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# 2023

## ANNUAL REPORT

**ADVANS**  
Growing together

# Our impact mission

Pushing the boundaries of financial inclusion to enhance the growth and resilience of small entrepreneurs and farmers, especially in the face of climate change and particularly in Africa.

ADVANS, GROWING TOGETHER.



Of Advans Tunisia's client portfolio,

*Interview Itinéraire Entreprise, LeFigaro.fr - Production Agence Delta, February 2024*



# Message from the Chairman and CEO

”



*In 2023, we continued to operate in a global economic context marked by moderate growth (3%) and inflation, which, although decreasing, remained at a historically high level (6.9%). This decrease is driven by AMRET, which focused on containing PAR and slowing down disbursement in response to challenging conditions in the microfinance sector in Cambodia.*

The context was particularly challenging in 4 of our operating countries: Myanmar due to a political and security situation that remains very difficult; Nigeria, Ghana, and Pakistan, all of which faced inflation rates of over 30%, resulting in significant currency depreciations, particularly pronounced for Nigeria. The financial sector in Cambodia also experienced a rapid increase in non-performing loans. However, our subsidiary Amret, thanks to sound risk management and reduced disbursements, was able to maintain a PAR 30 well below the sector average.

We ended the year with a contraction of our loan portfolio by 10.38% to 1.75B. Our PAR 30 remained under control at 2.89%. Our number of clients and deposits remained almost stable, at €1.32B and 1.12B, respectively. In this challenging global environment, Africa, which is a strategic priority for the group, continued to improve its financial performance, with a consolidated net result across our 6 subsidiaries increasing by 36.12% due to improved margins, productivity gains, and controlled risk costs.

”



*All of our African subsidiaries were profitable in 2023, with particularly outstanding performances in Tunisia and Côte d'Ivoire, and Advans Congo returning to profitability after completing its transformation from a bank to a microfinance institution.*

*Elko Bronkhorst*

2023 was marked by a series of significant achievements within the Group, demonstrating our ongoing commitment to excellence and innovation, beginning with significant progress in our digital transformation AIR+: redesign of our partnership model, operational processes, and IT infrastructure, positioning us for sustainable growth and better adaptation to the changing needs of our clients. We strengthened our IT development team and established a team responsible for monitoring and operating internal systems, leading to a successful transition to a new hosting partner based in Tunisia.

Furthermore, we undertook significant restructuring of our internal audit function, with the arrival of a new head and the definition of a multi-year roadmap to strengthen our internal practices and operational risk management by adopting standardized tools and methodologies.

We continued to measure our impact, with Amret and Advans Nigeria participating in the MFI Index study by 60 decibels. 88% of clients in these two countries reported increased incomes through our services. Similarly, our initiatives to reach more underserved populations, notably through products tailored to women and the agricultural sector, reinforced our commitment to social responsibility and sustainability.

Finally, we maintained our commitment to providing responsible and quality services while progressing in the deployment of our Climate strategy. With the support of our partners, we conducted in-depth studies on the impact of climate change on our clients in Côte d'Ivoire and Tunisia in 2023. This followed the methodology defined in Ghana in 2022. We also initiated employee awareness activities, with 60% of our employees in Ghana participating in the Climate Fresk workshop. We also began client awareness actions on climate risks. Our three pilot institutions also conducted a first assessment of their carbon emissions to identify reduction pathways.

In 2024, we aim for stronger growth in Africa and will continue to improve our fundamentals: client acquisition, productivity enhancement, and deposit growth. We will be aided in this by the further deployment of Air+, with 2 additional subsidiaries: Côte d'Ivoire and Cameroon. Air+ has already demonstrated its initial positive impacts in Tunisia and Ghana, and we will amplify this momentum for 2024!

We will continue to strengthen our impact, aiming for Client Protection Pathway certification in 3 subsidiaries and finalizing our model of best practices in Transparency. Regarding climate, our priority will be to work on better integration of risks into our processes and products.

Finally, if 2023 ended on a positive trajectory, it is thanks to the efforts and commitment of all group employees, as well as the support of our partners and shareholders. Thank you! Whatever the obstacles, we adapt, learn, and find a solution.

**Elko Bronkhorst**  
Chairman of the Board

**Steven Duchatelle**  
CEO

# A selection of 2023 Advans awards



*Advans Ghana*  
**55th Inclusion  
financial award**



*Advans Ghana*  
**Savings and Loans  
company of the year**



*Advans Côte d'Ivoire*  
**Best microfinance  
on "Agri Loan" &  
on "Loan to women"**  
Label des Consommateurs  
Africains



*Advans Nigeria*  
**Most innovative  
Microfinance Bank  
and Customer-centric  
Microfinance Bank**

Marketing Edge Awards

**Microfinance Bank  
Brand of the Year**

Banks and other financial  
institution Awards



*Advans Ghana*  
**Most promising HR  
management award**





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# WHO WE ARE



# Board of Directors

Advans' Board of Directors is chiefly responsible for the overall governance of Advans SA in accordance with the company's articles of association and Luxembourg law. The Board is made up of qualified senior professionals with extensive experience and in-depth knowledge of financial services.

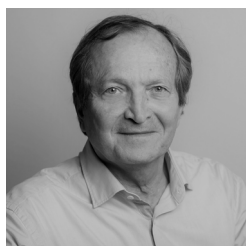
Advans SA has also created committees to support the Board of Directors, the Audit Committee, the Risk Committee and the HR & Governance Committee. A Social Performance Champion has also been nominated on the Board.

Advans SA Board Members are as follows<sup>1</sup>:



**Eelko Bronkhorst**  
Chairman of the Board

Eelko Bronkhorst has been Director of Advans SA since 2015 and is holding the position of Chairman since 2018. He is CEO of the financial inclusion advisory firm Financial Access Consulting Services. He formerly held the role of CEO of Orangefield Group, as well as various positions in the banking and finance industry such as CEO of ABN AMRO Bank (Switzerland), Head of Corporate Banking & Structured Finance ABN Amro Bank Indonesia and VP of Rabobank USA.



**Claude Falgon**

Claude Falgon has been Director of Advans SA since its creation in 2005. Claude has dedicated his career to microfinance and to our group. He was indeed the Founder and CEO of Horus Development Finance until 2012, and the Founder and CEO of Advans SA until 2017. He currently sits as Chairman of the Board of Amret, of Advans Myanmar, and of Advans Tunisie. He was also Chairman of the Board of Advans Pakistan Ltd, until its sale in March 2024.



**Bernard Pasquier**

Bernard Pasquier has been Director of Advans SA since 2020. He retired from the World Bank Group (IFC) in 2004 as the Director for Latin America. Since then, he has been a nominee Director for the IFC in companies in Chile, Columbia, Haïti, Panama, Slovenia and Turkey. He currently serves on the Board of Directors of Ronesans Holdings (Turkey) and on the Board of Trustees with the Institute for American Universities (IAU) in France.



**Hervé Schricke**

Hervé Schricke has been Director of Advans SA since 2017. He has over 40 years of experience in the finance industry, particularly in Private Equity and Africa, and has held numerous executive and non-executive positions. Former chairman of the French PE Association (France Invest), he sits on the Board of Advans Côte d'Ivoire, he is Senior Advisor to Arkéa Capital, executive chairman of Sofia Fides, and Senior Advisor to Investisseurs et Partenaires (I&P) and acts as a Business Angel.



