



Performance

In October, the IIV Mikrofinanzfonds invested 17.6 million EUR in unsecured loan receivables. This refinanced microfinance institutions (MFI) in Cambodia, Armenia and Uzbekistan.

Performance for the month was 0.21 percent in the I-Class and the annualized return since inception was 1.73 percent. On October 31, 2022, this year's distribution of the IIV Mikrofinanzfonds (fiscal year October 1, 2021 - September 30, 2022) took place. The amount paid out with value date as of November 2, 2022 was for the R-Class (WKN A1H44T) **EUR 0.15 per share**.

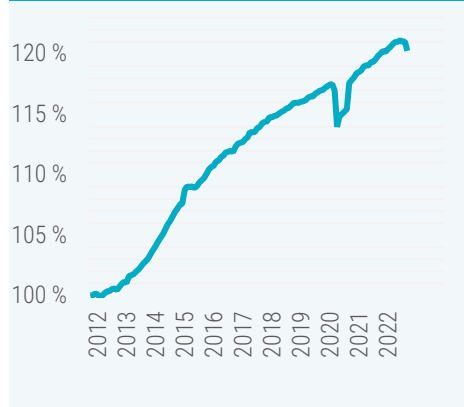
Performance and Key Figures

Fund volume in m. ¹	EUR 905.03
Fund volume R-Class in m.	EUR 329.42
Share price ²	EUR 99.10
Last distribution per share ³	EUR 0.15

Performance

Month	0.21 %
Current year	0.27 %
Since launch p.a. ⁴	1.73 %
Volatility (ann.)	1.04 %
Sharpe Ratio (since inc.) ⁵	0.02
Max. Drawdown (since inc.)	-3.14 %

Fund Performance 01.11.2011–31.10.2022



Performance History in percent⁶

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2022-R	0.18	0.15	0.20	0.14	0.01	0.11	-0.09	0.00	-0.64	0.21			0.27
2021-R	0.09	0.12	0.28	0.06	0.00	0.23	0.03	0.19	0.23	0.16	0.16	-0.05	1.52
2020-R	0.11	0.04	-0.47	-2.55	0.76	0.16	0.18	0.18	1.87	0.2	0.19	0.29	0.92
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
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
2017-R	0.05	0.21	0.14	0.37	-0.01	0.03	0.28	0.09	0.25	0.11	0.03	0.30	1.85

Target Regions ⁷

South America	24,4%
Southeast Asia	12,5%
Central Asia	12,3%
Central America, the Caribbean	11,9%
South Asia	11,0%
East Asia	10,7%
Caucasus	8,1%
Eastern Europe	6,1%
Sub-Saharan Africa	3,0%
Number of MFIs	92
Number of Countries	33

Country Weighting (Top 5)

Ecuador	10,8%
India	9,0%
Cambodia	7,6%
Uzbekistan	6,8%
China	6,0%

Fund composition

Loan receivables (incl. accrued interest)	87.2%
Cash ⁸	16.4%
Funds	1.4%
Currency hedging	-5.0%

Fund facts

Fund name	IIV Mikrofinanzfonds
Fund type	Public Investment Fund (Microfinance fund under §222 German Capital Investment Code)
Fund currency	EUR/secured
Investment type	Non-secured loan claims
Minimum deposit	Private investors: EUR 100
Issue surcharge	Up to 3.00 %
Depository Bank fee ⁹	0.05 %
Administration charge ¹⁰	1.40 % p.a.
Total Expense Ratio (TER) ¹¹	1.93 % p.a.
Performance Fee	None
Subscription	Purchase orders can be submitted until the 20th calendar day of a month
Redemption	Sell orders can be submitted until 20/2, 20/5, 2/8 and 20/11
Price calculation	Monthly
Valuation date	End-of-month value
Investment Trust	HANSAINVEST Hanseatische Investment GmbH Kapstadtring 8 22297 Hamburg hansainvest.com
Depository Bank	Donner & Reuschel Aktiengesellschaft
Fundmanager	Invest in Visions GmbH
WKN	A1H44T
ISIN	DE000A1H44T1
The fund is qualified as a sustainable investment product within the meaning of Article 9 of the EU Sustainable Finance Disclosure Regulation .	

