapFrog is invested in two companies in the same market. Best efforts are made to eliminate overlaps in aggregate data. 	For active portfolio companies, the quarter ending 31 December 2023 is used as the reporting number. For exited or blackout companies, the quarter of the last report is used.

	Metric	Unit	Definition	Companies included
Customers and reach	5. Emerging Consumer Customers	#	<p>The total number of emerging consumers to which LeapFrog companies provide a financial or healthcare product or service.</p> <ul style="list-style-type: none"> The number of emerging consumers is determined after a rigorous company by company evaluation of underserved products, premiums, distribution avenues and, where available, reported income of individual customers. Data on emerging consumers attempts to eliminate duplication resulting from one emerging consumer purchasing multiple products from LeapFrog companies in the same market. Emerging consumers are defined as those earning less than \$10 a day (2011 PPP\$) for investments made before February 2022. Due to inflation, companies invested in since February 2022 define emerging consumers as those earning less than \$11.20 a day (2017 PPP\$). 	For active portfolio companies, the quarter ending 31 December 2023 is used as the reporting number. For exited or blackout companies, the quarter of the last report is used.
	6. Total revenue	USD	<p>Revenue is reported using an end-of-period FX rate and converted on a quarterly basis. FX rates are sourced from Oanda.</p> <p>Due to timing of the report, the information is included prior to year-end auditing processes.</p>	For active portfolio companies, data is taken from 1 January 2023 to December 2023. For exited or blackout companies, the last reported last twelve months (LTM) figures are used.
Revenue	7. Revenue growth on average for portfolio companies over the life of LeapFrog	%	<p>Average compound annual growth rate (CAGR) of revenue since investment, in local currency units.</p> <p>Due to timing of the report, the information is included prior to year-end auditing processes.</p>	Only companies held for more than two years are included. For all companies, LTM figures are used for the basis of the CAGR. Active portfolio companies as of 31 December 2023. Exited companies as of time of exit. Blackout companies as of the last reported value.
Profitability	8. EBITDA as a % of FMV	%	This analysis refers to both EBITDA and adjusted EBITDA figures, where relevant. Where EBITDA data is not available, Net Profit After Tax has been used as a proxy. Additionally, where relevant, self-funded subsidiaries have been excluded. The percentage is based on Fair Market Value as of Dec-23. Due to timing of the report, the information is included prior to year-end auditing processes.	Only Fund III companies included. Data is taken as of quarter ending December 2022 and December 2023.
	9. Aggregate EBITDA	\$	Only companies that provided data on EBITDA are included. The data contrasts Dec-23 relative to Dec-22 baseline. EBITDA is reported using an end-of-period FX rate and converted on a quarterly basis. FX rates are sourced from Oanda. Due to timing of the report, the information is included prior to year-end auditing processes.	Only Fund III companies included. Data is taken on a quarterly basis from October 2022 to December 2023.

	Metric	Unit	Definition	Companies included
Healthcare	10. Quality pharmaceuticals supplied	#	The number of over the counter (OTC), prescription drugs and pharmaceutical products sold by portfolio companies.	Active companies only. Data is taken from 1 January 2023 to 31 December 2023. There are no relevant exited or blackout companies.
	11. Diagnostic tests and laboratory supplies provided	#	The number of medical equipment, machines, labs reagents and diagnostic tests supplied by portfolio companies.	
	12. Active users of digital wellness tools	#	The number of active users of digital wellness tools, including apps supporting improved fitness and health.	Active companies only. The quarter ending 31 December 2023 is used as the reporting number. There are no relevant exited or blackout companies.
Financial Services	13. \$ loans disbursed	USD	Value of loans disbursed by all companies with credit products. End-of-period FX rates are applied on a quarterly basis and are sourced from Oanda.	For active portfolio companies, data is taken from 1 January to 31 December 2023. For companies that went into blackout in 2023 but reported some periods, data is frozen. For companies that exited in 2023, data is included for periods before exit. For companies that went into blackout or exited prior to 2023, no data is included.
	14. \$ Insurance claims paid	USD	Value of claims paid by all companies with insurance products. End-of-period FX rates are applied on a quarterly basis and are sourced from Oanda.	
	15. \$ payments enabled	USD	Value of payments enabled through companies offering transaction services. End-of-period FX rates are applied on a quarterly basis and are sourced from Oanda.	

	Metric	Unit	Definition	Companies included
Jobs and livelihoods	16. Jobs supported	#	The total number of direct employees, including full and part time employees and agents, contracted by LeapFrog companies. <ul style="list-style-type: none"> Some companies also include contract employees, where relevant. 	For active portfolio companies, the quarter ending 31 December 2023 is used as the reporting number. For exited or blackout companies, the quarter of the last report is used.
	17. \$ Salaries paid	USD	Dollar amount spent on salaries. Salaries is reported using an end-of-period FX rate and converted on a quarterly basis. FX rates are sourced from Oanda.	For active portfolio companies, data is taken from 1 January to 31 December 2023. For companies that went into blackout in 2023 but reported some periods, data is frozen. For companies that exited in 2023, data is included for periods before exit. For companies that went into blackout or exited prior to 2023, no data is included.
	18. Emerging enterprises supported	#	Total number of micro, small and medium enterprises (MSMEs) served through loans or savings products during 2023. The International Finance Corporation (IFC) qualifies an enterprise as a MSME if “it meets two out of three criteria of the IFC MSME definition (employees, assets, and sales), or if the loan to it falls within the relevant MSME loan size proxy”. See IFC definition in Table 1.	For active portfolio companies, data as of 31 December 2023. For companies that went into blackout in 2023 but reported some periods, data is frozen. For companies that exited in 2023, data for their last reported period before exit is taken. For companies that went into blackout or exited prior to 2023, no data is included.
Gender-lens investing	19. Women and girls reached	#	An estimate of the total number of women and girls reached with financial or healthcare products and services from LeapFrog companies. Calculated as people reached, multiplied by a factor of 0.5. World Bank data indicates that women represent ~50% (49.7%) of the world population in 2021.	For active portfolio companies, the quarter ending 31 December 2023 is used as the reporting number. For exited or blackout companies, the quarter of the last report is used.
	20. Women in total portfolio workforce	#	Number of women full-time equivalent employees (FTEs).	
	21. Women in C-Suite roles	%	Number of women in C-Suite roles/total C-Suite roles. C-Suite is defined per EDCI guidelines: “CEO and any senior executives reporting directly to the CEO, e.g. CFO, COO, CAO, Head of HR, etc	For active portfolio companies only, the quarter ending 31 December 2023 is used as the reporting number.

Table A – IFC MSME

IFC MSME Definition				Loan Size Proxy
Indicator	Employees	Total Assets US\$	Annual Sales US\$	Loan size at origination
Micro enterprise	< 10	<\$100,000	<\$100,000	<\$10,000
Small enterprise	10-49	\$100,000 - < \$3 million	\$100,000 - < \$3 million	<\$100,000
Medium enterprise	50-300	\$3 million - \$15 million	\$3 million - \$15 million	<\$1 or \$2 million

Source: International Finance Corporation