**Erik Bosman**

Erik Bosman has been Director of Advans SA since 2021. He has 30 years of experience in the financial services industry, including principal investing, banking, and international development. His current roles focus on Africa and include Chairman of FIVE (AfricInvest), Senior Advisor to Ezdehar, and Board Director of Arise. Prior to this, he was Director Private Equity at FMO and a Managing Partner at Alpinvest Partners.



**Brenda Ndonda Tsvetu**

Brenda Ndonda Tsvetu has been Director of Advans SA since October 2023. Her expertise includes corporate governance, strategy, and financial management. She retired as CFO of FirstRand Bank Ltd in November 2023. She is an associate member of the Association of Corporate Treasurers in the UK and a Certified Director with the Institute of Directors in South Africa. She also serves as a Non-Executive Director and Chair of the Audit and Risk Committee at SAICA<sup>2</sup>.



**Kate Perkins**

Kate Perkins has been Director of Advans SA since January 2021. She is currently part of the Financial Services Equity team at the UK Development Finance Institution, British International Investment plc (BII), which she joined in 2012. She has a wide range of financial experience, including impact investing, corporate finance, and social development. Before BII, she worked for Citigroup and Ernst & Young in London, where she qualified as a Chartered Accountant.



**Jan Schroeder-Hohenwarth**

Jan Schroeder – Hohenwarth joined the Board of Advans SA in June 2024. He is a highly qualified banker with extensive experience in Asia and Africa and is a board member in various sectors and regions. Jan has significant expertise in risk management, commercial banking and business development. Before joining Advans SA, he held senior positions at DEG including Director Equity Asia and Europe and Head of Restructuring – and served as a senior banker at the European Bank for Reconstruction and Development in London.

<sup>1</sup>Board of directors composition as of July 2024

<sup>2</sup>South African Institute of Chartered Accountants

# Shareholders<sup>1</sup>

Advans SA's shareholding structure combines the expertise of Advans International with the financial solidity of 6 Development Finance Institutions. These organizations have been pivotal to the development of the microfinance sector for many years.

**20.22%**  
**FMO**

**FMO**<sup>2</sup> is the Dutch entrepreneurial development bank. As a leading impact investor, FMO supports sustainable private sector growth in developing countries and emerging markets by investing in ambitious projects and entrepreneurs. With a committed portfolio of EUR 13.2 billion spanning over 85 countries, FMO focuses on three sectors that have high development impact: financial institutions, energy, and agribusiness, food & water.

**16.10%**  
**IFC** International Finance Corporation  
WORLD BANK GROUP

**IFC**<sup>4</sup> a member of the World Bank Group — is the largest global development institution focused on the private sector in emerging markets. IFC works in more than 100 countries. In fiscal year 2023, IFC committed a record \$43.7 billion to private companies and financial institutions in developing countries, leveraging the power of the private sector to end extreme poverty and boost shared prosperity as economies grapple with the impacts of global compounding crises.

**13.06%**  
**British International Investment**

is the UK's development finance institution and impact investor. **BII**<sup>6</sup> is invests to create productive, sustainable and inclusive economies in Africa, Asia and the Caribbean. Between 2022-2026, at least 30% of BII's total new commitments in value will be in climate finance. BII is also a founding member of the 2X Challenge which has raised over \$16 billion to empower women. The company has investments in over 1,470 businesses across 65 countries.

**7.18%**  
**ADVANS INVEST**

With **Advans Invest**, Advans SA current and former staff contribute to supporting the development of the institution.

**Total shareholder value in Euro : 84,287,000 €**

**16.63%**  
**European Investment Bank**

**The European Investment Bank (EIB)**<sup>3</sup> is the lending arm of the European Union. It is one of the biggest multilateral financial institutions in the world and one of the largest providers of climate finance. The EIB works closely with other EU institutions to foster European integration, promote the development of the EU and support EU policies in over 160 countries. Beyond climate & sustainability, EIB's activities focus on many other areas such as cohesion, innovation, digital, human capital, and SMEs."

**15.08%**  
**AFD** AGENCE FRANÇAISE DE DÉVELOPPEMENT

**The Investment and Business Support Facility in Africa (FISEA)**<sup>5</sup> was established in 2009 by the French Development Agency (AFD) group with the mandate to promote the growth and development of micro and small to medium-sized enterprises (SMEs) in Africa. All investments made by FISEA align with this objective. FISEA is financed by AFD with the support of the French government and implemented by Proparco, the AFD Group's subsidiary dedicated to the private sector

**12.80%**  
**KfW**

**KfW**<sup>7</sup> Development Bank is an experienced bank and development institution which has been helping the German Federal Government to achieve its goals in development policy and international development cooperation for more than 60 years. It provides financing for programs and projects that involve public sector players from developing countries and emerging economies. The bank works to help partner countries fight poverty, maintain peace, protect the environment and the climate.

<sup>1</sup> As of June 2024 • <sup>2</sup> <https://www.fmo.nl/about-fmo> • <sup>3</sup> <https://www.eib.org/en/about/index.htm> • <sup>4</sup> [https://www.ifc.org/wps/wcm/connect/corp\\_ext\\_content/ifc\\_external\\_corporate\\_site/about-ifc\\_new](https://www.ifc.org/wps/wcm/connect/corp_ext_content/ifc_external_corporate_site/about-ifc_new) • <sup>5</sup> <https://www.proparco.fr/en/actualites/choose-africa-launches-fisea-facility-new-eur-210m-investment-capacity-african-msmes> • <sup>6</sup> <https://www.bii.co.uk/en/about/#> • <sup>7</sup> <https://www.kfw-entwicklungsbank.de/International-financing/KfW-Development-Bank/Tasks-and-goals/>



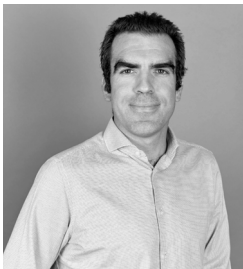
# Executive Committee

Advans Group support services are based at Advans International in Paris. Strong group departments and business lines have been created at Advans International to guide and back subsidiaries' development. Advans International supports, oversees, and sets standards for the group providing guidance, resources, and expertise.

Advans International Executive Committee Members, as of June 2024, are as follows:



**Steven Duchatelle**  
CEO



**Grégoire Danel-Fedou**  
DCEO



**Paulin Alazard**  
Finance



**Gaël Briot**  
Organisation



**Brieuc Cardon**  
Business Development



**Laurent Clauser**  
Risk and Audit



**Estelle Darie-Rousseaux**  
Strategic Transformation



**Amanda Hannan**  
Investment



**Olivier Pastorelli**  
MIS

# Talent program

Advans' ongoing commitment to innovation applies to all its departments, including the development of its employees and key talents, which has always been the cornerstone of the Group's HR policy.

Therefore, in the pursuit of shaping tomorrow's leaders, Advans International has successfully launched a flagship "Talent Program" in 2023. It is an 18-month program mixing remote training and sessions in Paris, including 3 days on Leadership designed with Edhec Business School. The program offers soft skill training, language sessions, individual coaching, and an internal mentoring. With 2 promotions and a total of 20 employees enrolled to date, the program is meant to develop outstanding skills within the group's internal talent pool.



