

Credit Rating Note
Validity: September 2023 to August 2024

Types of values	Rating scale	Currency	Current rating	Previous rating	Expiry date	Outlook
Long Term	Local currency	XOF	AAA	AAA	31/08/2024	Stable
Short Term	Local currency	XOF	A1+	A1+	31/08/2024	Stable

Bloomfield Investment Corporation
Tel: + (225) 27 22 54 84 40
Soraya DIALLO, S.VP, Director of Bloomfield Rating
s.diallo@bloomfield-investment.com
Sonia ALABA, Financial Analyst
s.alaba@bloomfield-investment.com
www.bloomfield-investment.com
Basic Financial Information

In millions of USD	2021	2022
Total assets	330 883	269 083
Issued capital	322 128	344 256
Hedging capacity	2 032 585	2 253 046
Reserves	-92 355	-119 115
Fair value of guarantee contracts recorded as assets	2 989	978
Fair value of guarantee contracts recorded as liabilities	62 683	4 330
Financial instruments	125 377	119 475
Cash and cash equivalents	186 493	131 378
Returns on portfolio transactions	-36 324	-2 466
Operating income	- 54 727	- 23 329
Financial result	- 341	- 3 405
Net result	- 55 116	- 26 760

Profile

GuarantCo Limited is a financial institution owned by the governments of the United Kingdom, Switzerland, the Netherlands, Sweden and Australia, and is part of the *Private Infrastructure Development Group* (PIDG¹).

It was established on 25 August 2005 in Mauritius with the aim of encouraging the financing of infrastructure projects through guarantee mechanisms geared towards low-income countries.

The company is registered in the Trade and Personal Property Credit Register of the Republic of Mauritius under number C58185.

In 2022, thanks to capital injections, GuarantCo's share capital increased from USD 22.1 million to USD 344.2 million.

Rating rationale and Outlook
Long Term:

Very high credit quality. Risk factors are negligible, being slightly higher than those of risk-free Treasury bills.

Short Term:

Very high certainty of timely repayment. Short-term liquidity is guaranteed by internal operating factors and/or access to alternative funding sources, and security is slightly below that of risk-free Treasury bills.

Key Performance Factors
The rating is based on the following positive factors:

- An environment still favourable to the development of the guarantee business;
- The consolidation of partnerships with local financial institutions;
- An internal restructuring to improve the efficiency of the guarantee issuing process;
- The decentralisation of offices to ensure proximity to target areas;
- An improvement in the fair value of contracts, leading to better operating results;
- A Satisfactory achievement of forecast targets.

The main factors fragilizing credit quality are as follow:

- A still fragile socio-political and security situation in the WAEMU;
- A Net result still in deficit, albeit improving.

¹Le The PIDG, established in 2002, is an infrastructure finance and development organisation providing innovative infrastructure in the poorest and most fragile countries, especially in the frontier markets of sub-Saharan Africa and South and South-East Asia. It is funded by donors from seven countries (the United Kingdom,

Switzerland, Australia, Norway, Sweden, the Netherlands and Germany) and the World Bank Group.