

Dear Clients and Partners,

This message follows our three previous weekly memos, which you can all consult here:

<https://symbioticsgroup.com/covid-19/>

The key elements of the past week are the following:

- **Payments collection:** out of 206 coupon payments due in March, we received all 206 from our investees; similarly, no principal default payment occurred.
- **Portfolio valuation:** Symbiotics has registered 16 new cases of debt rescheduling requests by borrowing financial institutions, since the last weekly memo, out of an outstanding portfolio of 286 investees. The risk division has upgraded its resources and processes to face this new peak; demands are filtered either as "liquidity cases", which don't require restructurings and work-out negotiations, and "solvency cases", which will trigger formal defaults and intercreditor group discussions. Our various fund valuation committees have now all reviewed them, without seeing any of the latter cases at this stage, and ruled out as a consequence any provisioning recommendations for end of March. Some provisions had to be built though on existing (pre-pandemic) workout cases in the portfolio, as the deterioration of the environment impacted the expectations of recovery.
- **New investments:** The first week of April saw the disbursement of two loans for an amount of 2m\$, in the Andes. Several funds, in particular open-ended ones, are waiting for end of quarter NAV figures and confirmations, especially in terms of valuation and redemption requests, to more proactively confirm renewals and new investments. We are gathering prudent but confident overall feedback from clients at this stage, as well as similar feedbacks from peers and competitors as we liaise with them more closely.
- **Liquidity solutions:** A number of industry players are discussing the setup of liquidity facilities and mechanisms. Among others, in Switzerland, SECO gathered all main microfinance and impact fund managers to review their options and proposed solutions. In Geneva, the United Nations' "SDG Lab" convened a larger international group to review the same topic. Symbiotics is coordinating with all, and have started sharing a term sheet for liquidity bond issuances invested by development agencies, alongside our clients, in order to secure rapid bridge funding for impact finance banks and institutions, as one of many projects on-going.
- **Technical assistance:** A number of government and development agencies are setting up policy budgets for technical assistance support for microfinance institutions and impact banks, in support of their low-income household and small business clientele. Symbiotics has engaged proactively on this front and been able to secure technical assistance packages for its partner institutions in Sub-Saharan Africa for instance. Most specialized microfinance shareholders and networks are rapidly stepping up their technical support in the field.
- **Field impact and local market intelligence:** One good point of industry intelligence on field work in the current context can be found here: <https://www.findevgateway.org/topics/covid-19>

We remain at your full disposal for further information and exchange. Our relationship managers will also continue to liaise regularly with you for fund and portfolio specific information.

Yours sincerely,
Symbiotics