

A Global Communities Enterprise



2016 Annual Report

Tandem Street Bike Style owners Amira Pop and Radu Mercea, winners of Vitas Romania's 2016 'Declaration of Independence Great Business Ideas' competition.



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Letter from the CEO

In this year's annual report you will find growing evidence that affirms our commitment to our customers and our employees across the Vitas family of companies. We continue to be leaders in financial inclusion in the Middle East region, which has played host to a myriad of challenges that long predate the current crisis in Syria. Lack of strong institutions, resource shortages, and political power struggles have exacerbated socio-economic, ethnic and religious divides that leave behind the most disadvantaged groups, especially youth, women, and low-income households. Yet what many fail to realize is that this is also a region where literacy rates, education levels, entrepreneurial spirit and family ties also lend themselves to a burgeoning middle class, a vibrant business community, and an incredible resilience of people in the face of crisis. In fact, our employees will say that crisis management is how we manage, and that challenge presents ingenuity and opportunity.

Vitas serves the SME community as well as the microenterprises. Vitas Group remains consistently profitable and continues to grow in spite of political instability, proving that double-digit returns and social impact are not mutually exclusive.

Today, more than 43% of our customers are women business owners and more than a third are entrepreneurs under the age of 30. Over 40% percent of our loans are above \$7,000 and serve SME business customers that, with Global Communities' loan guaranty programs in Jordan and Egypt, together have created and sustained over 200,000 jobs since 2012. I am also pleased to report that our employee satisfaction survey revealed that over 90% of our staff feel that Vitas is an employer of choice and a great place to work.

In 2016, we launched several new initiatives and partnerships that will propel us toward a greater trajectory of growth. With practitioners from Kashf Foundation in Pakistan, we are putting in place a customer insights unit within each subsidiary to be more responsive to our clients. With Saradar Bank as a shareholder in Vitas Lebanon, we are entering a new phase of commercial partnership that will exponentially expand Vitas Lebanon's network and presence across the country. At the same time, it will strategically position Saradar as a universal bank that values the financial inclusion of all citizens. With our founder and parent organization Global Communities, and with initial support from SANAD, we are exploring new products and services to respond to the needs of Syrian refugees that will ultimately allow families to restart their lives and livelihoods.

Look for more great things to come in 2017 as we launch a new subsidiary Vitas Egypt. We hope you will share our view that the future holds incredible opportunity to invest in communities where it matters most. Together with its partners, Vitas is financing a better world.



A handwritten signature in black ink, which appears to read 'Elissa', written in a cursive, flowing style.

Elissa McCarter LaBorde
CEO, Vitas Group

Letter from the Chair of the Management Committee

Earlier this year, I had the great fortune to accompany members of the Global Communities Board of Trustees to Jordan. During our visit, many of the Board members had an opportunity to meet several Vitas Jordan clients who, as always, were inspirational with their personal stories of hard work, entrepreneurial spirit, and building their businesses against great odds. Over the years, clients and community partners all over the world have inspired and energized me, bringing a more personal perspective to what we do and how our programs impact communities at the individual level. Our Board members were extremely impressed as well by the inner workings of a Vitas branch. In the daily course of business, they saw busy cashiers, credit staff, and administrators of Vitas Jordan working with a high degree of professionalism and efficiency, and creating a very positive environment for customer interaction. This confirmed that Vitas is not only helping previously underserved customers to access needed financing for their businesses, but is doing so in a way that is respectful and caring of them and their communities.

As Chairman of the Vitas Group Board, and from a shareholder perspective, it is evident that Vitas is working very hard to be more client-centered. That means finding ways to utilize technology to make Vitas services easier to access, with products more responsive to their needs, and faster response time, while growing its market share as the preferred financing partner for small business customers. At Global Communities, we recognize the important role that Vitas plays in pursuing our mission, and promoting financial inclusion in particular. We have seen the long track record of Vitas and have benefitted from the consistent growth and strong returns that reinforce the case for further investment. I am pleased that our Board fully believes in its mission as I do, and has authorized further capital investment that will allow Vitas to continue to grow and expand its services and clientele.



A handwritten signature in black ink that reads "David Weiss". The signature is fluid and cursive.

David Weiss,
Chairman of the Management
Committee

Meet Vitas Group

Vitas Group is a holding company founded in 2006 to unify Global Communities' commercially-oriented microfinance institutions under one brand and one mission—Financing a Better World.

Our Vision:

Vitas Group believes that all people with a desire and capacity to improve their lives should have access to the financial services they need to help them realize their potential and become full social and economic participants in their communities.

