

SocialAlpha Update

Investment Updates

We successfully divested from our portfolio company Coconut Holdings during 2021Q3, and we are finalising the restructuring of 3 other portfolio company loans.

In Latin America, the fund disbursed an additional loan of USD 575K to a portfolio companies dedicated to raw food products in Peru. The fund also disbursed USD 700K to a microfinance institution in Mexico.

In Africa, we approved a new loan of USD 2.7M to a pan-African solar energy company after they repaid the previous one following a broader restructuring with all their lenders.

Investment Highlights

In Latin America, our portfolio company CAPEM launched a financing program for companies led by female entrepreneurs, contributing to SDG5 and gender equality.

Our portfolio company Semplici was nominated for the UNDP's Growth Stage Impact Ventures program (GSIV). The GSIV project focuses on emerging market SMEs with a positive impact on the Sustainable Development Goals.

Impact Highlights

In 2021Q3, SocialAlpha portfolio companies served approximately 328,401 direct clients, 46% of whom are women and 49% living in rural areas. They employed 2,796 full time staff, 29% of whom are women.

	32,599 smallholder farmer suppliers
	81,712 MFI clients served
	64,688 new renewable energy systems installed
	814 women received full time employment

AlphaMundi Update

Team

During Q3, AlphaMundi hired Estefanía Abello as Senior Associate and Daniel Silva as Investment Manager in Colombia. Estefania holds the CFA certification and has over 10 years of experience in the financial industry. Daniel holds an MBA from Yale University and has a 10-year background in investments. In Kenya, we hired Brad Vanderford as Investment Manager, with significant experience in the financial industry and an MBA from Oxford University.

Arlette Espinosa started her Fellowship with AMG in the Geneva team and we said farewell to our Fellow Valeria Medinaceli. Our Kenya team onboarded our Fellow Joan Muiruri and our relocated Fellow Nora von Wintersdorff. Finally, Margi Goelz started her Fellowship at the AlphaMundi Foundation in Washington DC.

Events

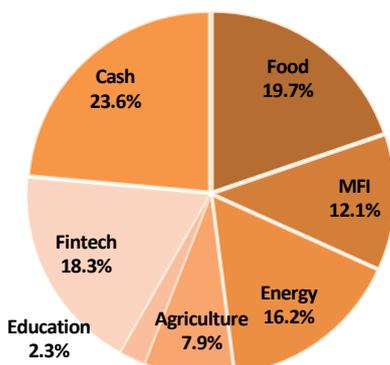
AMG attended ColCapital's Impact Committee, the Latam Future Energy Solar & Wind Virtual Summit, the RFD XXI Forum, and the 2021 Capital Summit.

Tim Radij, Managing Partner of AMG spoke during a Gender Lens panel of the ICF Sustainable Finance Conference in Frankfurt.

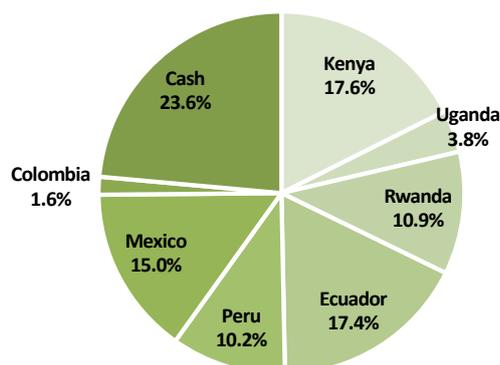
AMG is planning 2 webinars for the Gender Lens Initiative for Switzerland (GLIS) and 1 webinar for the INVEST2030 series, in 2021Q4, as well as multiple sessions during the www.buildingbridges.ch week in Geneva.

SocialAlpha Diversification

SECTOR ALLOCATION



COUNTRY ALLOCATION



SistemaBio achieved the WWF's environmental integrity Gold Standard for the Global Goals certification, for which it has worked since 2020.

