

# QUARTERLY FACTSHEET (Q2 2020)

REGMIFA / REGIONAL MSME INVESTMENT FUND FOR SUB-SAHARAN AFRICA

## KEY INDICATORS

**182'962** microentrepreneurs reached

**52 %** women

**24 %** rural

**56 %** micro-enterprises

**80 %** individual loans

## IMPACT MEASUREMENT THEMES

Micro-enterprises	55.7%
Small and medium enterprises	33.4%
Large enterprises	2.1%
Education	0.9%
Immediate household needs	4.3%
Housing	2.3%
Other	1.2%

## SECTORS

Agriculture	8.5%
Production	4.1%
Trade	59.3%
Services	19.7%
Other	8.4%

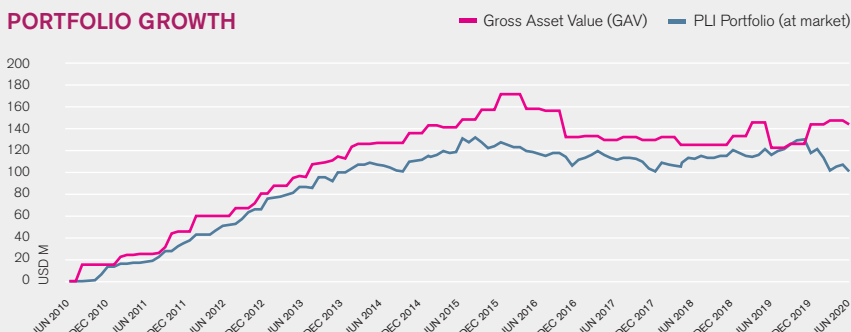
## INVESTEE INDICATORS\*

Total Assets	USDm 51.5
Gross Loan Portfolio	USDm 35.5
Number of active borrowers	41'133
Debt/Equity Ratio	2,09
Portfolio Yield	39%
Operating expense ratio	28%
Operational self-sufficiency	105%
Return on Equity	-4.4%
Return on Assets	0,6%
PAR > 30 days	10.8%

## INVESTMENT MANAGER'S COMMENT

The Investment manager, Board of Directors and Investment Committee are remaining focused on adapting and implementing the Fund's policies and procedures to address potential negative developments from COVID-19 across Sub-Saharan Africa. The Board of Director are determined that REGMIFA has a critical role in continuing to support the sector despite the pandemic, and even step up its activities where possible. Given the uncertainty of the pandemic, lending activity in early Q2 was slow but picked up in June with a large number of renewals. A total of USD 12.1M was disbursed in Q2 mainly due to nine existing PLIs with only one new PLI (Bosak Nigeria). With repayments of USD 15.1M in Q2 the loan portfolio shrank to USD 108.0 from USD 111.0 in Q1. The GAV dropped modestly to USD 144.6 M in Q2 from USD 148.2M in Q1 mainly due to the disbursement of 2019 dividends. There were no redemptions or new subscriptions of either shares or notes in Q2. The effect from COVID-19 on the loan portfolio has been relatively limited so far, but could change in the coming quarters as the diverse situations continue to unfold. By the end of Q2 the Fund has participated in four "Handshake Agreements" whereby the PLI's lender group agreed to provide ongoing liquidity support (e.g. renewals, top-ups, new lines) as the challenges were related to short term liquidity rather than solvency. Two PLIs (Musoni and FINCA Zambia) moved to workout status in Q2, however only Musoni was related to COVID-19 issues while FINCA Zambia was related to ongoing weak performance. Accordingly, due to the drop in loan portfolio and a moderate effect on expected losses relative to the changes in risk level of the PLIs, the effect on the loan loss provision has been limited; rising to USD 9.3M from USD 9.1M in Q1 2020.

## PORTFOLIO GROWTH



## FUND FACTS

GAV	USDm 144.6
NAV	USDm 121.5
PLI Portfolio (at cost)	USDm 108.0
PLI Portfolio (at market)	USDm 102
Cash	USDm 43.1
Number of Countries	19
Number of PLIs	51
Number of Investments	95
Maturity remaining	16 months