Our Mission:

Vitas Group strives to provide financial products and services that respond to our clients' needs and foster the long-term development of individuals, their businesses, their families and their communities.

Vitas Group is a diverse, emerging markets portfolio with highly localized operations

Vitas Group members benefit from centralized management standards developed according to current international best practices. In addition, in **Jordan, Lebanon, Palestine and Romania**, seasoned managers benefit from strong local oversight through local boards, registration, and regulators.

This governance structure ensures that those who know the environment best are at the center of decision making.

Ownership



A Vitas Lebanon client in her stationery store near Beirut.

Where We Work

Romania

12 Branches
47 Staff

In 2016, Vitas Romania celebrated 20 years of operations in the country.

Lebanon

4 Branches
+ 72 Bank Outlets
221 Staff

Overseas Private Investment Corporation approved an increase in its guaranty facility to Vitas Lebanon from \$25M to \$50M including \$3M coverage for Syrians living in Lebanon.



Iraq (Affiliate)
14 Branches
482 Staff

Egypt

Launching in 2017.
Lending operations begin in 2018.

Palestine
7 Branches
93 Staff

Vitas Palestine had a record year of growth, with increased demand for business and housing loans that resulted in 60% year on year portfolio growth.

Jordan
10 Branches
287 Staff

As part of preparations to come under Central Bank of Jordan regulation, Vitas Jordan seeded Partners for Good, a Jordanian non profit organization dedicated to youth employment and enterprise development in the country.

27-year old Vitas client
Mohammad Hikmat Jawad at his
greenhouse in Saida, Lebanon.



2016 in Numbers

Portfolio
Outstanding



\$120 M

Active Clients



50,632

PAR > 30



2.4%





Jamila Saleh at her fowl and fatteh restaurant in Rayaq, Lebanon.

Empowering Women



Percentage of Vitas Group's nearly 50,632 active clients in 2016 that were women

Jamila's story

A chance meeting with a chef she had known growing up helped spark 22-year-old Jamila Oussama Saleh's entrepreneurial ambitions. The chef took her under his wing and soon she was making plans to start her own restaurant in Rayaq, Lebanon. At first she turned to her father for financial help. "I needed more money, but we

are from a poor family, so he couldn't help me much," Jamila says. A lifeline appeared in the form of a small business loan from Vitas. It helped her launch her foul and fattah restaurant. Today, Jamila's restaurant is a popular hangout spot for the locals and she plans to expand her business.

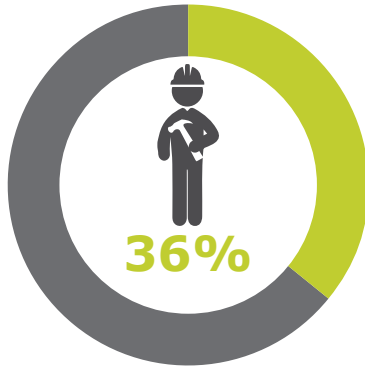


Jamila Saleh preparing a local dish in her restaurant's kitchen.

In one year, the productivity of Bogdan Moga's tailor shop in Alba Lulia has doubled. The number of employees has grown from two to five.



Investing in Youth



Percentage of Vitas clients that are youth (30 and under)

Bogdan's Story

As a child growing up in Romania, Bogdan Moga dreamed of being his own boss. Now, at the young age of 27, he is fulfilling his dream. Bogdan belongs to a generation of young Romanians accustomed to building things from scratch. Bogdan did not want to have to rely on someone else for his livelihood. "I did not want the 15th of the month to mean a payday for me," he explained. For several years, Bogdan worked coordinating textile sales for various companies. In 2014, he took a risk and opened a small, family-run tailoring business. Working with his mother, who has more than 27 years of experience in tailoring, he saw an opportunity for a niche market and decided to specialize in protective equipment. Like most new entrepreneurs, Bogdan needed to make capital investments, but he did not have the financing to do so at the time. So he applied to a contest created by Vitas Romania dedicated to start-ups. The "Declaration of Independence" competition launched by Vitas Romania encourages entrepreneurship by funding the most original and innovative start-up idea. With the contest award of just over \$2,000, Bogdan has been able to buy three machines that have doubled the productivity of his workshop: a machine that cuts material more efficiently, a professional ironing station and a powerful sewing machine that handles the work of four to five people. Bogdan's start-up now has secured 10 permanent clients who provide the necessary income stream for him to grow and maintain his business. Bogdan aims to double the number of customers and increase his profits by over 50% next year. Other future plans include new

investments in equipment, hiring another person to help distribute the workload, and expanding into other market segments. "The contest, named Declaration of Independence, gave me above all the support I needed. It helped me to start every work day with a lot of confidence," said Bogdan.