“

*This program has been a revelation. It has allowed me to better understand how to control my emotions, and also how to take into account those of others in my daily interactions. As for my future with Advans, I am more than ever determined to strengthen my leadership and become a key resource to the development of the institution.*

”

**Jeanne Nokam**  
Secretary General, Advans Cameroun



“

*The in-person training at the EDHEC campus was a strong experience. I liked its practical and interactive approach. The Program has been extremely beneficial to me, both professionally and personally. It has bolstered my confidence in my abilities and future at Advans. Being recognized for my efforts and commitment to Advans made me feel valued.*

”

**Michael Ali**  
Director of Risk and Compliance, Advans Côte d'Ivoire



*Discover the video testimonial of Hermann Foko, Commercial & Marketing Director at Advans Congo.*



# Advans World Map

In 2023, Advans was present in nine countries worldwide. By the time we are publishing this report, the Group operates in 8 countries, having sold its subsidiary in Pakistan.



## CAMBODIA (AMRET) | 1991

CEO: Dinn Dos

👤 609,000 | 🏢 150



## MYANMAR | 2017

CEO: Manish Sane

👤 38,000 | 🏢 13



## TUNISIA | 2015

CEO: Meriem Zine

👤 27,000 | 🏢 21



## CÔTE D'IVOIRE | 2012

CEO: Mariam Djibo

👤 220,000 | 🏢 25



## GHANA | 2008

CEO: Guillaume Valence

Appointed in March 2024

👤 126,000 | 🏢 20



## DR CONGO | 2009

CEO: Jean-Luc Nzoubou

👤 89,000 | 🏢 9



## CAMEROON | 2007

CEO: Mamie Kalondar

Appointed in 2023

👤 69,000 | 🏢 14



## NIGERIA | 2013

CEO: Gaëtan Debuchy

👤 87,000 | 🏢 30

“

Our ultimate goal as a microfinance institution is to positively impact the lives of small business owners by supporting their financial needs. We will achieve this by ensuring that Advans Ghana continuously adapts, leveraging its talents and focusing on quality of service, in order to seize the opportunities and potential of the Ghanaian market. I am honored and excited to join the Advans Ghana team!”

”

Prior to joining Advans Ghana as Chief Executive Officer, Guillaume was the CEO of Advans Pakistan for 4 years where he and the teams turned the Bank into a successful and profitable institution. He previously served as Chief Operating Officer, then Managing Director of Advans Nigeria. His experience within the Advans Group spans several countries, with a variety of cross-functional expertise, including SME financing, people management, branch operations, risk management, change management, and business development.

Note: Number of clients and branches as of Dec 31, 2023.

Advans Pakistan is now being operated by MNT-Halan, which purchased the subsidiary in March 2024.

Guillaume Valence has been appointed CEO of Advans Ghana in April 2024



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# OUR IMPACT



# Targeting vulnerable populations

10 REDUCED INEQUALITIES



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Accompanying vulnerable populations and providing them with the means to improve their financial situation and overall wellbeing is at the heart of our mission. This includes protecting our clients, especially those with limited literacy, by adopting a transparent posture and building basic financial literacy. It also includes addressing specific underbanked audiences such as women or facilitating access to education and encouraging savings.

“

*Before, my family and I had no bathroom, we just went in the backyard when we needed to go to the toilet. We had no access to clean water.*

*I remember one day at night while I was walking in the backyard with my grandchildren, we got caught up in the heavy rain which hurt our legs. We were always fearing a dangerous snake would face us and bite us when going there.*

*However, things have changed. Thanks to Amret's loan, we were able to build a safe bathroom at home and have now access to clean water. We live happily and our life is easier and healthier, especially for my small grandchildren”.*

”



**Thun Vorn**

A vegetable seller from Kampong Thom province, about 150 KM from the capital city of Phnom Penh.

# Protecting clients and building transparency



10 REDUCED INEQUALITIES



As a responsible financial services provider, Advans has always been committed to upholding Client Protection (CP) Standards, a fundamental framework of practices to ensure fair and responsible treatment of microfinance clients. As such, the Group reaffirmed its commitment to Client Protection in 2022 by publicly committing to the Client Protection Pathway.<sup>1</sup>



2023 Anti-fraud campaign in branches. Back-office poster for staff.



2023 Anti-fraud campaign in branches. Front office poster for clients.

In 2023, we took significant steps to enhance our group practices. We worked to reinforce Advans' model policies and processes and continued to support our affiliates in conducting self-assessments to identify areas for improvement and define action plans for each subsidiary. Today, 4 out of 6 of our African subsidiaries are enrolled in the Client Protection Pathway and we hope to complete for all 6 subsidiaries in 2024. We have also defined a framework to ensure that CP standards are taken into account at the launch of a new project and that they are integrated into our control mechanisms. We continue to reinforce awareness towards CP by providing comprehensive training to all our staff on the importance and concrete implementation of the principles in our day-to-day operations, we have updated our Code of Ethics and are developing specialized training modules focusing on some of the key principles such as transparency and complaint mechanisms.

This in-depth work carried out with close collaboration between the Group and its subsidiaries, ensures compliance with the Client Protection standards, with the aim of progressing towards CP certification in 2024.

<sup>1</sup> <https://cerise-tpf.org/sign-the-joint-statement/>



## Advans Côte d'Ivoire: Building Trust Through Transparency

In 2023, Advans Côte d'Ivoire carried out an in-depth work on the Client Protection Standard of Transparency. The 60 Decibels<sup>1</sup> impact study and SPI4 audit from 2022 allowed the institution to identify areas for improvement on the transparency principle. With financial support from SPTF<sup>2</sup>, Advans Côte d'Ivoire deployed a program to improve its communication and procedures in order to be as transparent as possible with its clients. This pilot project focused on four pillars:

**1.Improving client documentation** to ensure that simple, clear, and comprehensive information is provided to clients, developing a Key Facts document on loans and other financial products

**2.Strengthening internal processes** and raising staff awareness, by training them to become ambassadors for Transparency,

**3.Improving communication with clients** on product terms and conditions, by developing three financial education video modules on credit, insurance, and digital services. See video example below.

**4.Implementing transparency control mechanisms** by ensuring the involvement of the various lines of defense (operational control by the process owners and ex-post control by risk and audit).

The different axes of the project were finalized beginning 2024 and will be rolled out this year. The Group intends to capitalize on this pilot and create a robust transparency model for its other subsidiaries.



**Financial Education video for clients, Advans Côte d'Ivoire**

<sup>1</sup> 60\_decibels is a social impact measurement company, partner of Advans since 2020. 60\_decibels developed a standardised methodology, the Financial Inclusion Index, to assess the social impact of MFIs through telephone surveys . <https://60decibels.com/>

<sup>2</sup> SPTF (Social Performance Task Force) is a worldwide non-profit organisation which works to advance social and environmental performance management in the financial inclusion sector. They launched in 2013 the Universal Standards for Social and Environmental Performance Management with CERISE and developed the SPI (Social Performance Indicators) tool to help financial service providers to assess and improve their practices. <https://cerise-sptf.org/fr/>



# Addressing women's needs

5 GENDER EQUALITY



More than other populations, women in Africa have difficulty accessing financial services or are simply unbanked. In its aim to address the needs of vulnerable populations, Advans develops partnerships and tailored products to better serve them. Notably, in 2023, Advans Ghana joined a shea program for rural women, and Advans Tunisie launched a specific loan for women.

## Advancing Financial Inclusion in the Shea Value Chain

In 2023, Advans Ghana demonstrated its commitment to empowering women through a strategic partnership with the Global Shea Alliance (GSA), Mastercard Foundation, and key off-takers. Advans Ghana joined the 3-year Shea Business Empowerment Program (SBEP) specifically targeting women in the shea value chain across the Northern, Northeast, Savannah, and Upper West regions of Ghana.

