

IIV Mikrofinanzfonds

Germany's first microfinance fund

MONTHLY REPORT AS OF 31 MAY 2020

Performance

In May, the IIV Mikrofinanzfonds invested EUR 3.85 million in non-securitized loan claims in order to refinance a microfinance institute (MFI) located in Bosnia-Herzegovina.

This month's performance was +0.80 percent in share class I and +0.76 percent in share class R. The fund thus achieved a YTD performance of -1.99 percent in share class I and an annualized return since launch of +2.12 percent. In share class R, the YTD performance was -2.12 percent and the annualized return since launch was +1.65 percent.

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.

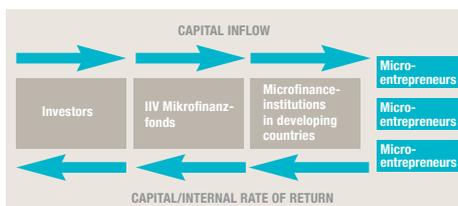


Photo: Nicole Kuhn Photography

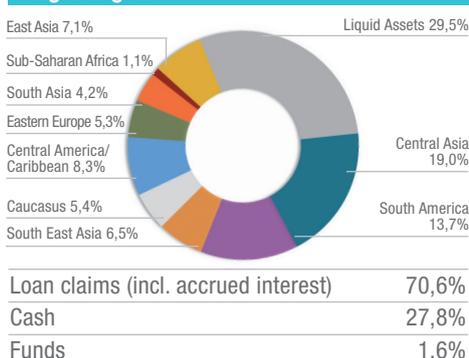
Fund facts

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 ⁶ :	R-Class: 0,05% I-Class: 0,05%
Administration charge ⁷ :	R-Class: 1,4% p.a. I-Class: 0,9% p.a.
Total Expense Ratio (TER) ⁸ :	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, Kapstadttring 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 ¹	96,16 EUR	953,15 EUR
Fund volume in m	319,27 EUR	457,77 EUR
Fund volume total in m ²	788,64 EUR	
Month	0,76%	0,80%
Current year	-2,12%	-1,99%
Since launch p.a. ³	1,65%	2,12%
Revenue	distributing	
Volatility (ann.)	2,75%	2,75%
Sharpe Ratio (since inc.) ⁴	1,48	1,85
Max. Drawdown (since inc.)	-3,14%	-3,12%

Target Regions



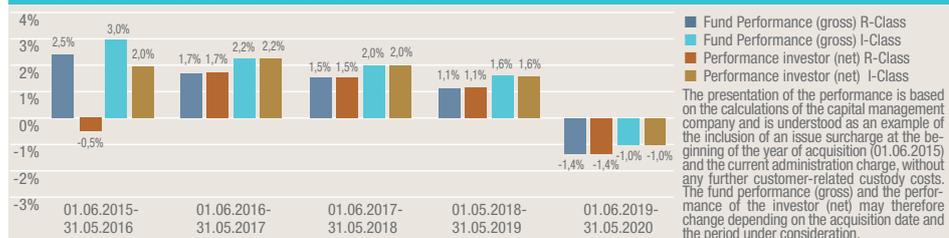
Country Weighting (TOP 5)

Ecuador	10,11%
Uzbekistan	7,48%
Mongolia	5,42%
Kyrgyzstan	5,16%
Mexico	4,69%

Development of Fund Volume in m EUR



Fund Performance 01.06.2015 - 31.05.2020⁵



Performance History⁵

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	Year
2020-R	0,11	0,04	-0,47	-2,55	0,76								-2,12
2020-I	0,15	0,08	-0,46	-2,55	0,80								-1,99
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

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

⁶Included in TER ⁷Up to 1,8% ⁸As of 30.9.2019

IIV Mikrofinanzfonds

Germany's first microfinance fund

MONTHLY REPORT AS OF 31 MAY 2020

Market Overview

Following the disintegration of the USSR and the declaration of independence in 1991, Tajikistan entered a civil war that claimed many casualties and severely damaged the country's economy. The economic situation has improved over the past two decades: Between 2000 and 2018 the Tajik economy grew on average by 7 percent per year. At the same time, the national poverty rate declined from its previous rate of above 80 percent to below 30 percent. Nevertheless, with a per capita income of 1,010 USD, Tajikistan is still among the poorest countries in the region.

Poverty is particularly widespread among the rural population. By investing in microfinance institutes in Tajikistan, Invest in Visions contributes to extending financial services to the rural population, thereby stimulating economic development in rural areas.

The MFI Oxus offers important support to micro-entrepreneurs and small-business owners in Tajikistan. On the market since 2006, Oxus currently has about 14.300 borrowers. The MFI has a gross loan portfolio of approximately USD 11.3 million, with an average disbursed loan amount equal to USD 1,010.

A successful example of rural entrepreneurship is Khakimov Tohir, who has been a client of Oxus since 2011. His first loan amounted to USD 400 and was used by Tohir to expand his livestock. Later, he decided to continue his cooperation with the MFI and to add to his sources of income by growing crops like corn and wheat. To achieve his goals, he gradually took out additional loans in growing amounts. Thanks to these loans, Tohir was able to considerably expand his agricultural operations and eventually to buy – with his own increased income earnings – a tractor worth more than USD 10,000.



Source: Premier Credit

In April, the IIV Mikrofinanzfonds disbursed a USD 750,000 loan to Oxus in Tajikistan.

Social Indicators		Sector Shares	
Number of microentrepreneurs	468,336	Services	49%
Share Women	55%	Agriculture	5%
Share Men	45%	Production	12%
Average loan amount	1.219 USD	Others	34%

As of 31.3.2020

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