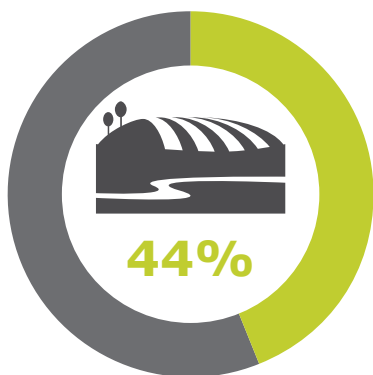


Bogdan Moga in front of his tailoring shop in Alba Iulia, Romania.

Ahmad Mohamed Ahmad Al-Safouri,
at his farm in Bushra, Jordan.



Enabling Growth in Rural Areas



Percentage of Vitas loan clients who live in rural areas

Ahmad's Story

Over the years, Vitas has become a reliable source of financial support for business owners in rural areas. One of Vitas' 22,500 rural clients is 27-year-old Ahmad Mohamed Ahmad Al-Safouri. He lives in a small village near Irbid, Jordan. Ahmad runs a small farm where he lives with his extended family. To make ends meet he sells milk and raises chickens on his farm. Although the demand for milk from his farm was on the rise, increasing the size of

his herd and sustaining them was a big challenge. Unable to rely solely on financial assistance from his family, Ahmad approached Vitas for a loan. The money helped him stabilize his business. "I want to pay off my current loan and then apply for another one that will help me in increasing the number of cows," Ahmad says. For Ahmad, Vitas Jordan's support could not have come at a better time and helped him through a difficult period in which he might have lost his business altogether.

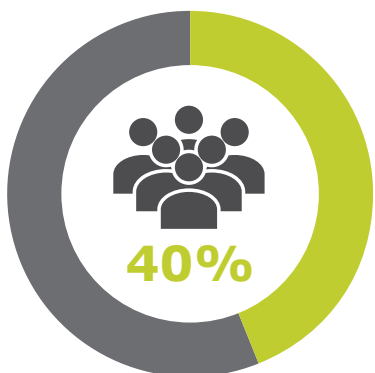


Ahmad aims to increase the daily milk production at his farm.



A Vitas Lebanon client working in his car repair shop. He was able to buy new tools thanks to the timely help from Vitas.

Offering Opportunities to SMEs



Percentage of the Vitas portfolio that supports small or medium sized enterprises (SMEs). The average SME loan size is more than \$7,000

"I found out about the different loan options because one of the Vitas staff members visited my store and explained the products offered. Vitas is an excellent institution. My business was suffering before the help from Vitas. I took my first loan from Vitas almost five years ago. I am doing well after these consecutive loans. My first loan was to buy inventory and expand my business; later I got another loan as my revenue increased. If I continue to be successful, my plan is to expand further."

- Yusuf Nabil Turujman, Vitas Jordan SME Client

'Eye glasses of Madaba' owner Yusuf Nabil Turujman at his store in Madaba, Jordan.





Suhael Salim Asfur stands outside his women's clothing store in Madaba, Jordan.

Vitas Jordan

Portfolio
Outstanding

\$42M

Active
Clients

19,181

PAR>30

0.8%



Above: Vitas Jordan collaborated with The King Hussein Cancer Foundation during the month of October to hold awareness sessions on breast cancer. 'Pink October' raised awareness about the disease and focused on the importance of early detection.

Raising Health Awareness

In its continued effort to increase awareness about health related issues, Vitas Jordan regularly holds health camps at its various branches. These camps provide free blood pressure and diabetes testing. Participants are also offered free healthy nutrition programs, dental health tips and more. One of the camps in Aqaba gathered more than 350 residents. Aqaba Branch Manager Rania Nasaa said, "Events like this are what Vitas Jordan is all about. It's what makes us feel proud to be part of this company."

Feeding Hungry Families

Vitas Jordan joined hands with Takyet Om Ali in distributing food packages to poor families. Takyet Om Ali is a humanitarian organization that serves Jordan's poorest citizens through sustainable, healthy food programs. The organization's main goals are to eradicate hunger and achieve food security in Jordan. Vitas Jordan participated in a food program for targeted families. Vitas employees volunteered to pack food and distribute boxes. This is part of a larger effort to support poor families throughout the year. A total of four families consisting of 3 - 5 people were the first group of beneficiaries of this initiative.



A young Vitas Lebanon client at her beauty salon in Beqaa Valley.



