

## IIV Mikrofinanzfonds

Germany's first microfinance fund

MONTHLY REPORT AS OF 30 APRIL 2020

### Performance

In April, the IIV Mikrofinanzfonds invested 0.75 million US dollar and Mexican pesos worth 2.37 million euros in non-securitized loan claims. As a result, microfinance institutions (MFIs) in Mexico and Tajikistan were refinanced last month. The month in review closed with a return in I-class and R-class of -2.55 percent and -2.55 percent, respectively. The I-class achieved a YTD return of -2.77 percent and an annualized return since inception of 2.05 percent. The R-class achieved a YTD return of -2.86 percent and an annualized return since inception of 1.57 percent.

Read more about the fund's performance [here](#) (only in German).

### Investment Strategy

The fund invests in loans to microfinance institutions in developing countries. The focus is on small- and medium-sized MFIs, particularly in rural areas. The MFIs are the interface between the IIV Mikrofinanzfonds and the final borrowers. Hence, the MFIs must be chosen very carefully.

The selection process includes a country-, financial- and sector analysis and a visit on site. Besides the financial figures, loan-, default- and exchange risks and the management quality are evaluated, too. Only those MFIs that meet the required ethical and social criteria are considered for investment.

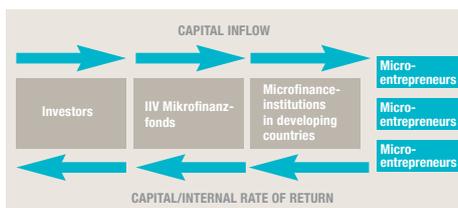


Photo: Nicole Kuhn Photography

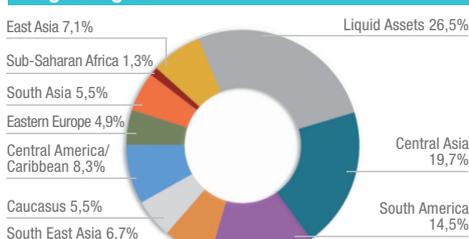
### Fund facts

Fund name:	IIV Mikrofinanzfonds
Fund type:	Public Investment Fund ('special assets' as §220 German capital investment law)
Fund currency:	EUR/secured
Investment vehicle:	Non-securitized loan claims
Minimum deposit:	Private investor (R-Class): 100 EUR Institutional investor (I-Class): 30.000 EUR
Issue surcharge:	R-Class: 3% I-Class: 1%
Depository Bank fee <sup>6</sup> :	R-Class: 0,05% I-Class: 0,05%
Administration charge <sup>7</sup> :	R-Class: 1,4% p.a. I-Class: 0,9% p.a.
Total Expense Ratio (TER) <sup>8</sup> :	R-Class: 2,03% p.a. I-Class: 1,55% p.a.
Performance Fee:	none
Subscription:	Monthly, every month until the 20th calendar day before the relevant end of the month
Redemption:	The 20th of the preceding month for the relevant end of the quarter
Price calculation:	Monthly
Valuation date:	End-of-month value
Investment Trust	HANSAINVEST Hanseatische Investment-GmbH, Kapstadtring 8, 22297 Hamburg www.hansainvest.com
Depository Bank:	Donner & Reuschel Aktiengesellschaft
Fundmanager:	Invest in Visions GmbH
ISIN:	R-Class: A1H44T I-Class: A1H44S
ISIN:	R-Class: DE000A1H44T1 I-Class: DE000A1H44S3

### Performance and Key Figures

	R-Class	I-Class
Equity price <sup>1</sup>	95,43 EUR	945,60 EUR
Fund volume in m	314,24 EUR	452,71 EUR
Fund volume total in m <sup>2</sup>	778,46 EUR	
Month	-2,55%	-2,55%
Current year	-2,86%	-2,77%
Since launch p.a. <sup>3</sup>	1,57%	2,05%
Revenue	distributing	
Volatility (ann.)	2,58%	2,69%
Sharpe Ratio (since inc.) <sup>4</sup>	1,43	1,80
Max. Drawdown (since inc.)	-3,14%	-3,12%

### Target Regions



Loan claims (incl. accrued interest)	73,5%
Cash	24,8%
Funds	1,7%

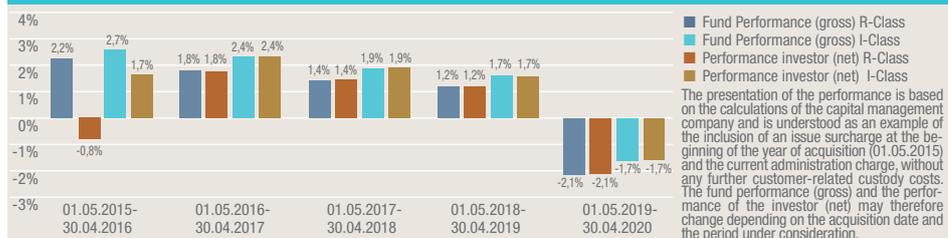
### Country Weighting (TOP 5)

Ecuador	10,43%
Uzbekistan	7,45%
Kyrgyzstan	5,57%
Mongolia	5,34%
Mexico	4,69%

### Development of Fund Volume in m EUR



### Fund Performance 01.05.2015 - 30.04.2020<sup>5</sup>



### Performance History<sup>5</sup>

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	Year
2020-R	0,11	0,04	-0,47	-2,55									-2,86
2020-I	0,15	0,08	-0,46	-2,55									-2,77
2019-R	0,08	0,03	0,08	0,19	0,08	0,00	0,20	0,09	0,13	0,03	0,16	0,11	1,21
2019-I	0,11	0,08	0,12	0,24	0,11	0,03	0,25	0,13	0,18	0,04	0,21	0,16	1,67
2018-R	-0,01	0,11	0,03	0,14	0,13	0,09	0,14	0,06	0,16	0,18	0,02	-0,01	1,06
2018-I	0,04	0,15	0,07	0,18	0,17	0,14	0,18	0,10	0,21	0,22	0,06	0,03	1,56

<sup>1</sup>Without issue surcharge <sup>2</sup>Including Share class AI <sup>3</sup>October 2011 <sup>4</sup>Sharpe Ratio, calculated by using the 3-month-Euribor as risk free interest rate <sup>5</sup>Calculation based on BVI-Method. The stated performance is not a reliable indicator of future performance.

