

Press release

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GLS Bank invests EUR 20 million in the Regional MSME Investment Fund for Sub-Saharan Africa (REGMIFA)

REGMIFA, an impact investment fund advised by Symbiotics, has attracted EUR 20 million from Germany-based GLS Bank and its clients through the Fund's notes program. The Fund finances 165,000 end-beneficiaries via its partner lending institutions in 20 countries in Sub-Saharan Africa.

Following its motto, People Planet Profit, GLS Bank successfully placed the note with a tenor of 5 years with its clients who welcomed the opportunity to invest for the first time in a fund focusing on micro, small and medium enterprises in Sub-Saharan Africa. To enable investments from regulated entities in Germany, GLS obtained a credit rating issued by Creditreform. The rating of the notes benefitted from REGMIFA's blended structure in which international development finance institutions (DFIs) provide subordinated capital. This subordinated capital then in turn allows to unlock further, private capital. The notes issued for GLS received a rating of "A" at the time they were issued.

The investment in REGMIFA notes proves once more the pivotal role of public donors and development finance institutions in the mobilization of additional, private capital, showcasing that investors are willing to invest when investment opportunities are structured appropriately to fulfill regulatory, as well as risk and return requirements. REGMIFA is in the fortunate position to hold at least 50% first loss capital from the German Federal Ministry for Economic Cooperation and Development (BMZ) represented by KfW, the Spanish Ministerio de Asuntos Exteriores y de Cooperación and several European development finance institutions. These shareholders hereby offer vast protection for the noteholders against the risks stemming from investing in Sub-Saharan Africa.

The REGMIFA fund is a public-private partnership focusing on financing microfinance institutions, local commercial banks, and other financial institutions that provide funding to micro, small and medium sized enterprises. REGMIFA currently operates in 21 countries in Sub-Saharan Africa, of which 13 are among the least developed countries.

REGMIFA Chairman Laure Wessemius-Chibrac stated: *"We are grateful for the trust that GLS Bank has placed in us to expand their investment universe into Sub-Saharan Africa. REGMIFA provides a unique investment opportunity for investors to achieve meaningful returns while also having an impact on the economic development in Africa."*

Lukas Adams, Head of Institutional Clients of GLS Bank, added: *"At GLS Bank, we place high importance on financial inclusion. Giving clients in underserved markets the chance to obtain business loans creates opportunities for local communities and individuals alike. In our view, REGMIFA's structure and set-up is the perfect solution for realizing these goals. The fund is deeply embedded in its target region with an on-the-ground network that gives it first-hand insight into the local market. Furthermore, the significant risk cushion provided by public investors makes REGMIFA attractive for impact-minded private investors. GLS Bank is honored to work with REGMIFA and to distribute the fund's notes across the bank's qualified investor base, thereby allowing its clients to share in the joint mission to promote economic development and prosperity in emerging markets."*

About REGMIFA

The Regional MSME Investment Fund for Sub-Saharan Africa ("REGMIFA") is a unique social impact investment fund structured to promote the growth of Africa's MSME sector and foster economic development through employment creation, income generation and poverty alleviation. It was launched in 2010 in Luxembourg. It is a multilayered fund structured to attract both public and private investors, looking to promote impact with a risk adjusted return. Since inception, the REGMIFA Fund has originated USD 440 million for investments in Sub-Saharan Africa and impacted directly more than 160,000 micro entrepreneurs and indirectly more than 3 million. A dedicated Technical Assistance Facility runs parallel to the Fund, providing tailor-made technical and institution-building support to REGMIFA's partner institutions. regmifa.com

About GLS Bank

The GLS Bank was the first social-ecological bank in Germany, founded in 1974. GLS stands for "Gemeinschaftsbank für Leihen und Schenken", which translates to "Bank-Cooperative for loans and donations". In banking with us your money can support a variety of projects and businesses like organic farms, institutions for natural health, nursing homes, projects for the unemployed, health food stores, communal housing projects, sustainable businesses, as well as independent schools and kindergartens. <https://www.gls.de/>

About Symbiotics

Symbiotics is the leading market access platform for impact investing, dedicated to financing micro- small and medium enterprises and low- and middle-income households in emerging and frontier markets. Since 2005, Symbiotics has structured and originated some 6,500 deals for over 520 companies in almost 95 emerging and frontier markets representing more than USD 6.5 billion. These investments have been purchased by more than 25 fund mandates and more than 50 third party specialized fund managers, forming a growing ecosystem and marketplace for such transactions. symbioticsgroup.com

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