Vitas Lebanon

Portfolio
Outstanding

\$31M

Active
Clients

21,640

PAR>30

3.7%



Above: Vitas Lebanon held a two-day training workshop for aspiring young entrepreneurs in collaboration with the Faculty of Agricultural and Food Sciences (FAFS) at the American University of Beirut.

Training Future Business Leaders

In its continued commitment to train future business leaders of Lebanon, Vitas Lebanon regularly holds training workshops for aspiring young entrepreneurs in collaboration with other educational institutions.

Helping Clients with Marketing and Branding

Vitas Lebanon is not just helping small businesses by providing financial help but it is also dedicated to making sure that clients are provided with the tools necessary to be successful. Marketing and branding is essential to the success of any business. Vitas provided 21 clients who were unable to afford to create such materials with billboards and other marketing materials as part of this initiative.



A Vitas Palestine customer at his tire repair business.



Vitas Palestine

Portfolio
Outstanding

\$36M

Active
Clients

8,280

PAR>30

0.4%



Above: Vitas Palestine organized a workshop for Hebron Polytechnic University's students majoring in Finance.

Educating the Youth about Financial Inclusion

Vitas Palestine is committed to highlighting the importance of financial inclusion for the Palestinian economy. Workshops focusing on microfinance and banking are organized for university students throughout the year. In collaboration with several local youth organizations, Vitas Palestine also conducts seminars for recent graduates - offering career advice, information about employment opportunities at Vitas and about the microfinance sector in general.

Social Responsibility Initiative

Vitas Palestine recognizes the importance of creating awareness about the incidence of Down Syndrome in Palestinian society. A special breakfast and fun activities were organized for children with Down Syndrome and orphaned children. It is part of a larger social responsibility initiative of Vitas Palestine and its staff members who regularly volunteer at such events and donate meals and clothes.



Vitas Romania Declaration of Independence award recipients. This year the winners took home a cash prize of 20,000 Romanian leu (approximately 5,000 USD).



Vitas Romania

Portfolio
Outstanding

\$10M

Active
Clients

1,536

PAR > 30

4.7%



Above: Horia Colibasanu at the summit of Mount Everest.
Photo source: Facebook profile of Horia Colibasanu/personal archive.

Climbing Mount Everest

Horia Colibasanu reached the highest point on earth - the summit of Mount Everest - on May 16th, 2016. "It was very, very hard, and very, very cold," exclaimed Horia. It had taken the mountain climber 12 long hours to get to the top. Horia became the first ever Romanian to summit the mountain without supplementary oxygen and Sherpa support. Vitas Romania is extremely proud of his achievements and has been sponsoring his expeditions for the past four years. Horia owns a small dental practice in his hometown of Timisoara, also the headquarters of Vitas Romania. Horia has been an inspiration to Vitas Romania clients, who like him, take calculated risks to achieve their dreams. On his fourth attempt, after having to turn back several years due to dangerous weather conditions, he finally achieved his dream.

Building a Home for a Poor Family

Ask Vitas Romania's clients why they do business with Vitas. "We like how they treat us," comes the response. Clients rely on the financial advice provided by Vitas employees but it's not just a typical buyer-seller relationship. Vitas employees go several steps further. For instance the Vitas Sibiu team decided to trade their financial expertise for construction skills. They joined hands with Stefan Vaida, a restorer from Sibiu, to rebuild the home of a local family in need.





CHF Vitas Iraq (Affiliate)

Portfolio
Outstanding

\$62M

Active
Clients

32,276

PAR>30

2.0%

“One of the best ways to foster stability around the world is to support the small businesses and entrepreneurs who are so vital to their communities. OPIC’s partnership with Vitas Group entities in Iraq, Lebanon, Jordan and Romania have resulted in economic development and positive impact in regions that are critical to American foreign policy. The Vitas Group and its operating companies understand the needs of small businesses and entrepreneurs and are a trusted partner for achieving this mission objective.”

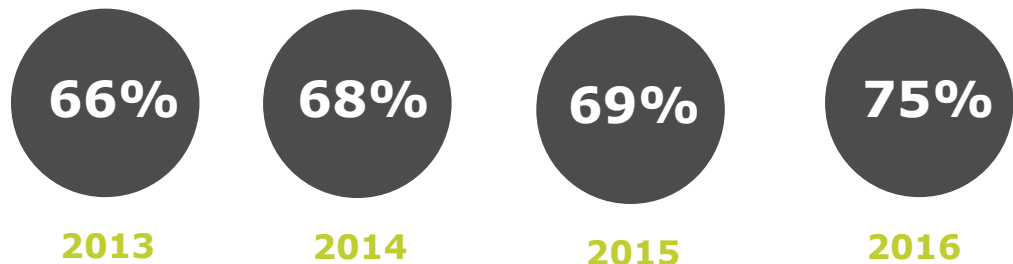
- Loren Rodwin, Managing Director, Social Enterprise Team, Overseas Private Investment Corporation

CHF Vitas Iraq is a pioneer for microfinance in the country. Since its inception in 2003, Vitas was one of the first institutions to open its doors and continues to be the largest microfinance provider in the country with more than 40% of total market share. In its 13-year history, Vitas has proudly disbursed nearly \$1 billion in loans to Iraqi clients with less than 1% annual default rate.