<sup>6</sup>Included in TER <sup>7</sup>Up to 1,8% <sup>8</sup>As of 30.9.2019

## IIV Mikrofinanzfonds

Germany's first microfinance fund

MONTHLY REPORT AS OF 30 APRIL 2020

### Market Overview

Kenya is currently one of the most dynamic economies in southern Africa. Economic growth was 5.7 percent last year. Structural, political and economic reforms as well as a stable macroeconomic environment have caused a positive economic development for several years.

Despite economic growth, however, poverty and inequality remain omnipresent in Kenya. The proportion of people living on less than 1.90 US-dollar a day remained above 36 percent in the last survey in 2015. Rising consumer prices, weather-related crop failures or accidents such as the plague of locusts that broke out all over East Africa in February particularly affect the low-income residents of the country.

To counteract this situation, the MFI Premier Credit has been supporting micro and small entrepreneurs in Kenya since 2013. The MFI has a gross loan portfolio of just under 35.5 million US-dollar, serving around 69,500 end borrowers.



Source: Premier Credit

A successful example of small business is the general store Zacharia Mungai, which we visited in December in a suburb of Nairobi. Zacharia received a 2,500 US-dollar loan from Premier Credit last year to help him purchase goods for his business. The shop where Zacharia sells goods such as paints and small tools makes a turnover of around 450 euros a month. He can take good care of himself and his family with it.

The IIV Mikrofinanzfonds is currently refinancing the MFI Premier Credit with a loan of 720 thousand US-dollar.

Social Indicators		Sector Shares	
Number of microentrepreneurs	333.720	Services	45%
Share Women	55%	Agriculture	21%
Share Men	45%	Production	7%
Average loan amount	2.432 USD	Others	26%

### Risk Management of the Fund

The risk management of the fund ensures a thorough and comprehensive monitoring of the general and specific risks. Our credit risk management is based on a holistic risk approach. Besides MFI- and country-specific risks, regulatory and macroeconomic aspects are considered. Currency risks are to a large extent hedged. To diversify the risks, the investments are subject to certain restrictions:

Maximum investment per MFI:	10% of the total assets of the IIV Mikrofinanzfonds
Maximum country weighting:	15% of the total assets of the IIV Mikrofinanzfonds
Selection Criteria:	Size of total assets, equity base, loan portfolio quality, profitability and social return

### Chances and Risks

#### Chances

- Low correlation with other asset classes
- Low volatility
- Portfolio diversification
- Social return

#### Risks

- Country risk
- Credit and interest rate risk
- Limited liquidity
- Currency risk

**Disclaimer:** All accessible contents herein are available to you as advertising information and may not be reproduced, distributed to other persons or published, neither in whole nor in part. This does not apply to personal, non-commercial purposes. This document is expressly intended for non-binding advertisement purposes and does not represent a proposal, consultation, recommendation or solicitation for purchasing or selling securities, financial tool, financial investment opportunity or confirmation of business transaction terms. The aforementioned cannot replace adequate investment and financial consulting by your bank or an independent financial advisor. This information is not a prospect and does not represent a decision-making basis for evaluating the investment opportunity described herein. Purchasing documents and additional information for the referenced securities (in particular purchasing prospects, investment conditions, current annual and semi-annual reports and relevant investor information) are available in the German language at: <http://www.investinvisions.com/de/downloads.html>.

The opportunities of a financial tool are also subject to respective risks, such as currency fluctuations or the risk of loss. The previous performances are not reliable indicators for future performances. The referenced securities may rise or drop in value. Therefore, potential investors are advised to diligently research the securities and the corresponding risks prior to making an investment decision. All contents have been prepared to the best of our knowledge and based on a diligent review. Nevertheless, we cannot exclude mistakes or printing errors altogether. The validity of the information at the time this advertising information has been prepared is limited. The current political or economic market development, changes in statutory regulations or other relevant factors may result in the presented information, data and opinions being outdated as a whole or in part on a short-term basis. Therefore, we also reserve the right to amend this document.

### Philosophy

Aggressive profit-seeking can do harm to microfinance. We thus look for profitable microfinance institutions with a sustainable focus – and not pure profit maximization.

Through our thorough social audit, e.g. reasonable interest rates, transparent credit consultations, coverage of rural areas or the advancement of women, we ensure the social focus of our investments.

The MFIs guarantee these social standards by signing the 'Client Protective Principles' of the SMART Campaign. These principles include the prevention of over-indebtedness or respectful treatment of clients, especially during loan sales and debt collection processes.



Signatory of:



### General information

Fund domicile:	HANSAINVEST Hanseatische Investment-GmbH
Accounting Guidelines:	German Investment Code
Fiscal Year:	October 1st until September 30th (First fiscal year: Start: 10/10/2011 End: 30/09/2012)
Regulatory Authority:	Bundesanstalt für Finanzdienstleistungsaufsicht
Accounting firm:	KPMG AG, Tersteegenstr. 19-31, 40474 Düsseldorf, Germany