



## Press Release

### **ASA International Group plc August 2023 business update**

Amsterdam, The Netherlands, 20 September 2023 - ASA International, ('ASA International', the 'Company' or the 'Group'), one of the world's largest international microfinance institutions, today provides the following update on its business operations as of 31 August 2023.

- The Group's Gross OLP increased to USD 352 million (1% higher than in May 2023 and 5% lower than in August 2022), primarily due to increased disbursements in India, Ghana and Kenya.
- All operating subsidiaries except India, achieved collection efficiency of more than 90% with 11 countries achieving more than 95%.
- Collection efficiency in Nigeria improved from May 2023 to August 2023, following the end of demonetization and the national election cycle.
- India collections remained stable at 85% in August 2023 compared to May 2023. Collection efficiency, including regular and overdue collections as well as advance payments, as a percentage of the regular, realisable collections, including advance payments, decreased from 97% in May 2023 to 92% in August 2023.
- PAR>30 for the Group, including off-book loans and excluding loans overdue more than 365 days, decreased to 3.6% in August 2023 from 4.2% in May 2023, primarily due to improving portfolio quality in Nigeria and Myanmar.
- The PAR>30 for the Group's operating subsidiaries, excluding India and Nigeria, decreased to 1.1% in August 2023 from 1.3% in May 2023.
- Excluding all loans which have been overdue for more than 180 days and, as a result, have been fully provided for, PAR>30 improved to 1.3% in August 2023 from 2.5% in May 2023.
- Disbursements as a percentage of collections exceeded 100% in 11 countries. The improved percentage in India was due to additional growth of the BC portfolio following new BC partnership agreements.

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](http://www.asa-international.com)

Reg No:11361159 (England and Wales)

## Collection efficiency until 31 August 2023<sup>(1)</sup>

Countries	Mar/23	Apr/23	May/23	Jun/23	Jul/23	Aug/23
Pakistan	99%	99%	100%	100%	100%	100%
India (total)	86%	88%	86%	85%	87%	85%
Sri Lanka	95%	95%	96%	96%	96%	96%
The Philippines	99%	99%	99%	99%	99%	99%
Myanmar	100%	99%	100%	100%	100%	100%
Ghana	100%	100%	100%	100%	100%	100%
Nigeria	78%	77%	84%	87%	92%	95%
Sierra Leone	95%	96%	96%	96%	97%	98%
Tanzania	100%	99%	99%	99%	99%	99%
Kenya	100%	100%	100%	100%	100%	100%
Uganda	100%	100%	99%	99%	99%	100%
Rwanda	96%	96%	96%	96%	97%	97%
Zambia	98%	98%	98%	99%	99%	99%

<sup>(1)</sup> Collection efficiency refers to actual collections from clients divided by realisable collections for the period. It is calculated as follows: the sum of actual regular collections, actual overdue collections and actual advance payments divided by the sum of realisable regular collections, actual overdue collections and actual advance payments. Under this definition collection efficiency cannot exceed 100%.

- Collection efficiency remained broadly stable in most of our operating countries compared to May 2023.
- Adjusted collection efficiency in India, including regular and overdue collections as well as advance payments, as a percentage of the regular, realisable collections, including advance payments decreased from 97% in May 2023 to 92% in August 2023. The substantial difference of this adjusted collection efficiency metric is related to the Group's policy that any loan instalment paid is first credited against the oldest outstanding amount overdue. This has an adverse impact on India's monthly collection efficiency, which is further aggravated by the relatively long duration of the loans disbursed in India. This adjusted collection efficiency metric illustrates that most clients in India continue to make payments on their loans due.
- Although market conditions in both Myanmar and Sri Lanka remained challenging, collection efficiency remained stable in both markets.
- Collection efficiency in Nigeria improved from May 2023 to August 2023, following the end of demonetization and the national election cycle.