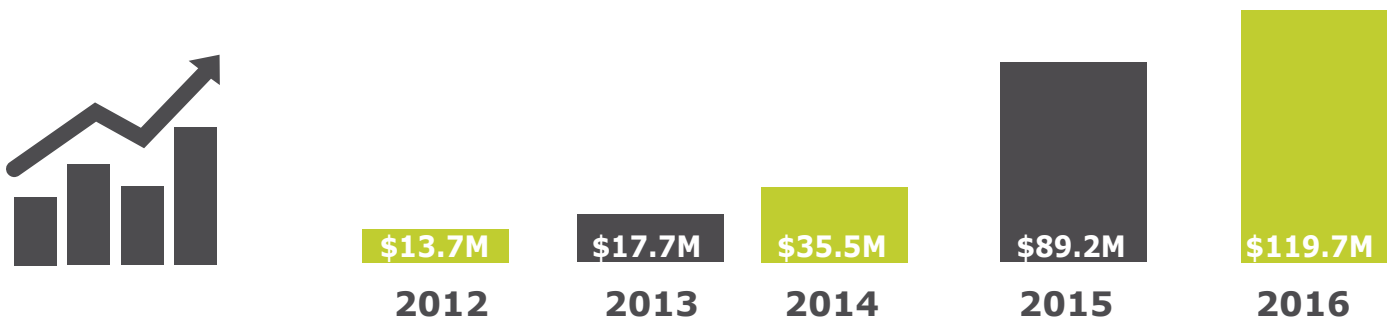
Due to regulatory barriers, CHF Vitas Iraq remains a program of Global Communities, however, it shares the mission and rigorous operational standards of Vitas Group and operates under the Vitas trade name.

Partner with Us

Client retention ratio



Portfolio Growth: 2012-2016



Vitas Group is a family of non-bank, microfinance institutions that reflect the culmination of two decades’ worth of microfinance experience in many different geographic and political environments.

Vitas Group offers an attractive return on investment and an opportunity to join the only commercial-oriented, private network of high performing MFIs with exposure to the Middle East region. As a path for growth, Vitas Group seeks investment opportunities in both existing and new countries, where its strong credit underwriting and client centric approach to micro and small enterprise lending will advance financial inclusion and enhance employment in the country.

Community Outreach for Social Good



Staff from the West Bank office of Vitas Palestine were busy this Ramadan, with celebratory activities in person and online. Some staff volunteered to distribute food packages to the poor and participate in a Ramadan breakfast at an orphanage (pictured above). Others held small events near each branch in the two weeks before Eid, to provide fun activities for holiday shoppers and inform them about Vitas.