## LATEST INVESTMENTS

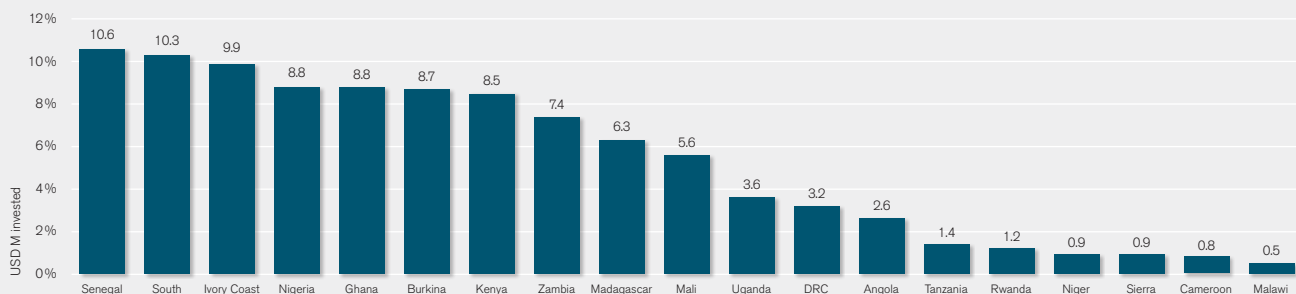
Since Inception	USDm 430.4
Q2 2020	USDm 12.1

## NUMBER OF LOANS DISBURSED

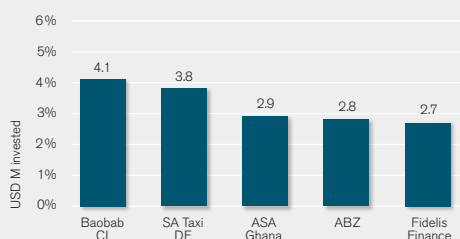
Since Inception	336
Q2 2020	12

## PORTFOLIO ANALYSIS

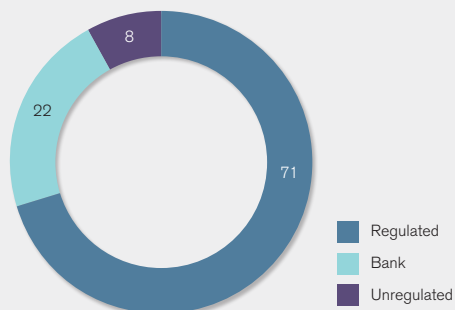
### COUNTRY BREAKDOWN (% OF PORTFOLIO)



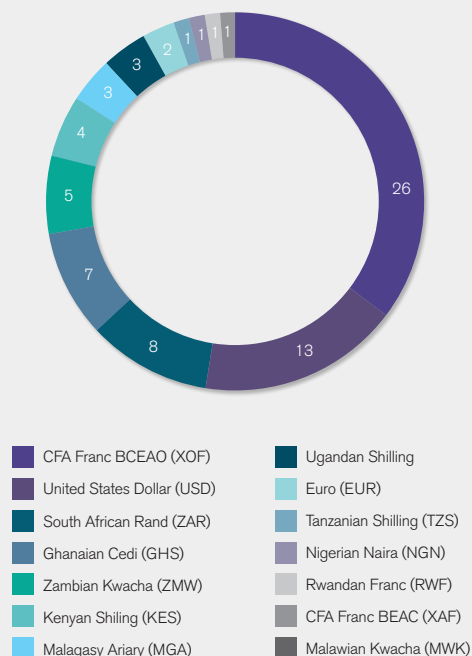
### TOP 5 EXPOSURES (% OF PORTFOLIO)



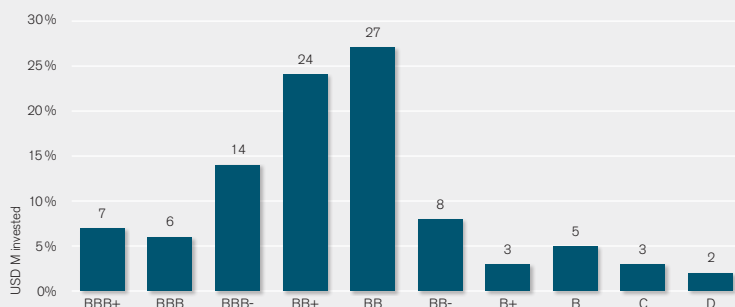
### TYPE BREAKDOWN (% OF PORTFOLIO)