The program addresses a critical need, as climate change and unsustainable harvesting threaten Ghana's shea tree population. These women, beyond financial limitations, often face challenges like limited access to markets, childcare responsibilities, and a lack of bargaining power. SBEP empowers them to navigate these hurdles and secure a brighter future.

More specifically, Advans Ghana developed a comprehensive program combining non-financial and financial support. In the first year of field operations, the Advans team trained over 2,108 women leaders from 90 cooperatives on financial best practices like saving for future needs, investing in income-generating activities, repaying loans on time, planning for future seasons. These leaders then served as ambassadors, disseminating their acquired knowledge to an estimated 30,000 women within their respective cooperatives. Additionally, Advans Ghana directly supported these women's economic endeavors by granting loans to 1,937 individuals involved in farming and shea nut processing businesses.

<sup>1</sup> Ethnic group very present in the agricultural sector in Ghana.



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For Abibata, lead of a cooperative, accessing a loan from Advans has been a transformative experience. Facilitated by GSA through the SBEP. Her journey highlights the empowerment of women shea pickers and their newfound confidence in engaging with financial institutions.



**Abibata**

Lead of the Suglo Nbori Buni cooperative, Ghana.

“

*I feel so confident that I have such a great experience, especially when I was in the bank for the final loan transactions to get the loan on behalf of the cooperative. Previously, we felt that the banks were a place for the Krachi only<sup>1</sup>, but now I know it's not true. As a cooperative, we can do business with financial institutions. I will never forget this experience, and it serves as a learning point for future engagements between us shea pickers and any financial institution. This is good for me.*

”



**Salah**  
Farmer in Ghana's Northeast region

For Salah, a 32-year-old farmer, access to traditional financing has always been a hurdle. Despite her years of experience cultivating maize and picking shea nuts, Salah relied on informal lenders who offered no interest rebates before she joined the Shea program.

“

*I am happy about this loan arrangement with Advans. I have always taken a loan from community wealthy men but not on any day have we heard about interest rebates. I am grateful to the SBEP for facilitating these financial linkages. This lending model is great and would have to be expanded to benefit us more.*

”



**Nesrine Sayari**  
Agri client, Advans Tunisie

## El Beya: Advans Tunisie's loan designed for women

In Tunisia, women have high levels of Education, yet low levels of economic participation.

Only 29% have a bank account and a mere 9% had access to a loan at least once in their professional life. Barriers to their financial inclusion are diverse: they have more difficulties in providing a collateral, they are less mobile than men, and are not always involved in the financial decisions of the household, especially in rural areas, as shown by a recent study carried out by Advans Tunisie.

In 2023, to help address these barriers, Advans Tunisie launched El Beya the subsidiary's first loan product dedicated to female clients. The loan, ranging from 1,000 DT to 10,000 DT, is specifically designed to meet the needs of women entrepreneurs aged 18 to 65, regardless of their field of activity, provided they have an existing project for at least six months. The repayment of this loan is spread over a maximum period of 24 months. The collateral policy has been adapted to increase flexibility, and subscription fees reduced.

Moreover, female clients with more than 2 loan cycles with Advans Tunisie and a positive repayment history, can benefit from El Beya up to 5,000 DT without any collateral.

“

*I am 29 years old and I run a successful farming business. My love for farming started when I was just a kid, figuring out how to drive a tractor by myself. My father, who was my first teacher, shared all the tricks of the trade with me. After he passed away, I kept working with my brother, but we hit some tough times.*

*That's when a friend from a training program told me about Advans. I decided to visit their nearest branch to apply for a loan. With my first loan, I bought seeds and started small. The second loan helped me get new farming equipment and fix the old ones. My third loan allowed me to expand my flock of sheep; now I have twenty of them.*

*Advans' support has been a game-changer for my farm. It's allowed me to hire workers and grow my business. I plan to keep working with Advans because I'm very happy with their services. I highly recommend other entrepreneurs to check them out for credit.*

”



# Encouraging savings & facilitating education



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“

*I encourage my clients to save with a specific family goal in mind. Once their projects are defined, I help my clients set a daily, weekly, or monthly saving objective, so that when they get to the deadline for their project they have saved enough without stress.*

”



**Nina Fopa**  
Client relationship Officer, Advans Cameroon

As a responsible Financial Institution, we strongly believe in the power of Savings to protect our clients' futures, as well as those of their families and children. Whether it is for unexpected situations or planning for their children's future, saving is crucial. We are also deeply committed to contributing to children's education and literacy, especially in Africa, where our subsidiaries have developed special products for this purpose.

## Encouraging savings

At our Central Market branch in Douala, Cameroon, Client Relationship Officer Nina Fopa witnesses the struggles families face in achieving financial security and realizing their dreams. She recognizes the significant role education and stable careers play in families' success. Nina empowers families by encouraging them to save with targeted goals, reducing financial stress and helping them achieve their aspirations. Additionally, she emphasizes the importance of a safety net – savings can act as a buffer during unexpected situations like illnesses or emergencies.

At present, Advans Ghana is in the process of developing an education-focused product named "AdvansEdu." This concept arose from internal workshops and focus groups with female clients in 2023, where their challenges and constraints were identified. One significant challenge highlighted was the difficulty women face in building financial resources to support their children's education. Consequently, Advans Ghana decided to create a special savings product primarily targeting women with micro and small businesses. This promising product is on the verge of being launched.



# Kmeng Chhlat Réussite+ Lifanto Kiddies Kids Account

## Education Deposit 2023

In general, most of our subsidiaries offer Current and Savings accounts, as well as different kinds of fixed-term deposits and savings plans to give clients flexible savings options<sup>1</sup>. Despite the significant decrease in the values of the Ghanaian Cedi and Nigerian Naira, our subsidiaries managed to collect a total of 1,089M Euros in retail deposits by the end of 2023, corresponding to more than 1.5M<sup>4</sup> accounts in number.

In Ghana, Nigeria, Côte d'Ivoire, Congo, and Cambodia, our subsidiaries offer specific savings accounts for children, with a total of 73,000 accounts and a deposit portfolio of 2.5 million Euros by the end of 2023.

## Facilitating Education

Advans Côte d'Ivoire and Amret have created specific education packages to better support families' needs for their children. Réussite+ and Kmeng Chhlat include three products: a savings account, a life insurance, and a cash reward, which families receive when their child successfully passes exams.

In Ghana, Nina Fopa also champions school loans as a valuable tool for working families. These loans allow parents to invest in their children's education without jeopardizing their businesses, ensuring financial stability and peace of mind. As Nina observes, "School loans are crucial for individuals who prioritize work and need to avoid disrupting their businesses by covering large educational expenses." community.

Through her dedicated guidance, clients have successfully overcome financial hurdles, provided educational opportunities for their children, and maintained their business stability. This approach not only fosters individual success but also contributes to the overall economic strength of the community.

