

## FEBRUARY 2025 HIGHLIGHTS

The share class recorded a performance of **52 bps**. The cumulative performance of the share class over the past 12 months was 6.72%.

In February, the Fund's total disbursements amounted to USD 41 million across five countries. The Fund's outreach includes 152 financial institutions across 51 countries. The portfolio's weighted average life remains stable at 23 months.

The investment team continues to selectively identify attractive opportunities globally while applying a rigorous investment approach, aligned with the Fund's strategy. The investment level remains stable and is close to its target as of end of February.

## INVESTMENT OBJECTIVES AND INVESTMENT POLICY

BlueOrchard Microfinance Fund ("Fund") seeks primarily, as its core objective and as a sustainable investment fund in accordance with Article 9 of Regulation (EU) 2019/2088 on Sustainability related Disclosures in the Financial Services Sector ("SFDR"), to contribute to the economic, environmental and social development and to improve access to financial services to those at the bottom of the pyramid as well as small and medium enterprises, mainly in emerging markets.

The Fund aims to provide a stable financial return to investors in the medium to long term, combining financial and social return objectives, by extending senior and subordinated debt to microfinance and other financial institutions in emerging and frontier markets. The Fund may also contribute to the financing and development of local financial systems, infrastructure, educational systems, sustainable/ green energy projects and sustainable real estate projects.

The Fund may invest, directly or indirectly through special purpose vehicles, in different financial instruments including, for example, loans, bonds, notes, promissory notes and similar instruments, term deposits, certificates of deposits or commercial paper, and such other instruments as permitted by the Fund's prospectus. The Fund may invest in senior or subordinated instruments. The Fund may invest 100% of its assets in unlisted instruments. For liquidity management purposes, the Fund may, inter alia, invest in treasury bills, government bonds, money market funds, or may borrow up to 25% of its net asset value.

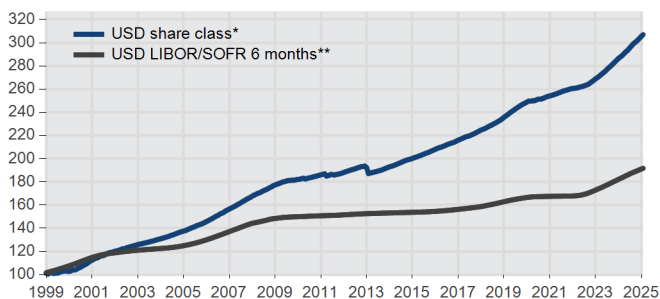
The Fund aims to hedge its foreign currency exposure through cross-currency swaps, forward contracts, options and other permitted instruments. Other than for hedging purposes, the Fund shall not invest in derivatives.

No reference benchmark has been designated for the Fund.

Investors are referred to the Fund's prospectus for further information. Investor should seek independent advice or satisfy themselves that they have an understanding of Fund's investment object, investment strategy and techniques employed by the Fund's investment manager.

**With regards to any Performance related chart, the relevant risks associated with an investment in this fund are shown below and should be carefully considered before making any investment. Past Performance is not a guide to future performance and may not be repeated. The value of investments and the income from them may go down as well as up and investors may not get back the amounts originally invested. Performance data does not take into account any commissions and costs, if any, charged when units or shares of any fund, as applicable, are issued and redeemed.**

## PERFORMANCE HISTORY



\*The Investment Manager invests on a discretionary basis and is not limited to investing in accordance with the composition of any benchmark.

\*\*USD LIBOR/SOFR 6 months is used for illustrative purposes only and is not the official benchmark of the fund.

## PERFORMANCE\*\*

Net Asset Value (NAV) in USD	2,703,305,950			
	USD	EUR*	CHF*	JPY*
Share Value (Class I Shares)	16,078.56	13,396.30	12,268.55	1,527,858.46
Monthly return	0.52%	0.39%	0.21%	0.20%
Return on investment YTD	1.10%	0.84%	0.40%	0.40%
Since inception (annualized)	4.28%	2.61%	1.82%	1.39%
Since inception (total return)	60.79%	33.96%	22.69%	1.86%
Inception date Class I	Oct 13	Oct 13	Oct 13	Oct 23

\*Exchange rate changes may cause the value of investments to fall as well as rise.

