



PRESS RELEASE

TCX Announces 2021 Annual Results: Highest Production Ever with Strong Profitability

Amsterdam, May 30, 2022 — Today, the Currency Exchange Fund N.V. ("TCX") has announced its 2021 annual results at the Annual General Meetings in Amsterdam. 2021 marked a record-breaking year for TCX on the back of strong growth in its activities supporting Africa. The Fund de-risked USD 1,4 billion of development finance loans and its existing portfolio of USD 5 billion generated USD 107 million in profits. This is the second highest profit ever in the 15-year existence of the Fund. Reflecting the year's strong results, the share value grew by 15% to over USD 787k at the end of 2021. The capital base increased to USD 1,2 billion.

The vast majority of the loans de-risked by TCX supported micro, small and medium-sized enterprises, close to USD 240 million went to the least developed countries, and over USD 50 million went to finance energy projects. De-risked investment flows to Sub-Saharan Africa more than doubled in 2021, reaching USD 386 million, and covered 21 countries on the continent.

The Fund also saw strong investor demand for frontier currency risk, selling well over USD 500 million of risk in the international capital market. This included the currencies of Benin, Congo DRC, Kenya, Malawi, Mozambique and Tanzania.

Another significant 2021 highlight was the launch of TCX's Frontier Currency Index, which was created to increase transparency around frontier currency fixed income instruments and support the growth of local capital markets. At the end of 2021, the Index included 72 bonds in 20 frontier currencies.

Ruurd Brouwer, CEO: "The record production means that TCX is living up to its promise to deliver currency risk solutions where the market fails to do so. It is great to see the increased appetite of institutional investors for frontier market currencies. We effectively transfer the risk from small and medium-sized enterprises that cannot and should not bear the risk to professional investors in the west that seek the diversification effects, impact, and possible yield pickup. Although I am thrilled with this year's strong profitability, I am very aware that profitability only serves to build reserves for challenging times. It seems these times have started."

Comprehensive business results are reported in the 2021 Annual Report. The expected impact of TCX's activities, directly and indirectly, are reported in the Fund's 2021 Impact Report.

About TCX

TCX is a global development finance initiative supported by a shareholder base that includes all major development finance institutions as well as the EU and Dutch, Swiss, British and German governments. TCX facilitates local currency lending from development finance institutions to their clients in emerging markets. The Fund offers cross-currency swaps and FX forwards in currencies where such products are not available or poorly accessible.

The Currency Exchange Fund N.V.

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