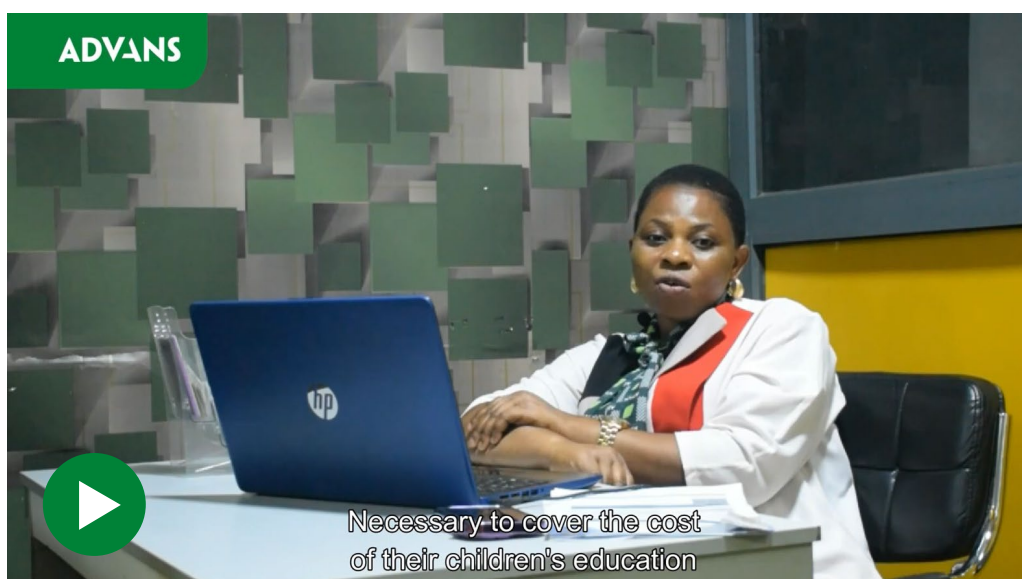
In 2023, five of our subsidiaries provided specialized Education loans, some helping families pay school fees and others funding schools directly. In total, in the field of Education, our Institutions totaled more than 6,000 outstanding loans to families and schools, amounting to 8.3 million Euros in GLP by the end of 2023<sup>3</sup>.

Advans Nigeria continued offering its three services introduced in 2022: School Boost, a loan for school owners; Eduloan, for covering school fees; and Advans Kiddies, a children's savings account. They also took a step further by organizing sessions in schools to promote saving or sponsoring school activities.

“

*An educational loan can serve as a vital lifeline for parents, providing the financial support necessary to cover the cost of their children's education. I saw how it helped one of my clients, a single mother of four achieve quality education for her kids!*

”



**Tope Showunmi**  
SME Client Officer, Advans Nigeria

<sup>1</sup> Advans Tunisia and Advans Myanmar are exceptions due to legal restrictions.

<sup>2</sup> Kids accounts and Education savings accounts

<sup>3</sup> Loans to families and Schools with specific Education loan products and generic loans, aimed at financing schools fees or school projects. African subsidiaries and Amret

<sup>4</sup> This excludes deposits from institutional partners.

# Climate change: increasing resilience



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13 CLIMATE ACTION



## Advans partners

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TUNISIE



### Abdelhamid Jammezi

Farmer in Tunisia and one of our many clients strongly impacted by a recent weather hazard.

## Advans Climate Strategy is focused on 4 key pillars, notably:

- 1** Manage our internal impact and raise awareness among our teams.
- 2** Manage external impact & evaluate the impact of climate change on our clients & portfolio
- 3** Build the resilience of our clients classed as vulnerable through awareness and education campaigns
- 4** Adapt our products and services to help strengthen our clients' resilience in the long term



**Olivier Bailly-Bechet**

CEO of Advans Ghana from 2018 to 2023, presenting Advans Ghana's Climate strategy for FinDev at SAM 2023.

As part of this strategy, Advans achieved some key milestones in 2023, notably, finalizing its climate risk assessment model with the support of Horus Development Finance following a study in 3 pilot countries, Ghana, Tunisia and Cote d'Ivoire, as well as conducting internal carbon footprint assessments in these 3 subsidiaries. We also continued to raise staff awareness on climate change so that they can support our clients to build their resilience in the future, with 60% of our Ghanaian staff participating in Climate Fresk workshops, and 10% off staff so far in Tunisia. We will continue to roll out the Fresk in our three pilot countries in 2024.

### Managing our internal impact

In 2023, three affiliates of the group conducted their first carbon footprint assessment (Advans Cote d'Ivoire, Advans Ghana and Advans Tunisie).



\*t CO<sub>2</sub>e =Tonnes of CO<sub>2</sub> equivalent



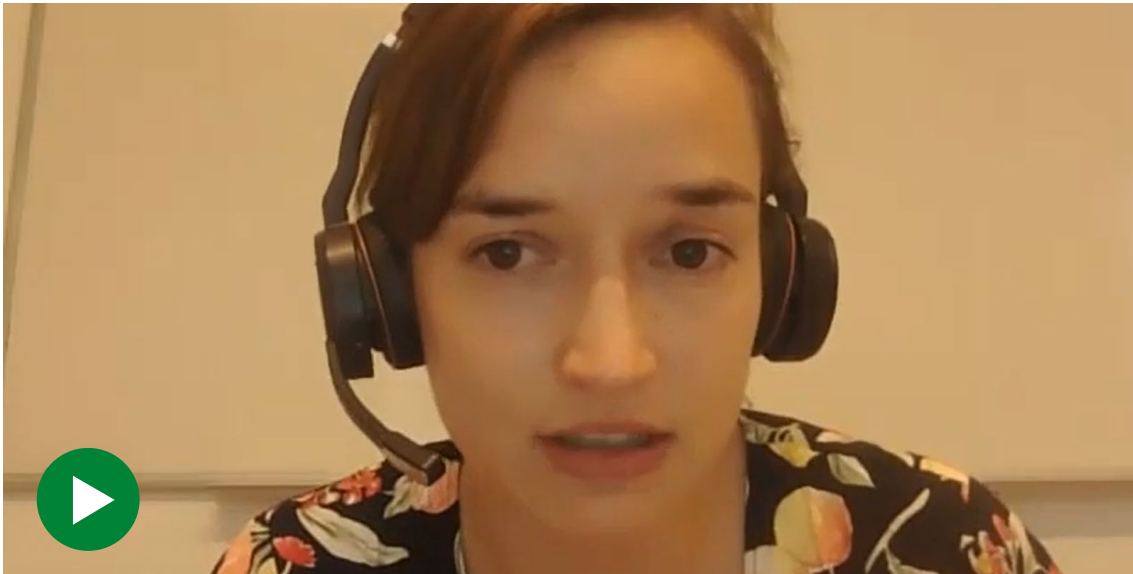
This first analysis has enabled us to establish benchmarks in the group and understand where our main internal emissions are coming from<sup>1</sup>. The variation in results from one entity to another is explained in particular by a different energy mix between countries (with more or less renewable or nuclear energy overall), a different use and supply of public transport and the impact of remote work.

The analysis of the results led to internal workshops to discuss possible measures for reducing our carbon footprint, focusing on the most significant emission sources. The following actions have been identified as levers for reducing our footprint: better public transport support for staff, responsible procurement of low-emission and energy-efficient equipment, and usage of renewable energy. Advans Côte d'Ivoire is leading the way with the deployment of branches powered by solar energy thanks to the installation of solar panels.



Photo credit: Séguéla branch

To better understand how Advans conducted these climate risk assessments of its client portfolio, listen to this panel session hosted by Katherine Brown, Senior Officer Client & Impact, Advans International, as she goes through the methodology and findings with Olivier Bailly-Bechet, CEO Advans Ghana 20218-2023, and Juliette Cornu, CEO Horus Development Finance.