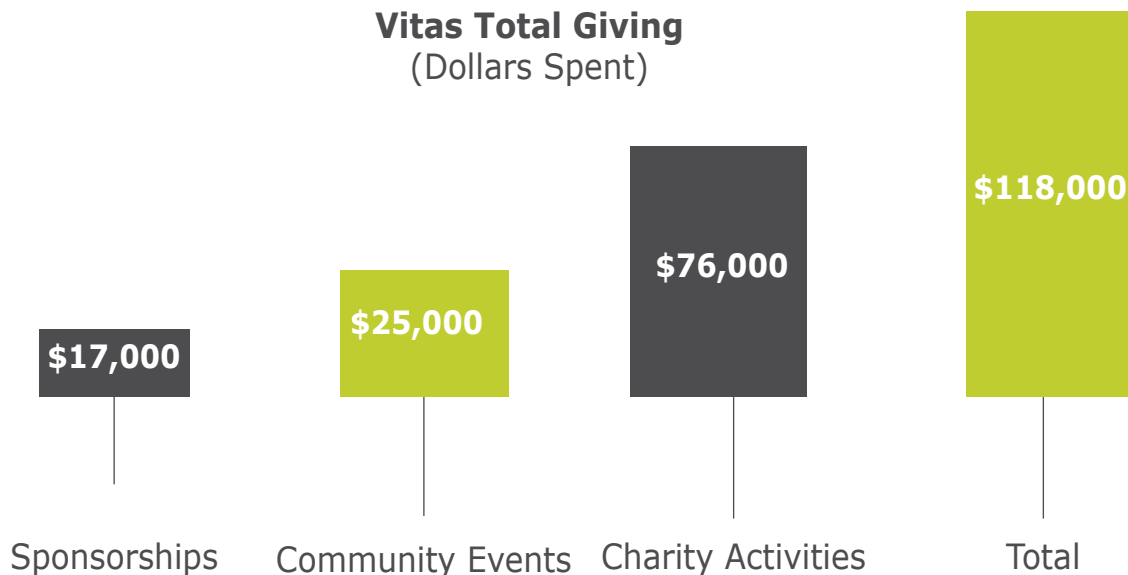


CHF Vitas Iraq distributed more than 600 dry food boxes to needy families in poor neighborhoods. Nearly 100 blankets were also distributed to refugee families in Basra.



This spring, Vitas Romania was a proud sponsor of the "Flowers of May" children's choir. Vitas purchased new uniforms for the award-winning group of 42 young singers based out of Alba Lulia.

Vitas Total Giving (Dollars Spent)



“Vitas subsidiaries focus on improving our clients’ lives with more than sound financial services. By sponsoring local events, charities, and educational initiatives, we demonstrate that Vitas companies are more than lenders, and that social goals are as important as financial ones. Employees volunteer their time to support social initiatives, which further proves their commitment to the Group’s mission.”

- Richard Shumann, COO Vitas Group



CHF Vitas Iraq visited the Deaf and Mute Center for Vocational Rehabilitation in Basra to meet students and donate new electricity workstations and tailoring equipment to the school. The charity event aligns with Vitas Iraq’s recent introduction of a Special Needs loan. Both initiatives aim to help this particularly vulnerable group lead a more independent life as tailors or other craft makers who can become productive members of the community.

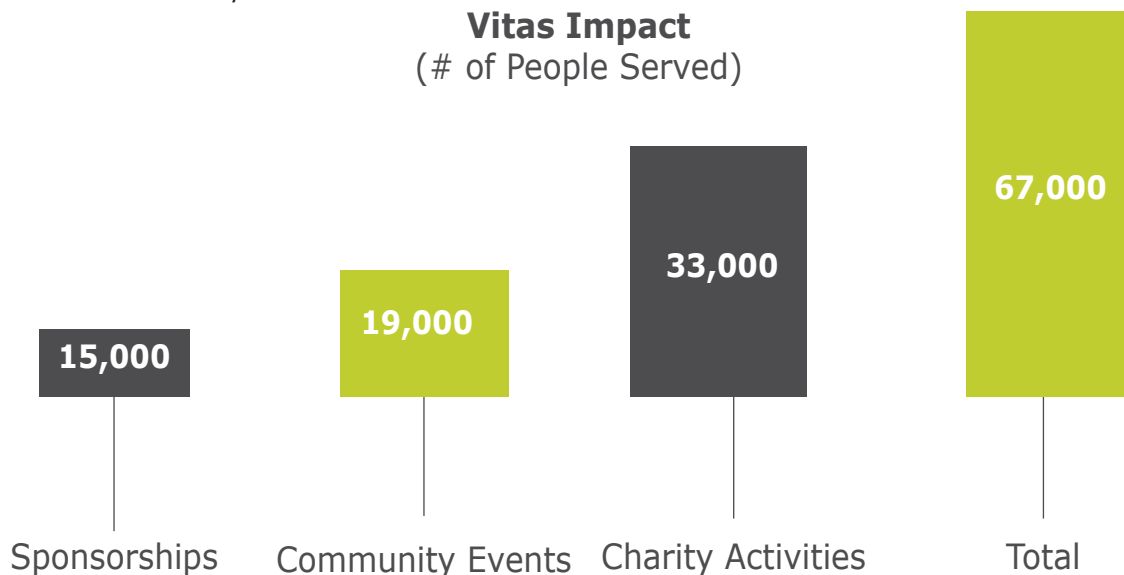


Vitas Jordan is a proud sponsor of the “Al-Wehda” football team located in the city of Madaba. “Al-Wehda” means ‘unity’ in Arabic. The yearly sponsorship helps these talented athletes compete in local championships.