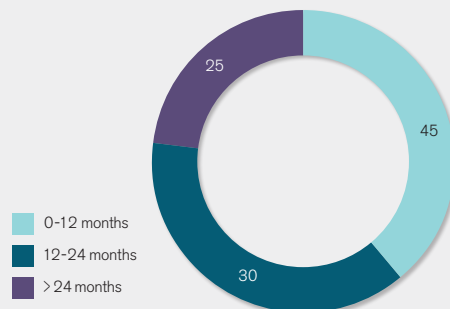
### CURRENCY BREAKDOWN (% OF PORTFOLIO)



### CREDIT RISK BREAKDOWN (% OF PORTFOLIO)



### REMAINING MATURITY BREAKDOWN (% OF PORTFOLIO)



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## SENEGAL

# MEET MR. MANDA DIOP

### SENEGAL

Senegal is one of the most stable democracies in Africa and a key economic hub in West Africa. Its economy is driven by mining (oil and gas), construction, tourism, fisheries and agriculture. Remittances are a key source of revenue, while donor assistance has been supporting economic development. The macroeconomic situation of Senegal remains positive in the short to medium term. The "Emerging Senegal Plan" (Plan Sénégal Emergent - PSE) has been launched by President Macky Sall and consists of a new development feature to support and increase growth. Since its inception in 2012, the PSE is the reference point in terms of economic and political reforms for the middle and long term. In terms of microfinance, the first cooperatives were formed after the banking crisis of the 1980s. Today, more than 200 microfinance institutions operate in the country.

**Covid-19:** Senegal has declared the state of emergency and implemented a curfew in March 2020. In addition to the health and sanitary measures, a reaction plan called the "Economic and Social Resilience Program" has been launched to support the economy.

### ACEP SENEGAL

Alliance de Crédit et d'Épargne pour la Production (ACEP) has been active in Senegal since 1992 and is the pioneer of microcredit in Senegal. It was originally created in 1986 as a USAID project to support entrepreneurs and NGOs in Kaolack and Fatick, two neighboring regions in the center-west of Senegal. ACEP Senegal is also the initiator of ACEP Development, an international network of financial institutions active in Madagascar, Burkina Faso and Cameroun. ACEP Senegal started covering the entire country and focusing on micro and small entrepreneurs in the early 90s and serve both individual and group lenders. SME loans were introduced in 2005, and new products were launched in 2015, including education loans for students. Since 2020, ACEP Senegal is expanding its presence in remote areas to reach rural microentrepreneurs. It is now the third largest MFI in the country, with more than 88 points of service.

### MR. MANDA DIOP

Mr. Manda Diop is a 51-years old businessman living in Dakar. His wife works in a cosmetics and money transfer business. Together, they have 7 children: one daughter studies in Paris, two sons are in Canada and the 4 remaining children live in Dakar. When he was a kid, Mr. Diop dropped out of school to help his family as his father had 2 wives and a lot of kids. He has a low level of financial literacy but eventually completed his schooling while he was already in business. Today, Mr. Diop has a successful business comprising two minimarts, one warehouse, and 15 container trucks. He has worked every day for 21 years and reinvested all the shops' profits into the truck business. He has recently bought a 1000 square meter surface to later build a supermarket. His products are either produced locally or imported. He currently employs 26 people in the shops and 15 people for the trucks business. Mr. Diop has been ACEP's client for 5 years. He is used to borrowing XOF 10 million (EUR 15,000) that he refunds within the year. He purchases stocks and sells the products quickly. He is very satisfied with ACEP as he can get money fast and efficiently.

POPULATION  
**15 MILLION**

GDP PER CAPITA  
**USD 1,522**

REAL GDP GROWTH  
**6.8%**

POP. LIVING IN POVERTY  
**46.7%**

HUMAN DEVELOPMENT RANK  
**166/189**



SDGs addressed by the Fund

Disclaimer: Any narrative accounts of the investees or end borrowers, including any client stories, are the exclusive property of Symbiotics. The information and opinions expressed in the text have been obtained from sources believed to be reliable and in good faith, reflecting the view of the authors, but no representation or warranty, expressed or implied, is made as to its accuracy or completeness.