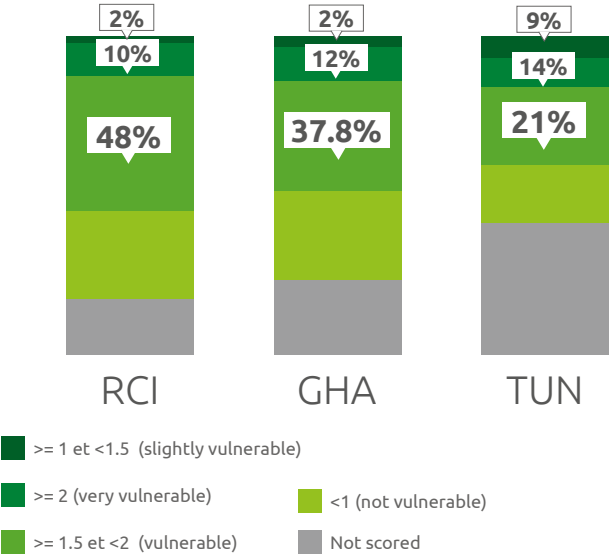
Panel session for Financial Inclusion Week 2023

<sup>1</sup> For the moment, Advans did not calculate the indirect emissions linked to its portfolio because the classification of client activities is complicated, but we will aim to do this in future. <sup>2</sup> Average physical risk score is calculated by combining the location of the client and their sectors exposure to the following risks – flash floods, extreme heat, water stress, wildfires. <sup>3</sup> Score per client

## Assessing the risks on our clients<sup>2</sup>

Ghana and Cote d'Ivoire are especially exposed to flash floods, which represent a key risk in urban areas, and extreme heat will also impact these two countries especially in the Northern regions. The cocoa sector, which represents a high percentage of Advans clients in Cote d'Ivoire, will be highly impacted due to a decrease and shift in annual rainfall and an increase in average temperatures. In Tunisia, water scarcity is the climate-related physical risk likely to have the strongest impact with clients in agricultural sectors most exposed, flash floods also represent a fairly high risk throughout the country.

## Average physical climate risk score<sup>3</sup>



## Raising awareness to build resilience

By identifying the most likely climate risks and the clients who are most vulnerable, Advans wants to help its MSME and farmer clients face climate change and adapt to the challenges it will bring. As a first step in 2023, Advans subsidiaries launched pilot activities to start raising client awareness on climate risks and possible adaptation methods.

In Ghana, Advans launched a targeted awareness campaign on the risks of flooding in urban areas. This included a social media campaign on Facebook reaching over 14,000 users, flyer distribution during branch interactions as well as a donation of pallets to raise goods and parasols during an awareness event. This first test campaign aimed to help clients build resilience against flash floods, empowering them to better anticipate and prepare for future weather hazards.

### READ MORE

[Read more about this pilot initiative on our blog.](#)

## Tailoring products and services

To go further, we want to focus on adapting our products and services to ensure that we can help our clients overcome climate challenges. Advans has already started integrating climate risks into its risk management practices, and we now want to ensure that these risks do not lead to exclusion of clients in the long term. We therefore intend to help clients cope with any unforeseen climate events and react quickly in case of emergency to get back on their feet.



In Tunisia, to raise awareness amongst farmers on the type of adaptation practices that can be implemented, Advans produced several video testimonials of clients who had already started to adapt to climate change. Advans Tunisie focused on the sectors that are the most vulnerable to climate hazards, notably cattle breeding, cereal crops and olive plantations.

We also want to guarantee that our clients can access adequate financial solutions to be able to adapt to climate change, with a focus on reinforcing their infrastructure or energy access in urban contexts, and on helping them change their agricultural practices in rural areas.



**Taoufik Tissaoui**

**Farmer in Tunisia and client : how he has adapted his activity to climate change**



# Supporting sustainable agriculture

13 CLIMATE ACTION



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In our mission to foster inclusive development, we at Advans are deeply committed to supporting agriculture in rural areas. Our approach is centered around tailored solutions, leveraging specific lending methodologies and value chain partnerships to mitigate risks and maximize impact. Through cost-efficient delivery channels and ongoing staff capacity building, we ensure that financial services reach even the most remote communities. We prioritize client education on financial services and digital channels, empowering rural populations for sustainable growth.

In 2023, Advans achieved a global outstanding agricultural loan portfolio of €325 million, reflecting an 8% growth compared to December 2022. The number of outstanding agricultural loans stood at 81,600, signaling a significant increase in our endeavors to support agricultural clients across all our subsidiaries.

With climate change increasingly impacting agricultural activities, we are also looking to support our agricultural clients to build their resilience and adapt their practices to be more protected against climate change in the future.

## Promoting agroecological practices for cocoa farmers

Côte d'Ivoire, the world's leading cocoa producer, is a good example of how crucial promoting sustainable agriculture has become. Cocoa production is severely impacted by climate change: harvest campaigns are disrupted and delayed, and crops are sometimes damaged. In just one century, 90% of the forests in Côte d'Ivoire have disappeared, replaced by agricultural land, primarily for cocoa and cashew cultivation. This has impoverished the soil, weakened ecosystems, and exacerbated the impacts of climate change.

Therefore, Advans Côte d'Ivoire is firmly committed to supporting initiatives aimed at promoting environmentally friendly and socially responsible agriculture that enable farmers to better adapt to the challenges of climate change. In 2023, Advans Côte d'Ivoire signed a partnership with the Equité 2 Program, represented by Agronomes et Vétérinaires Sans Frontières (AVSF), to finance the agroecological transition of the cocoa sector.

Through this partnership, with a pilot deployment beginning in 2023, Advans CI financed cocoa producer investments through two cooperatives to transform their plantations into more resilient Agroforestry Systems (AFS) in the face of climate change.

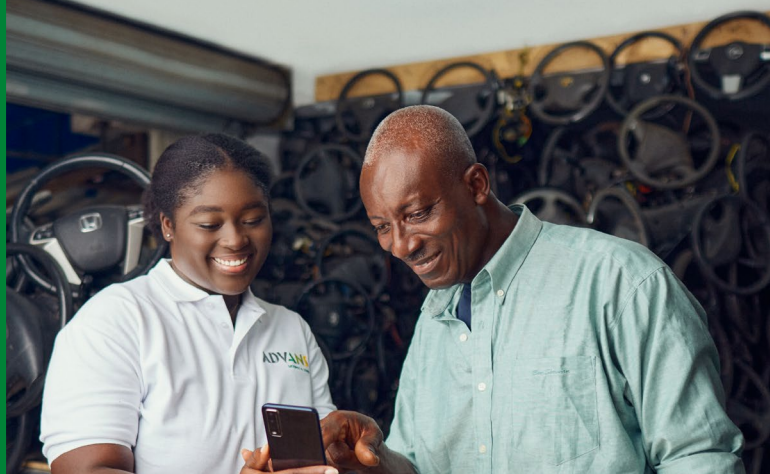
[READ MORE](#)

[Read our full blog article, for more.](#)





# Digital for broader financial inclusion



9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



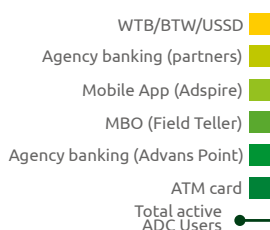
“

*The increase in loan repayments through our alternative delivery channels (ADC)<sup>1</sup> has significantly reduced the workload for our Operations staff. Currently, around 70% of on-time loan repayments are made via ADCs. This shift has notably lightened the loan collection responsibilities of our Customer Relationship Officers (CROs), allowing them to focus more on client prospection and loan disbursement.*