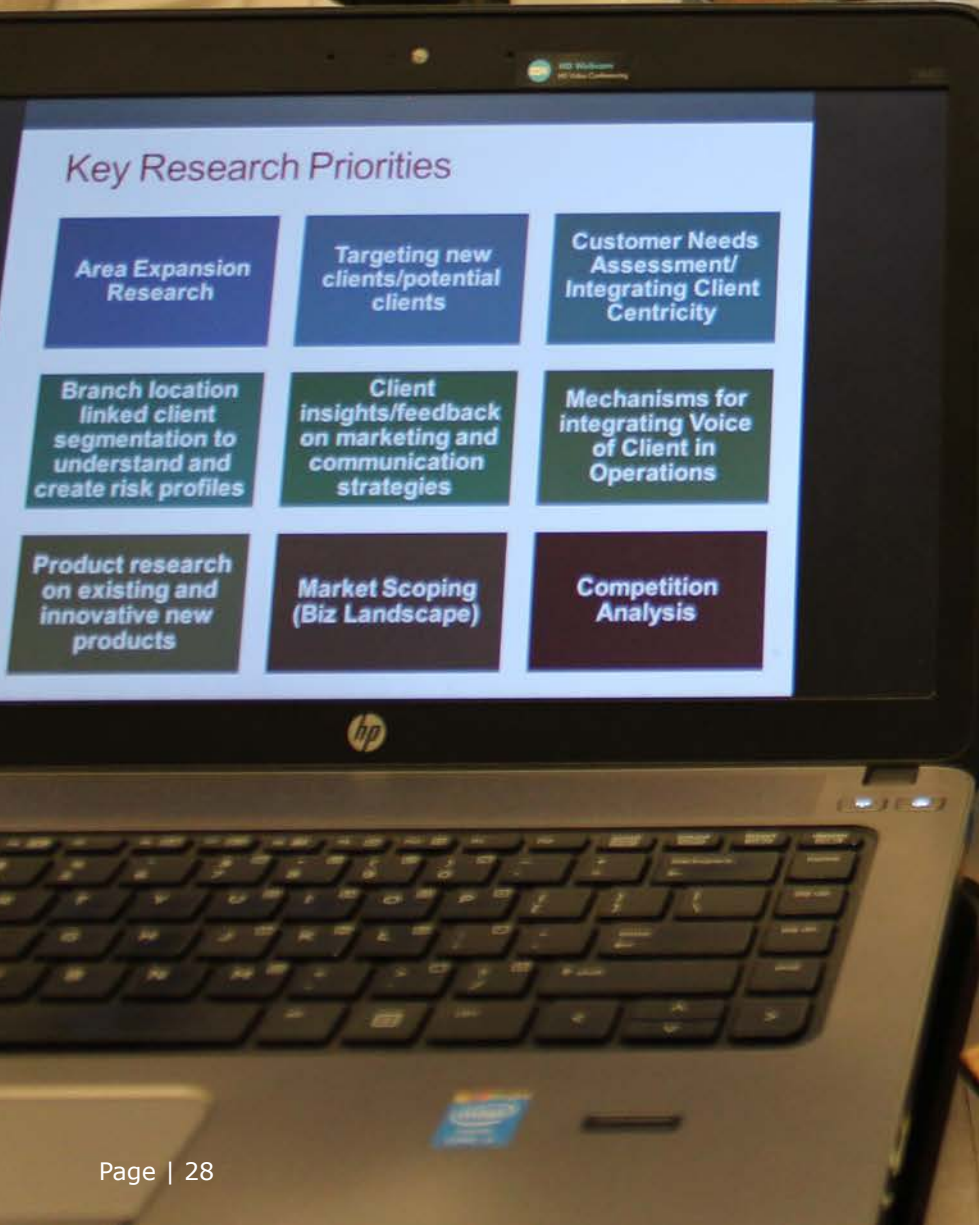
Vitas Palestine sponsored the annual marathon in Bethlehem. Vitas Palestine employees and their families also actively participated in this event.

Vitas Impact
(# of People Served)



2017 and Beyond

Management consultants from Kashf Foundation conducting a market research workshop with Vitas employees.



Market Research and Customer Insights

"SANAD has been a long-term partner of Vitas Group since 2014. Vitas' commitment substantially contributed towards achieving our mission to provide support for MSMEs in the region and to foster employment creation among the youth. We are looking forward to pursuing our strong alliance, enabling us to create an even stronger measurable impact together."

- Dr. Daniela Beckmann, Chairperson of SANAD's Board of Directors.