\*\*Performance is measured as per development of NAV per share class.

## MONTHLY PERFORMANCE

	Mar 24	Apr 24	May 24	Jun 24	Jul 24	Aug 24	Sep 24	Oct 24	Nov 24	Dec 24	Jan 25	Feb 25
USD share class	0.44%	0.59%	0.58%	0.44%	0.69%	0.60%	0.63%	0.42%	0.48%	0.56%	0.58%	0.52%
EUR share class*	0.32%	0.47%	0.44%	0.33%	0.54%	0.43%	0.49%	0.30%	0.36%	0.42%	0.44%	0.39%
CHF share class*	0.14%	0.24%	0.20%	0.15%	0.31%	0.20%	0.28%	0.06%	0.17%	0.19%	0.19%	0.21%
JPY share class*	-0.01%	0.12%	0.07%	0.01%	0.20%	0.14%	0.25%	-0.04%	0.08%	0.14%	0.20%	0.20%

\* Hedged against USD. Exchange rate changes may cause the value of investments to fall as well as rise.

## ANNUAL PERFORMANCE

	2015*	2016*	2017*	2018*	2019*	2020*	2021*	2022*	2023*	2024
USD share class	3.87%	3.76%	4.02%	4.67%	5.82%	2.37%	2.58%	2.77%	6.45%	6.64%
USD LIBOR/SOFR 6M***	0.49%	1.06%	1.47%	2.50%	2.32%	0.69%	0.20%	2.83%	5.20%	4.96%
EUR share class****	3.30%	2.35%	1.75%	1.68%	2.73%	0.94%	1.75%	0.71%	4.27%	4.98%
EUR LIBOR/ESTR 6M**	0.05%	-0.17%	-0.28%	-0.32%	-0.36%	-0.38%	-0.54%	0.56%	3.54%	3.35%
CHF share class****	2.28%	1.74%	1.41%	1.35%	2.32%	0.61%	1.52%	0.36%	2.25%	2.37%
CHF LIBOR/SARON 6M**	-0.68%	-0.67%	-0.66%	-0.66%	-0.68%	-0.66%	-0.72%	0.06%	1.64%	1.06%
JPY share class****	3.70%	3.12%	2.76%	2.55%	3.39%	1.76%	2.23%	0.68%	1.00%	1.16%
ICE BofA Japan T-bill ind.	-0.01%	-0.17%	-0.21%	-0.16%	-0.20%	-0.16%	-0.12%	-0.13%	-0.16%	-0.06%

\*Performance history for Class I Shares (in italics) is calculated using realized gross performance of Class P Shares, net of current fees for Class I Shares (until 31 Oct 2013); from 1 Nov 2013 effective net performance of Class I Shares

\*\*Index change effective as of 01.01.2022 (until 31.12.2021: LIBOR 6 months)

\*\*\*Index change effective as of 01.01.2023 (until 31.12.2022: LIBOR 6 months)

\*\*\*\*Exchange rate changes may cause the value of investments to fall as well as rise

## FUND FACTS

Average exposure per FI (USD)	15,566,399
Weighted average life (years)	1.90
Weighted average interest rate duration (years)*	0.25
Number of countries	51
Number of FIs**	152
Number of loans outstanding	319
Cash & cash equivalents***	8%
Number of loans/tranches disbursed since inception	2,083
Inception date of the fund	18/09/1998
Investing type	active

\*The low duration is due to the Fund hedging fixed rate loans by entering SWAP agreements which pay a floating rate of 6m SOFR plus risk premium