*Clients also benefit greatly, as they save both time and transportation costs by not needing to visit a branch to repay their loans. Instead, they can conveniently visit the nearby Wave Money or K-Pay agent shop, or even make repayments digitally via their apps. ADCs have proven to be extremely beneficial for both our CROs and our clients.*

”

**Aung Soe Moe**  
CRO Sartoe Branch, Advans Myanmar

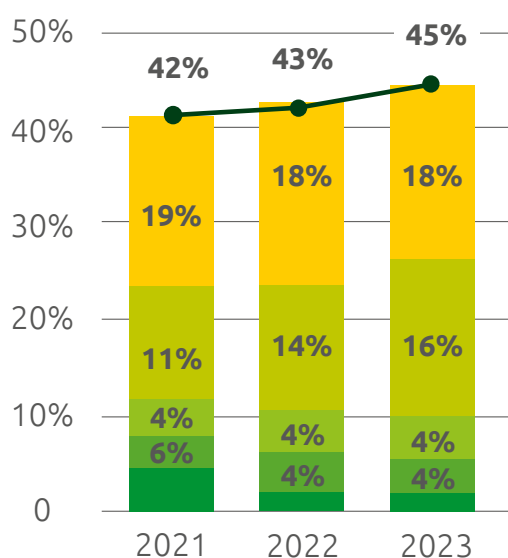


## Transactions outside branches

Advancing with the times, Advans is helping bridge the gap for geographically dispersed clients through diverse solutions, allowing clients to transact far from their nearest branch. This includes offering various alternative delivery channels (ADCs) such as agency banking, field tellers (also known as mobile banking officers), ATM cards, as well as digital channels like USSD banking & Mobile app banking. Currently, five of our affiliates, namely Advans Cameroon, Advans Ghana, Advans Côte d'Ivoire, Advans Nigeria, and our subsidiary Amret in Cambodia, offer digital channels.

These user-friendly tools, such as Mobibank or Mobilité, our USSD services in Ghana and Cote d'Ivoire, and our banking apps Adspire in Nigeria & Amret Mobile in Cambodia, are empowering an increasing number of our clients – nearly half of them – to handle their finances remotely. This represents a significant shift in banking behavior, with a close to half of our clients transacting outside of Advans branches. Digital channels are particularly popular among our depositor clients due to their convenience and 24/7 accessibility. A notable example is in Cameroon, where the percentage of clients using digital transactions reached 54% in 2023, marking a 9-point increase over two years.

## Active ADC users among total transacting clients African subsidiaries



<sup>1</sup> At Advans Myanmar, ADCs refer to agency banking thanks to partnerships with fintech companies such as Wave Money & K-Pay which have large agent networks and mobile applications

## Digital for loans

Digital technology has enabled us to better address borrowers' needs in two key ways:

**1. Offering a fully remote process for remote borrowers,** saving them time and transportation expenses, thanks to our digital loan offerings.

**2. Reducing the time to disbursement through our automatic loan renewal process and the digitization** of our loan disbursement process, starting from the digitalization of the loan request and loan appraisal.



“

*Our first innovation, DigiLAF (Digital Loan Application Form) marked the beginning of our journey to digitize the loan process. Launched in Ghana and Tunisia in 2023 alongside the digital loan appraisal form, it has significantly reduced the loan turnaround time, benefitting our clients while also enhancing the productivity of our commercial staff.*

*As a result of digitizing the loan process, we have observed an increase in the number of active borrowers in both Ghana and Tunisia. Advans Côte d'Ivoire is coming next with an updated version incorporating additional forms, followed by Advans Cameroon. We are very excited!*

”

**Annie Ahoa**

Senior Operations Officer, Advans Group

In 2023, Advans subsidiaries successfully disbursed over 10,000 digital loans, for a total of 4M Euros. These loans provide clients with rapid disbursements, meeting both emergency needs and catering to remote clients in rural areas. For instance, in Côte d'Ivoire, Advans offers rural clients a digital loan to cover school fees and support education. With the launch of Instanta Loan by Advans Nigeria in 2023, we now have four subsidiaries offering digital loans.

The digitalization of our loan processes, particularly through digital loan applications and appraisal forms, has enhanced our customer service and turnaround time. This improvement is especially beneficial for small business owners who frequently require faster access to funds. Take, for example, a wholesaler who needs to clear goods to fulfill purchase orders. For them, rapid access to cash is crucial for dispatching goods to satisfy and retain clients.



“

*The automatic renewal offers us, as customer managers, some breathing room in our pursuit of objectives while greatly enhancing customer relations. Clients feel less pressured by our visits for loan documentation, and the speed of execution and availability of the new loan are major advantages. Digital remote transactions provide better management of payment schedules and savings for clients located far from Advans contact points. This product is very well-suited to our increasingly literate clientele and has a substantial impact on payment methods, evident in the improved management of the risk portfolio.*

”

**Wilfried Houffoue**

Customer Relationship Officer Côte d'Ivoire





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# AFFILIATE PERFORMANCE INDICATORS



# Loan Performance



## Loan size & PAR30



AMRET:

**AVERAGE LOAN SIZE:** €3,593  
**PAR30:** 2.51%



MYANMAR:

**AVERAGE LOAN SIZE:** €192  
**PAR30:** 31.92%



RCI:

**AVERAGE LOAN SIZE :** €7,367  
**PAR30:** 3.60%



CAMEROON:

**AVERAGE LOAN SIZE:** €6,167  
**PAR30:** 9.09%



NIGERIA:

**AVERAGE LOAN SIZE:** €1,635  
**PAR30:** 4.56%



RDC:

**AVERAGE LOAN SIZE :** €6,768  
**PAR30:** 5.67%



GHANA:

**AVERAGE LOAN SIZE:** €1,514  
**PAR30:** 3.58%



PAKISTAN:

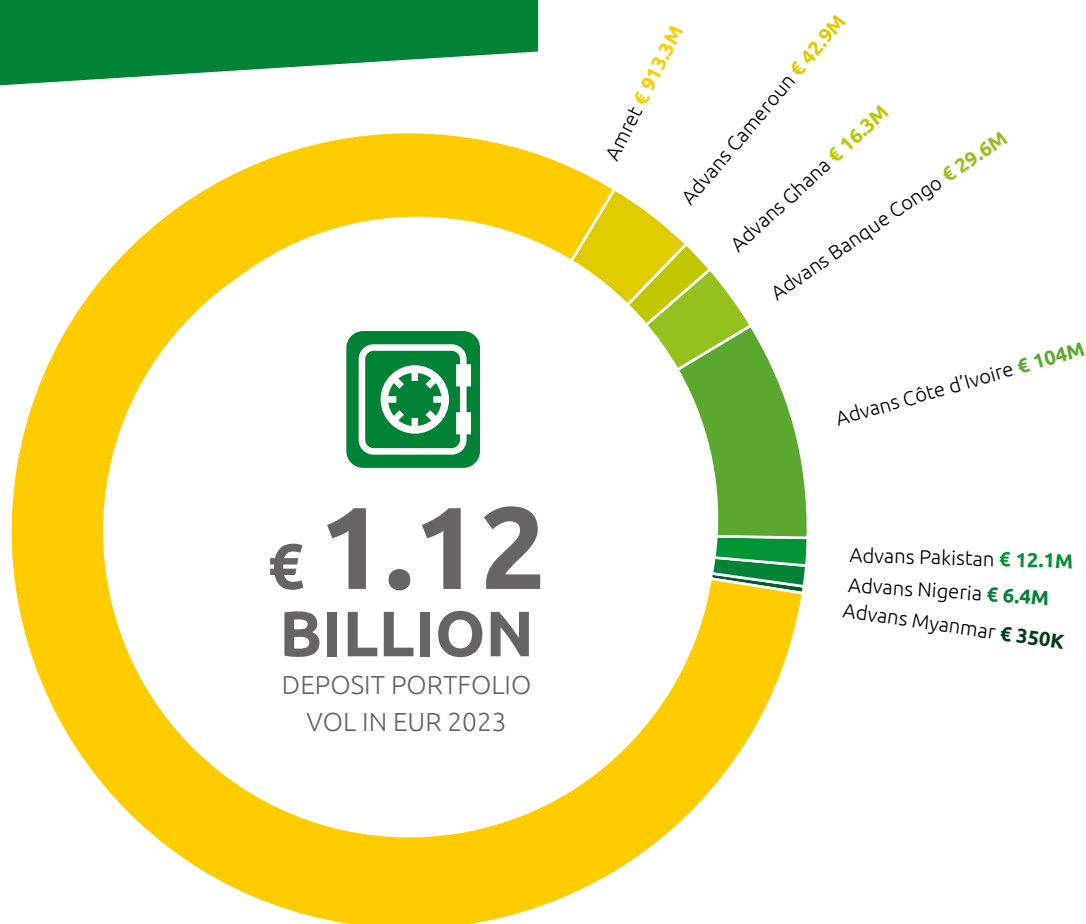
**AVERAGE LOAN SIZE :** €572  
**PAR30:** 4.03%