Market Overview: Kosovo

1.8 million people live in the Republic of Kosovo, which gained independence in 2008. This makes it the youngest state on the European continent. According to the European Commission, the situation in northern Kosovo remains difficult, particularly regarding corruption, organized crime and conditions for freedom of expression. The Kosovar economy declined by 5.3 percent after the outbreak of the Corona pandemic and already recovered with real growth of 9.5 percent in 2021. However, the prices in Kosovo have recently become unstable with a projected inflation of 9.5 percent for 2022, with food and non-alcoholic beverages weighing the most in the consumer price index. Per capita income has shown a positive trend. Between 2000 and 2021, it rose from US-Dollar 1,088 to US-Dollar 5,031. Nevertheless, the unemployment rate in 2021 was 25.8 percent. Many families rely on remittances from family members living abroad. An important pillar on the way to a sustainable economy is the promotion of small and medium-sized enterprises. The IIV Mikrofinanzfonds has been providing loans to selected Microfinance Institutions (MFI) in Kosovo since 2017.

KEP Trust is the largest local MFI in Kosovo. Its mission is to improve the living standards of Kosovars and support the economic development of the country by providing financial services to individuals, households, and businesses. Currently, the MFI has 31 branches.

One of KEP Trust's borrowers is Lundrim Hysenaj from the village of Sojevë. He is the owner of "Oruçi", a grain processing factory. He has been producing and selling flour and bran (a mill by-product) for 10 years. He learned the trade from his father and eventually inherited the business. In the future, he would like to pass on this factory to his children as well. Currently, four workers are employed in the factory. Lundrim Hysenaj was able to use the loan from KEP Trust to buy machinery for grain processing. These investments are necessary to keep his business running and to expand production.



Lundrim Hysenaj, Kosovo¹³

Sector Shares¹²

Services	40 %
Agriculture	20 %
Manufacturing	13 %
Others	28 %

Social Indicators¹²

Number of microentrepreneurs	621,353
Of which women	83 %
Of which men	17 %
Average loan amount	USD 1,209

Risk Management of the Fund

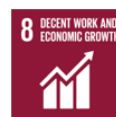
The risk management of the fund ensures a thorough and comprehensive monitoring of the general and specific risks. Our credit risk management is based on a holistic risk approach. Besides MFI- and country-specific risks, regulatory and macroeconomic aspects are considered. Currency risks are to a large 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 per country
- Selection criteria: Size of total assets, equity base, loan portfolio quality, profitability and social return

Investment Strategy

The fund invests in loans given to MFI in emerging and developing countries. The MFIs serve as intermediaries between the IIV Mikrofinanzfonds and the final borrowers. Accordingly, the institutions must be selected conscientiously. The selection process includes a detailed country, financial and sector analysis as well as an on-site review of the MFI. In addition to financial ratios, credit, default and currency risks, comprehensive sustainability criteria are also assessed. Only those MFI are supported that also meet our criteria regarding ethical and social aspects.

The investments are intended to support the achievement of the following objectives:



Chances

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

Risks

- Country and contraction risks
- Credit and interest rate risks
- Limited liquidity
- Currency risks

General information

Fund domicile	HANSAINVEST Hanseatische Investment GmbH
Accounting Guidelines	German Fund Accounting Regulation
Fiscal Year	October 1 until September 30 (First fiscal year: Start: 10/10/2011 End: 30/09/2012)
Regulatory Authority	Bundesanstalt für Finanzdienstleistungs- aufsicht (BaFin)
Financial Auditors	KPMG AG, Tersteegenstr. 19–31 40474 Düsseldorf Germany

Memberships and supported standards of the fund manager



12 As of 30.06.2022. There are two different ways of calculating the share of the respective gender among borrowers: The head count (absolute share) or the share of funds benefiting women and men, respectively (portfolio share). While the absolute share is 83 %, the portfolio share is 51 %. In principle, we consider both metrics to be equally important. 13 Source: KEP Trust

Founded in 2006 by Edda Schröder, **Invest in Visions GmbH** specializes in **financing sustainable investments**. Currently, more than 1,03 billion euros are managed in the core areas of **microfinance and Impact Investing** (as of October 31, 2022). Invest in Visions provides institutional and private investors with access to investments that offer **social returns** in addition to financial returns, and which have a positive impact on society and the environment.

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