



Press Release

ASA International Group plc announces COVID-19 potential impact statement

Amsterdam, 30 March 2020 - ASA International Group plc, (“ASA International”, the “Company” or the “Group”), one of the world’s largest international microfinance institutions, today announces the potential impact of the spread of COVID-19 on its clients, employees and operations.

In recent weeks the number of known infections of COVID-19 started to rapidly increase in many of our operating countries, which caused governments in these countries to take stringent measures to halt the further spread of COVID-19, including, amongst others, lockdowns, curfews, self-isolation, mandatory quarantine, the closure of public places (markets), restrictions on public gatherings and travel.

Some of these measures, in particular the imposition of a temporary lockdown, are expected to materially impact the income generating capacity of our clients and reduce the ability of our staff to conduct regular client meetings and collect loan instalments.

In mitigating the impact of COVID-19, we will be focusing on our clients and delivering operational efficiency and cost savings across our business:

- **Clients:** strengthening client interaction by (smart) phone or other digital devices, collecting through group leader where possible, increasing digital collections (m-pesa, bank transfer or other payment platform), switching from weekly to bi-weekly or monthly collection where appropriate, while maintaining CSR programmes where possible in support of our clients
- **Cost savings:** adjusting field capacity during lockdowns, pay freezes, postponement of non-priority projects and deferral of non-essential operating expenses

Operating performance was in-line with our expectations during the first two months of 2020 without any discernible impact of COVID-19 on our loan portfolio. However, given the recent measures that governments have put or are planning to put in place to prevent the spread of COVID-19 in an increasing number of our operating countries, we expect that our business will be adversely impacted. While it is too early to quantify, we expect it will materially impact our financial performance and as a result, we withdraw our previous guidance for 2020.

As of 30 March 2020, the Company has a strong balance sheet, including approximately USD 75m of unrestricted cash across the group, and at group holding level in excess of USD 15m of undrawn credit facilities and no major debt re-financings until 2021. We decided to suspend the 2019 dividend until a final decision later in the year. The Group is in ongoing discussions about the recent developments with regulators and lenders who recognise the strength of the Group’s balance sheet and business model.

Subject to regulatory developments in the UK about financial reporting and COVID-19, the Group plans to announce its 2019 annual results on 21 April 2020.

Enquiries:

ASA International Group plc
Investor Relations
Véronique Schyns

+31 6 2030 0139
vschyns@asa-international.com

About ASA International Group plc

ASA International is one of the world's largest international microfinance institutions, with a strong commitment to financial inclusion and socioeconomic progress. The company provides small, socially responsible loans to low-income, financially underserved entrepreneurs, predominantly women, across South Asia, South East Asia, West and East Africa.

ASA International Group plc

Dutch office: Rembrandt tower, 35th floor, Amstelplein 1, 1096 HA Amsterdam, The Netherlands. Tel: +31 20 846 3554

www.asa-international.com

Reg No:11361159 (England and Wales)