\*\*FI = Financial Institution

\*\*\*Cash and money market funds

## SHARE CLASS STATISTICS\*

Annualized return	4.32%
Average monthly return	0.35%
Best month (Dec 2000)	1.23%
Worst month (Feb 2013)	-2.68%
Volatility	1.03
Sharpe Ratio (risk-free rate of 2.3%)	1.93
Correlation with MSCI World**	-0.02
Correlation with JPM EMBI Global**	0.11
Correlation with 6-month USD Libor/SOFR Index**	0.45

\*Performance history for Class I Shares (in italics) (JPY) is calculated using realized gross performance of Class P Shares, net of current fees for Class I Shares (until 31 Oct 2023); from 1 Nov 2023 effective net performance of Class I Shares

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## FEES & EXPENSES

Entry charge	0.00%
Ongoing charge up to	1.40%*
Redemption fee	0%

\*Pertains to Class I USD share class

## RISK CONSIDERATIONS

**Counterparty risk:** The fund may have contractual agreements with counterparties. If a counterparty is unable to fulfil their obligations, the sum that they owe to the fund may be lost in part or in whole.

**Credit risk:** A decline in the financial health of an issuer could cause the value of its bonds, loans or other debt instruments to fall or become worthless. **Currency risk:** The fund may lose value as a result of movements in foreign exchange rates, otherwise known as currency rates. **Emerging markets & frontier risk:** Emerging markets, and especially frontier markets, generally carry greater political, legal, counterparty, operational and liquidity risk than developed markets.

**Interest rate risk:** The fund may lose value as a direct result of interest rate changes.

**Liquidity risk:** The fund invests in illiquid instruments, which are harder to sell. Illiquidity increases the risks that the fund will be unable to sell its holdings in a timely manner in order to meet its financial obligations at a given point in time. It may also mean that there could be delays in investing committed capital into the asset class.

**Market risk:** The value of investments can go up and down and an investor may not get back the amount initially invested.

**Microfinance risk:** Microfinance involves the provision of credit to microentrepreneurs and microenterprises in developing countries, many of whom have incomes below the applicable poverty level and little or no previous credit history with commercial or other lenders. These micro-loans typically are not secured by any collateral or other type of traditional guarantee. There is no assurance that the micro-clients will be able to repay the micro-loans to the microfinance institution, and as a consequence, the Fund may be adversely affected.

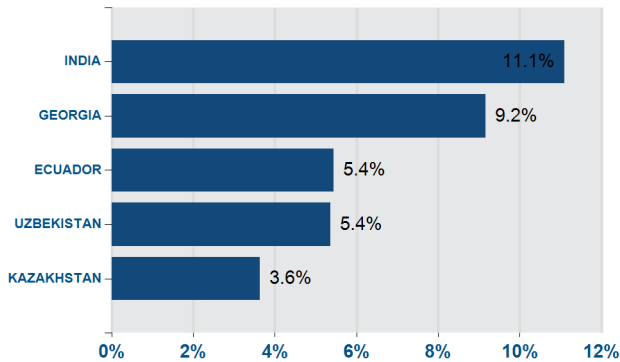
**Operational risk:** Operational processes, including those related to the safekeeping of assets, may fail. This may result in losses to the fund.

**Performance risk:** Investment objectives express an intended result but there is no guarantee that such a result will be achieved. Depending on market conditions and the macro-economic environment, investment objectives may become more difficult to achieve.

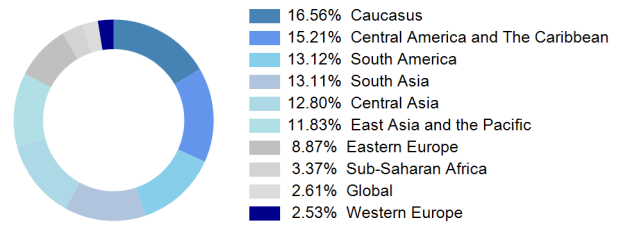
**Sustainability risk:** The fund has the objective of sustainable investment. This means it may have limited exposure to some companies, industries or sectors and may forego certain investment opportunities, or dispose of certain holdings, that do not align with its sustainability criteria chosen by the investment manager. The fund may invest in companies that do not reflect the beliefs and values of any particular investor.