## Loan portfolio quality up to and including August 2023<sup>(2, 3, 4)</sup>

	Gross OLP (in USDm)			Non-overdue loans			PAR>30 less PAR>180		
	Jun-23	Jul-23	Aug-23	Jun-23	Jul-23	Aug-23	Jun-23	Jul-23	Aug-23
Pakistan	66	67	65	99.5%	99.5%	99.6%	0.3%	0.3%	0.2%
India (total)	50	50	50	68.7%	65.7%	74.8%	3.0%	3.0%	2.8%
Sri Lanka	4	4	4	88.5%	89.2%	86.9%	3.3%	3.2%	2.8%
Philippines	52	52	51	97.0%	96.3%	95.7%	1.2%	1.3%	1.3%
Myanmar	18	18	19	90.7%	91.3%	91.7%	0.0%	0.0%	0.0%
Ghana	41	43	45	99.4%	99.4%	99.7%	0.1%	0.1%	0.1%
Nigeria	17	18	18	77.0%	79.2%	79.4%	14.2%	11.6%	9.1%
Sierra Leone	5	5	5	84.0%	84.8%	86.9%	3.7%	2.7%	2.0%
Tanzania	57	56	57	99.1%	98.9%	98.9%	0.5%	0.5%	0.5%
Kenya	18	19	20	99.1%	99.1%	99.3%	0.2%	0.2%	0.2%
Uganda	12	12	12	98.7%	98.8%	98.9%	0.6%	0.7%	0.5%
Rwanda	4	4	4	91.5%	91.7%	91.5%	4.2%	4.2%	3.9%
Zambia	4	3	3	94.4%	94.1%	94.1%	1.9%	1.8%	1.5%
<b>Group</b>	<b>347</b>	<b>351</b>	<b>352</b>	<b>92.5%</b>	<b>92.2%</b>	<b>92.3%</b>	<b>1.7%</b>	<b>1.5%</b>	<b>1.3%</b>

	PAR>30			PAR>90			PAR>180		
	Jun-23	Jul-23	Aug-23	Jun-23	Jul-23	Aug-23	Jun-23	Jul-23	Aug-23
Pakistan	0.3%	0.3%	0.3%	0.2%	0.2%	0.2%	0.0%	0.1%	0.1%
India (total)	13.8%	15.3%	13.5%	12.9%	14.2%	12.6%	10.7%	12.3%	10.7%
Sri Lanka	6.4%	6.2%	5.6%	4.7%	4.3%	4.0%	3.1%	3.0%	2.8%
Philippines	1.9%	2.0%	2.3%	1.4%	1.5%	1.6%	0.7%	0.8%	1.0%
Myanmar	1.2%	0.7%	0.3%	1.2%	0.6%	0.3%	1.2%	0.6%	0.3%
Ghana	0.2%	0.2%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%
Nigeria	15.5%	13.6%	15.0%	8.9%	10.1%	12.8%	1.3%	2.0%	5.8%
Sierra Leone	11.3%	10.2%	7.9%	10.0%	9.1%	7.0%	7.6%	7.5%	5.9%
Tanzania	0.7%	0.7%	0.8%	0.4%	0.5%	0.5%	0.2%	0.2%	0.2%
Kenya	0.5%	0.5%	0.4%	0.5%	0.4%	0.3%	0.3%	0.3%	0.2%
Uganda	0.9%	1.0%	0.9%	0.5%	0.6%	0.7%	0.3%	0.3%	0.3%
Rwanda	6.8%	7.1%	7.7%	4.8%	5.1%	6.0%	2.6%	2.9%	3.8%
Zambia	4.2%	4.3%	4.1%	3.5%	3.7%	3.5%	2.3%	2.5%	2.6%
<b>Group</b>	<b>3.7%</b>	<b>3.8%</b>	<b>3.6%</b>	<b>3.0%</b>	<b>3.2%</b>	<b>3.1%</b>	<b>2.0%</b>	<b>2.3%</b>	<b>2.2%</b>

<sup>(2)</sup> Gross OLP includes the off-book BC and DA model, and loans valued at fair value through the P&L ("FVTPL").

<sup>(3)</sup> PAR>x is the percentage of outstanding customer loans with at least one instalment payment overdue x days, excluding loans more than 365 days overdue, to Gross OLP including off-book loans. Loans overdue more than 365 days now comprise 3.5% of the Gross OLP.

<sup>(4)</sup> The table "PAR>30 less PAR>180" shows the percentage of outstanding client loans with a PAR greater than 30 days, less those loans which have been fully provided for.

- Gross OLP in India increased to USD 50 million (10% higher than in May 2023 and 26% lower than in August 2022).
- PAR>30 for the Group improved from 4.2% in May 2023 to 3.6% in August 2023, primarily due to improving portfolio quality in Nigeria and Myanmar.
- Credit exposure of the India off-book IDFC portfolio of USD 12.1 million is capped at 5%. The included off-book DA portfolio of USD 1.1 million has no credit exposure.