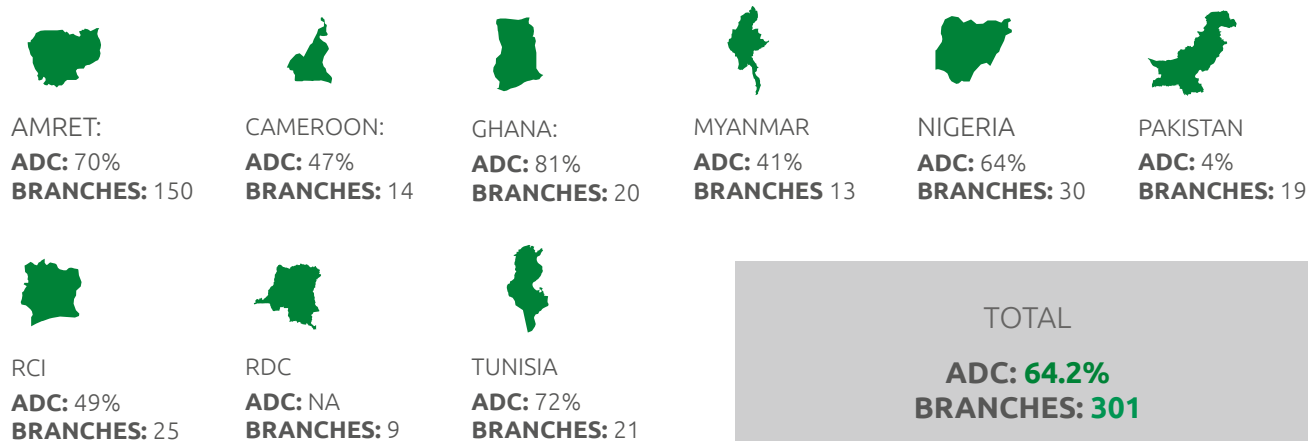
TUNISIA:

**AVERAGE LOAN SIZE:** €2,287  
**PAR30:** 0.66%

# Savings & Delivery Channels



## Share of total transactions performed outside branches in 2023 (In number)



ADC (Alternative Delivery Channels): Mobile banking app, USSD banking (Bank-to-wallet / Wallet-to-bank), Agency banking partnerships, Mobile banking officers, ATM cards. Please note that Advans point of sales managed by Advans staff for cash-in/cash-out services are excluded from ADCs. They are considered as mini-branches and included in the number of branches. Advans Tunisia does not propose savings solutions due to regulatory constraints





2024, AI generated

# FINANCIAL STATEMENTS

# Balance Sheet

*Advans SA's financial performance reflects that of an equity investment company, gradually building up its portfolio of start-up microbanks and MFIs:*

Audited Balance Sheet at December 31, 2023 (in EUR)

| Fixed Assets  | As at 31/12/2023   | As at 31/12/2022   |
|---|--------------------|--------------------|
| Shares in affiliated undertakings   | 330,800,379        | 318,722,827        |
| <b>Total Fixed assets</b>   | <b>330,800,379</b> | <b>318,722,827</b> |
| <b>Current Assets</b>   |                    |                    |
| Amounts owed by affiliated undertakings becoming due and payable after more than one year | 5,500,000          | 4,000,000          |
| Amounts owed by affiliated undertakings becoming due and payable within one year          | 367,697            | 294,218            |
| Other receivables becoming due and payable within one year                                | 3,438              | 576,606            |
| Cash at bank  | 10,531,208         | 7,085,175          |
| Term account  | 5,000,000          |                    |
| <b>Total current assets</b>   | <b>21,402,343</b>  | <b>11,955,999</b>  |
| <b>Total assets</b>   | <b>352,202,722</b> | <b>330,678,826</b> |
| <b>Liabilities</b>  |                    |                    |
| Medium-term borrowings  | 32,250,000         | 29,881,154         |
| Short-term borrowings   | 25,317,049         | 20,380,930         |
| Other creditors becoming due and payable within one year                                  | 1,462,177          | 839,034            |
| <b>Total liabilities</b>  | <b>59,029,226</b>  | <b>51,101,118</b>  |
| <b>Net assets</b>   | <b>293,173,497</b> | <b>279,577,708</b> |
| <b>Equity</b>   |                    |                    |
| Paid-up share capital   | 84,287,000         | 74,129,000         |
| Share premium account   | 5,955,343          | 8,742,292          |
| Retained earnings   | 196,706,416        | 186,084,462        |
| Profit/(loss) for the financial year  | 6,224,738          | 10,621,954         |
| <b>Total shareholders' equity</b>   | <b>293,173,497</b> | <b>279,577,708</b> |

# Income Statement

Audited Income Statement at December 31, 2023 (in EUR)

| Income  | For the year<br>ended 31/12/2023 | For the year<br>ended 31/12/2022 |
|---|----------------------------------|----------------------------------|
| Interest income   | 273,318                          | 66,485                           |
| Dividend income   | 6,303,666                        | 4,783,971                        |
| Other operating income  | 195,092                          | 154,200                          |
| Net changes in fair value on financial assets and investments | 7,031,307                        | 14,263,794                       |
| <b>Total net income</b>                                       | <b>13,803,383</b>                | <b>19,268,450</b>                |
|   |                                  |                                  |
| Expenses  |                                  |                                  |
| Operational expenses  | 4,880,273                        | 4,834,683                        |
| Interest and other financial charges                          | 2,698,371                        | 3,811,813                        |
| Taxes on profit or loss                                       | -                                | -                                |
| <b>Total expenses</b>   | <b>7,578,644</b>                 | <b>8,646,496</b>                 |
| <b>NET PROFIT</b>   | <b>6,224,738</b>                 | <b>10,621,954</b>                |





Cambodia | Cameroon | Côte d'Ivoire  
DR Congo | Ghana | Myanmar  
Nigeria | Tunisia

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