Industry Updates

Impact Investing

- [LGT and Lightrock raised more than USD 900M for their first joint impact offering](#). The Lightrock Evergreen Fund for private investors was launched in May and invests through private equity in sustainable businesses across Latin America, India and Europe. The fund's strategy focuses on sectors such as education, healthcare, sustainable food and agriculture, renewable energy, circular economy, smart mobility, and fintech.
- Spain presented its [Impact Investing In Spain: Supply Of Capital, Segmentation and Key Characteristics report](#), highlighting a 26% growth on impact market assets under management during 2020, when compared to the previous year. The total size of the market amounts to EUR 2.3B in assets under management.

Energy & Environment

[IEA Report](#): Smart cities represent an important opportunity to reduce energy consumption while meeting service demand, improving grid stability and improving the quality of life for all.

The World Bank Board of Directors approved a loan of USD 70M for priority investments in the electricity sector in Peru. The funds will aim to improve the availability, reliability and climate resilience of electricity services in Peru.

Gender Inclusion

General Partners of Venture Capital Funds developed a [comprehensive report](#) with a set of initiatives to ensure equal access to capital for European female-led Venture Capital funds.

[Women have been hit hardest by the pandemic](#), the International Labor Organization (ILO) highlights that between 2019 and 2020, women's employment declined by 4.2% globally, while men suffered a 3% decline. The ILO suggests that women were the most affected as they are over-represented in lockdown-sensitive sectors, such as food services and manufacturing.

Financial Inclusion

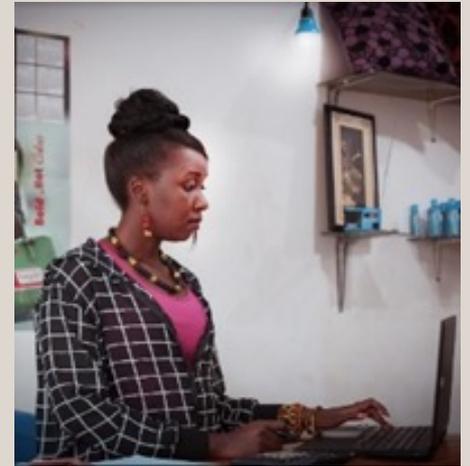
New research from the IFC, CGAP and MasterCard Foundation [highlights the progress of Greenfield Microfinance in Africa](#). As of today, there are 30 greenfield microfinance institutions spread over 12 countries in Sub-Saharan Africa. These institutions provide affordable financial services to low-income individuals and small-scale entrepreneurs in the region. Having enough data from these institutions, the IFC will be able to run further research on the efficiency of this type of financial tool.

Disrupt Africa published the third edition of their [Finnovating for Africa](#) report, taking a deep dive into the continent's fintech startup ecosystem. The report concluded that the fintech sector is both growing and maturing, with lower growth rates but with an increasing offering of services.

Agriculture

[Digital tools for agricultural applications](#) are expected to generate positive impact in Latin American economies. The application of the so-called smart farm tech is expected to create USD 12.2B in additional value by 2030 in the region.

Spotlight: ZOLA



ZOLA Electric – formerly Off Grid Electric – offers affordable solar leasing solutions to communities in Sub-Saharan Africa. The firm has over 135 full time employees, and is geographically diversified with presence in 4 growth markets in East and West Africa.

ZOLA's products serve off-grid customers and target customers connected to an unreliable grid, aiming to replace diesel generators. Approximately half of their clientele are women. Prior to using ZOLA's products, the households and SMEs relied on diesel generators, disposable batteries, or the burning of kerosene and candles.

The Group has shifted from direct sales to a distributor-based market approach, resulting in a lower cost of customer acquisition and reduced working capital.

A factor that had an outsized impact on the company's performance over the past year was COVID-19, which in the first half of 2021 has shown similar effects on the business as those observed in 2020. Many countries in the company's regions of operation have been hit by a second or even a third wave of COVID-19 outbreaks.