**Tax risk:** The Fund and its returns may rely on certain available tax efficiencies at the inception of the Fund which may be subject to changes in tax treatment or interpretations. Any change in the actual or perceived tax status or exposure of the Fund or its investments as well as in tax legislation, practice or in accounting standards could adversely affect the anticipated level of taxation.

**Valuation risk:** The valuation of private asset investments is performed on a less frequent basis than listed securities. In addition, it may be difficult to find appropriate pricing references for private asset investments. This difficulty may have an impact on the valuation of the portfolio of investments. Certain investments are valued on the basis of estimated prices and therefore subject to potentially greater pricing uncertainties than listed securities.

**TOP 5 COUNTRIES\*** (AS % OF TOTAL ASSETS)


\*Allocations are subject to change in the future

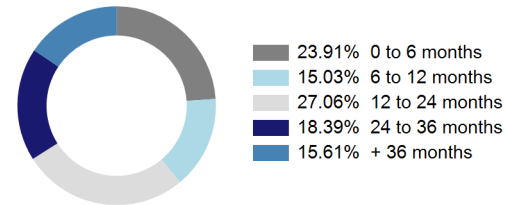
**EXPOSURE BY REGION\*** (AS % OF FI PORTFOLIO)


\*Exposures are subject to change in the future

**TOP 5 HOLDINGS\*** (AS % OF TOTAL ASSETS)

TBC BANK	Georgia	<b>2.99%</b>
JSC CREDO BANK	Georgia	<b>2.91%</b>
KMF	Kazakhstan	<b>2.77%</b>
PRODUBANCO	Ecuador	<b>2.35%</b>
AGRICOVER CREDIT	Romania	<b>2.03%</b>

\*Top Holdings are subject to change in the future

**EXPOSURE BY MATURITY\*** (AS % OF TOTAL ASSETS)


\*Exposures are subject to change in the future

**EXPOSURE BY SECTOR\*** (AS % OF TOTAL ASSETS)


\*Exposures are subject to change in the future

**FI FINANCIAL INDICATORS\***

Asset growth (last 12 months)	<b>12.71%</b>
Portfolio growth (last 12 months)	<b>15.33%</b>
Return on assets (ROA) (last 12 months)	<b>1.60%</b>
Return on equity (ROE) (last 12 months)	<b>9.91%</b>
Portfolio at risk 30 days (PAR 30)	<b>4.09%</b>
Write-offs (last 12 months)	<b>1.53%</b>
Debt/equity ratio	<b>4.88x</b>

\*Data presented are medians across FIs in the portfolio for period ending the 30 November 2024 from unaudited management reports as provided by FIs. Data based on the latest available data in local currency from FIs.

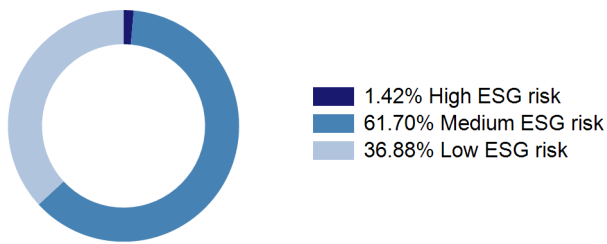
<b>Investment Manager</b>	BlueOrchard Finance Ltd	<b>Fund inception</b>	18 September 1998	<b>Subscriptions</b>	Monthly, 1 day notice	<b>Currency</b>	<b>ISIN</b>
<b>Custodian &amp; TA</b>	Banque de Luxembourg & European Fund Administration S.A., Luxembourg	<b>Base currency</b>	USD	<b>Redemptions</b>	Monthly, 90 days notice	USD	LU0973079543
<b>Fund Structure</b>	SICAV Luxembourg, part II	<b>Income</b>	Reinvested	<b>Min subscription</b>	USD/EUR/CHF 5,000,000	EUR	LU0973080392
<b>AIFM</b>	BlueOrchard Asset Management (Luxemburg) S.A.	<b>Management Fee</b>	1.2% p.a.	<b>TER</b>	1.35% (as of 30/06/2024)	CHF	LU0973079972
						JPY	LU2618676212
						USD	LU2407031496 DIS*
						JPY	LU2853003478 DIS*