## Disbursements vs collections of loans until 31 August 2023<sup>(5)</sup>

Countries	Mar/23	Apr/23	May/23	Jun/23	Jul/23	Aug/23
Pakistan	107%	108%	115%	109%	107%	118%
India (total)	87%	77%	61%	141%	125%	130%
Sri Lanka	120%	46%	88%	84%	101%	94%
The Philippines	104%	107%	98%	101%	98%	104%
Myanmar	91%	80%	115%	103%	124%	120%
Ghana	104%	117%	110%	126%	115%	119%
Nigeria	58%	110%	126%	143%	109%	105%
Sierra Leone	118%	119%	110%	95%	134%	144%
Tanzania	106%	118%	110%	116%	104%	112%
Kenya	109%	107%	106%	107%	120%	118%
Uganda	101%	100%	103%	95%	98%	104%
Rwanda	93%	100%	115%	106%	98%	93%
Zambia	115%	132%	115%	103%	82%	101%

<sup>(5)</sup> Disbursements vs collections refers to actual loan disbursements made to clients divided by total amounts collected from clients in the period.

- Disbursements as a percentage of collections exceeded 100% in 11 countries. The improved percentage in India was due to additional growth of the BC portfolio following new BC partnership agreements.

## Development of Clients and Outstanding Loan Portfolio until 31 August 2023

Countries	<u>Clients (in thousands)</u>			<u>Delta</u>		<u>Gross OLP (in USDm)</u>			<u>Delta</u>		<u>Jul/23-</u>
	<u>Aug/22</u>	<u>Jul/23</u>	<u>Aug/23</u>	<u>Aug/22-</u> <u>Aug/23</u>	<u>Jul/23-</u> <u>Aug/23</u>	<u>Aug/22</u>	<u>Jul/23</u>	<u>Aug/23</u>	<u>Aug/22-</u> <u>Aug/23</u> <u>USD</u>	<u>Aug/22-</u> <u>Aug/23</u> <u>CC</u> <sup>(6)</sup>	<u>Aug/23</u> <u>USD</u>
Pakistan	590	610	616	4%	1%	77	67	65	-17%	16%	-3%
India (total)	383	206	229	-40%	11%	67	50	50	-26%	-23%	0%
Sri Lanka	45	46	45	0%	-1%	4	4	4	23%	10%	3%
The Philippines	321	330	331	3%	0.3%	47	52	51	9%	10%	-2%
Myanmar	104	103	103	-1%	0%	17	18	19	13%	13%	3%
Ghana	169	187	197	16%	5%	34	43	45	33%	51%	5%
Nigeria	242	171	182	-25%	6%	41	18	18	-56%	-20%	1%
Sierra Leone	37	37	40	8%	7%	5	5	5	-7%	44%	7%
Tanzania	204	228	232	14%	1%	44	56	57	29%	39%	1%
Kenya	134	183	188	41%	3%	19	19	20	8%	31%	4%
Uganda	105	107	109	3%	2%	10	12	12	13%	11%	-1.1%
Rwanda	20	20	20	-1%	-1%	4	4	4	-9%	4%	-2%
Zambia	<u>20</u>	<u>23</u>	<u>23</u>	16%	0%	<u>3</u>	<u>3</u>	<u>3</u>	0%	26%	-6%
<b>Total</b>	<b>2,374</b>	<b>2,252</b>	<b>2,314</b>	<b>-3%</b>	<b>3%</b>	<b>371</b>	<b>351</b>	<b>352</b>	<b>-5%</b>	<b>10.9%</b>	<b>0.3%</b>

<sup>(6)</sup> Constant currency ('CC') implies conversion of local currency results to USD with the exchange rate from the beginning of the period.

- The Group's Gross OLP slightly increased to USD 352 million (1% higher than in May 2023 and 5% lower than in August 2022), primarily due to increased disbursements in India, Ghana and Kenya.

## Key events August and September 2023

The Pakistan government, through the Finance Act 2023, has re-introduced a 10% super tax rate for taxpayers in all sectors with income in excess of Rs 35 crores (for both 2022 and 2023). In line with the previous Finance Act 2022, this rate is stipulated to apply retrospectively on income earned in FY 2022. The retrospective application of this super tax rate is currently being contested by different petitioners in Courts in Pakistan. The matter is also expected to be referred to the Supreme Court for adjudication.

---

### Enquiries:

**ASA International Group plc**

Investor Relations

Mischa Assink

[ir@asa-international.com](mailto:ir@asa-international.com)

### About ASA International Group plc

ASA International Group plc (ASA: LN) 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.