#### Contacts

#### Registered Office

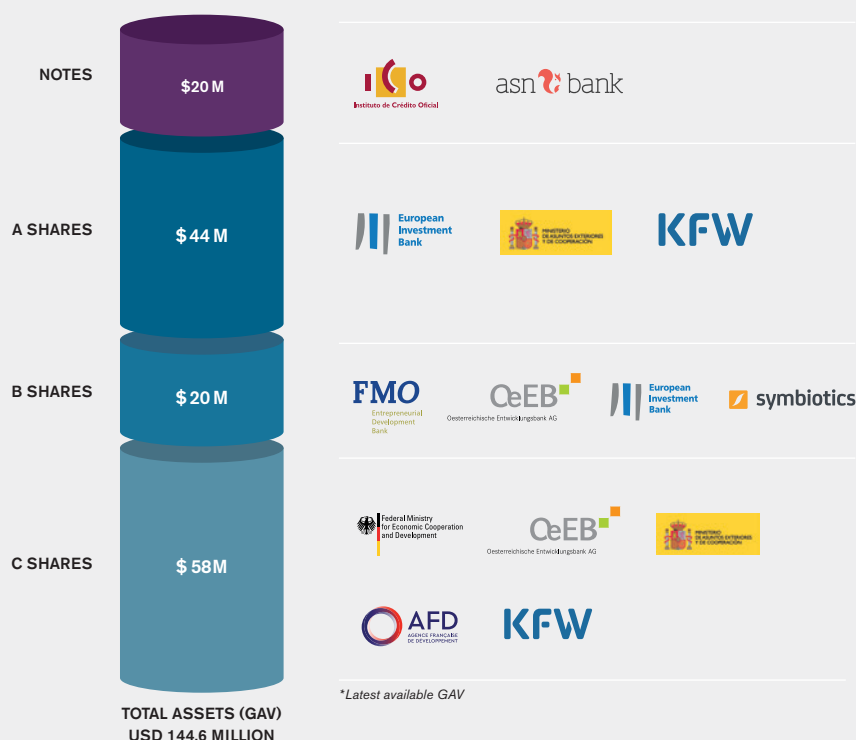
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**regmifa**  
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## FUNDING STRUCTURE\*



## NOTES

Instituto de Crédito Oficial

ASN Bank

Private Investors

## A SHARES

Ministerio de Asuntos Exteriores y de Cooperación

EIB

KfW

## B SHARES

FMO

Oesterreichische Entwicklungsbank AG

EIB

Symbiotics

## C SHARES

Agence Française de Développement

KfW

Ministerio de Asuntos Exteriores y de Cooperación

Oesterreichische Entwicklungsbank AG

## FUND FACTS

Fund name	Regional MSME Investment Fund for Sub-Saharan Africa S.A., SICAV-SIF (REGMIFA)			
Fund domicile and type	Qualifies as a Société d'Investissement à Capital Variable - Fonds d'Investissement Spécialisé (SICAV - SIF) under Luxembourg Law			
Regulation	The Fund qualifies as an AIF within the meaning of the AIFM Law and is internally managed. Per the Issue Document, more than 50% of the members of the Board as well as of the members of the Investment Committee shall be representatives of / proposed by Public Institutions. As a result, the AIFM Law shall not apply to the Fund in accordance with article 2(2) thereof			
Investment Manager	Symbiotics S.A. (Geneva)			
Registered Office	5, rue Jean Monnet, L-2013 Luxembourg, Grand-Duchy of Luxembourg			
Administrative Agent	Credit Suisse Fund Services (Luxembourg) S.A.			
Custodian Bank	Credit Suisse (Luxembourg) S.A.			
Inception Date	1 December 2009			
Operation Start	5 May 2010			
Initiators	KfW Bankengruppe, supported by the German Ministry for Economic Cooperation and Development (BMZ)			
Fund currency	USD			
Distribution	Annually			
Valuation (NAV calculation)	Quarterly (last calendar day of March, June, September, and December)			
Minimum subscription	USD 500,000 across all Shares and Notes			
Fund Term	Unlimited duration			
Redemption of units	Unlimited duration for Class C Shares Fixed term (2-10 years) for Class A Shares Fixed term (4-10 years) for Class B Shares Fixed term (2-12 years) for Notes			
Classes	Notes	Class A Shares	Class B Shares	Class C Shares
Features	Fixed rate or floating rate over USD 6 months Libor plus a spread. Duration: Senior: 2-6 years Subordinated: 2-12 years	Target dividend plus complementary dividend (if target dividend exceeded). Target dividend is USD 6 months Libor plus a spread agreed with the Board of Directors. Duration: 2 – 10 years	Target dividend plus complementary dividend (if target dividend exceeded). Target dividend is USD 6 months Libor plus a spread agreed with the Board of Directors. Duration: 4 – 10 years	Fixed rate target return with target dividend set in the relevant Commitment Agreement as a percentage return on the NAV. Duration: Unlimited