## IMPACT OBJECTIVE AND IMPACT MANAGEMENT FRAMEWORK

The BlueOrchard Microfinance Fund (BOMF) aims to expand access to financial services across the developing world, communities and value chains that are historically denied such access to the detriment of economic mobility and prosperity for a large proportion of the world's population. BOMF provides debt capital to institutions that focus on serving economically and environmentally vulnerable communities in more than fifty (50) emerging markets around the world with a strong and consistent focus on ensuring that MSME lending is conducted in an equitable, transparent and ultimately beneficial manner.

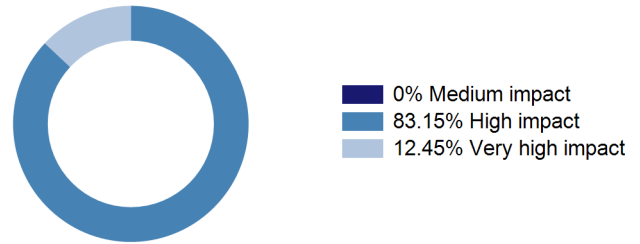
Each investment in the Fund is selected on the basis of BlueOrchard's rigorous ESG and impact management framework known as the B.Impact Framework(1). B.Impact, a proprietary framework, ensures that ESG risks and impact objectives are incorporated in each investment decision on an independent basis by a team of specialized professionals.

### ESG RISK DISTRIBUTION\*



\*ESG Risk Distribution is subject to change in the future

### IMPACT RATING DISTRIBUTION\*



\*Does not include any loans that have a credit risk loan classification

### IMPACT PERFORMANCE INDICATORS

# of MSMEs* reached by FIs	<b>29,568,908</b>
% of microenterprises	<b>98%</b>
% of SMEs	<b>2%</b>
# of MSMEs reached by BOMF	<b>827,065</b>
% of rural clients	<b>66%</b>
% of female clients	<b>77%</b>
# of jobs created/maintained by MSMEs financed by FIs**	<b>138,859,917</b>
# of jobs created/maintained by MSMEs financed by BOMF	<b>4,170,739</b>
Average Loan Sizes to MSMEs	
Simple average (USD)	<b>15,226</b>
Median (USD)	<b>5,721</b>

\*Micro, small, and medium-size enterprises (MSMEs)

\*\*The total number of jobs created or maintained is calculated by means of the following formula: Total number of micro enterprise clients \* Average number of employees per micro enterprise + Total number of small enterprise clients \* Average number of employees per small enterprise + Total number of medium enterprise clients \* Average number of employees per medium enterprise.

### CASE STUDY

Fondi Besa is the largest non-banking financial institution in Albania, serving over 30,000 active clients and managing a Gross Lending Portfolio (GLP) of USD 157.8 million. The institution operates through 80 offices, effectively covering over 80.0% of urban and semi-urban areas in Albania. As of December 2024, 77.3% of the portfolio is allocated to micro, small, and medium-sized loans. Specifically, 47.6% of the loans are extended to borrowers with amounts below USD 15,000, while 25.2% pertain to small loans ranging from USD 15,000 to USD 150,000. Additionally, 4.5% of the GLP is designated for medium-sized loans. The average loan size for clients is USD 5,738.5. Furthermore, female clients constitute 38.5% of the total clientele, and clients from rural areas represent 18.8%. The primary purposes for loan utilization are as follows: services account for 36.9%, trade comprises 13.8%, construction represents 10.8%, and agriculture makes up 8.5%.

### SDG\* Contribution



\*Sustainable Development Goals of the United Nations

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