AlphaJiri Update



The AlphaJiri Investment Fund LP (Mauritius) provides debt, mezzanine and equity finance to fuel the resilience and growth of impact ventures in the Sustainable Food and Renewable Energy sectors, using a value chain approach, with a climate-smart and gender-lens orientation. The fund harbors a pan-African ambition with an initial emphasis on East Africa.

- Since its launch in January 2020, AJIF has completed 12 transactions across 5 portfolio companies.
- The fund allocated USD 1M to one SME in 2021Q3.



176,915 clients served
742,818 beneficiaries



20% of direct clients were female
30% of employees were female



2,602,447 kWh of renewable energy produced for use
8,367 metric tons of CO2 reduced due to Products Sold



1,086 permanent employees

Data for 2021Q3

AlphaMundi Foundation Update

[AlphaMundi Group](#) and [AlphaMundi Foundation](#) are pleased to announce a new partnership with Deutsche Investitions- und Entwicklungsgesellschaft (DEG), the German Development Finance Institution and a subsidiary of KfW group. Through their [develoPPP](#) program, the AlphaMundi Group, the AlphaMundi Foundation, and Value for Women will support 5-7 early- and growth-stage SMEs in East Africa to integrate gender-smart principles across their businesses, with a focus on improving financial and social performance outcomes. The core objective is to advance gender equity among East African SMEs by supporting implementation of equitable core business principles, empowering female staff and clients, and cultivating the next generation of female entrepreneurs in the region.

Moreover, the AlphaMundi Foundation has launched a new partnership with the Water and Energy for Food (WE4F) program funded by the Federal Ministry for Economic Cooperation and Development (BMZ) and the European Union (EU), and implemented by the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ).



More information on this program is available [here](#).

SocialAlpha Investment Fund (SAIF)

	European Investors	US Investors
Fund Name	SocialAlpha Investment Fund (SAIF)	SocialAlpha Investment Fund US - LP
Fund domicile and type	Luxembourg, SICAV – SIF, AIF	Delaware Limited Partnership
Fund Custodian	Société Générale	Banked by Tristate Capital Bank
Fund Administrator	Société Générale	Essential Fund Services International
Auditors	Price Waterhouse Cooper	Berkower LLC
Legal Counsel	Arendt & Medernach SA	Nelson Mullins
Fund Currency	USD	USD
Target net return	2%-4%	2%-4%
Management Fee / Carry Hurdle / High Water Mark	2% / 20% / 3% / 3 years	2% / 20% / 3% / 3 years
NAV Calculation	Quarterly	Quarterly
Subscription of units	Quarterly	Quarterly
Redemption of units	Quarterly	Quarterly
Minimum initial subscription	USD 150,000 (Target USD 1M)	USD 150,000 (Target USD 1M)

Our investment strategy focuses on Latin America and Sub-Saharan Africa. We identify emerging and established market leaders with annual sales of USD 1M to USD 30M and build up fund exposure progressively as they achieve financial and impact milestones, with investments ranging from USD 200K to USD 2M per company. Portfolio companies are typically at an inflection point where AlphaMundi's support on governance and incentives alignment, operational and financial risk management, impact measurement and value chain consistency can deliver substantial added value to them and the fund.

Our impact strategy is framed by the Sustainable Development Goals and the 2030 agenda, measured along IRIS+ indicators and 2X criteria, verified by the AlphaMundi Foundation according to the IFC Operating Principles for Impact Management, and subject to Article 9 of the European Sustainable Finance Disclosure Regulations (SFDR) and the European Taxonomy.

SocialAlpha Fund Impact Solutions For Emerging Markets



@alhamundi



AlphaMundi Group

AlphaMundi Group
18 Av. Louis-Casai
CH-1209 Geneva
Switzerland

geneva@alhamundi.ch

www.alhamundigroup.com

www.linkedin.com/company/alhamundi

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