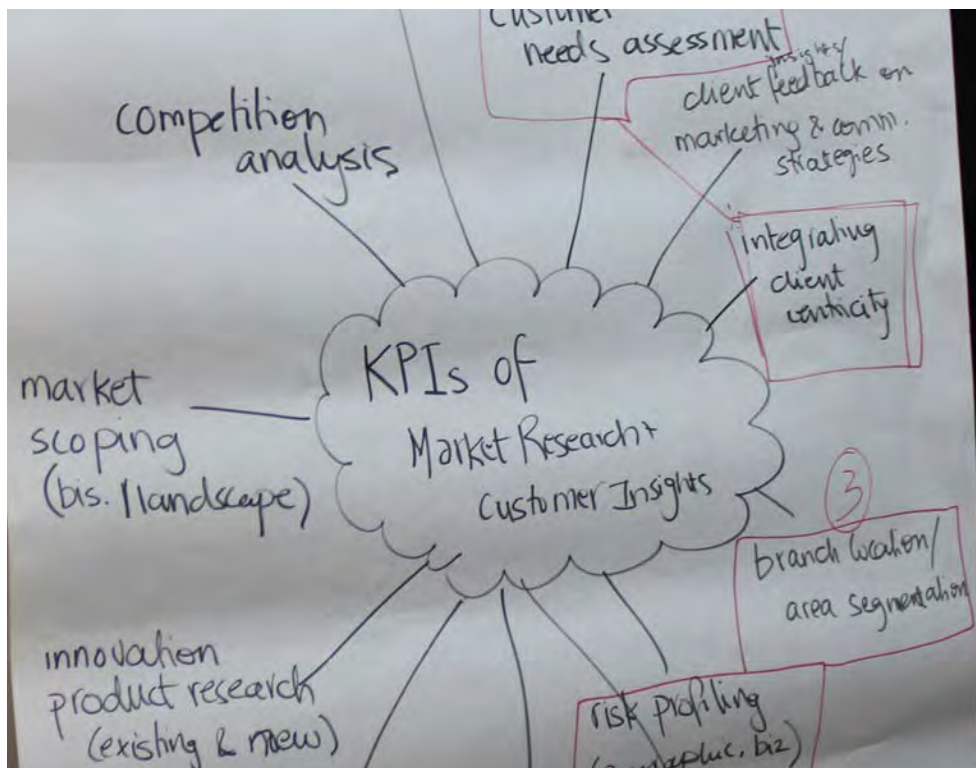
SANAD meaning 'support' in Arabic, provides debt and equity financing to partner institutions in the Middle East and North Africa for supporting growth and employment creation in the region's MSME enterprise sector. With a \$45,000 technical assistance grant funding approved by SANAD for 2017, Vitas is in the process of developing a stronger market research and consumer insight function for each subsidiary. SANAD's grant will cover 70% of the total project cost.

The market research and customer insight function will enable Vitas subsidiaries to ensure that the customer's voice is at the center of all decision making. As markets mature and competition grows more intense, Vitas Group intends to devote more resources towards a standardized approach to market research. This includes tighter market segmentation to identify new niches for growth, analyzing delivery channels and potential technology solutions that will provide added value for customers,

and understanding client needs and preferences in a way that will better inform management decisions. With the help of consultants from Kashf Foundation in Pakistan, Vitas is in the process of developing a new framework for implementing a clear and well-articulated customer insights unit in each Vitas subsidiary. The framework will include the Key Performance Indicators (KPIs), Standard Operating Procedures (SOPs), annual work plan, and research tool-kit. This toolkit will include tools for primary and secondary research, qualitative research, quantitative research, market segmentation tools, product development processes, concept testing techniques, and questionnaire framing. These will be based on Kashf's own proven protocols and standards and have been developed by contextualizing The Consultative Group to Assist the Poor's (CGAP) and other research tools.

"The implementation of the project is progressing by leaps and bounds, everyone is showing commitment to this project at all levels. My bigger goal is to create a customer centric culture within Vitas Group where business strategies will be mainly driven by the customer insights."

- Rola El Amine, Project Lead, Market Research



2017 and Beyond

Egypt is the third largest market in Africa and the largest in the MENA region.



Vitas Egypt

Population

91M

Potential Borrowers

9.5M

Clients Currently Served by Microfinance Institutions

2M

Launch of Vitas Egypt

In 2014, the government introduced new legislation to encourage a more commercial approach to financial inclusion and bring the sector under the supervision of the Central Bank of Egypt.

With a population of approximately 91 million and 25% of the population living below the poverty line, Egypt is the third largest market in Africa and the largest in the MENA region.

Estimates show that there are 9.5 million potential borrowers, where current microfinance providers serve less than 2 million active clients.

Vitas is proud to announce the launch of Vitas Egypt in partnership with Egyptian private equity firm, BPE Partners (formerly Beltone Private Equity).

Vitas Egypt will be incorporated in 2017 and aims to launch lending operations in 2018. It will serve both micro and small enterprise clients through a nationwide strategy that builds on Vitas' long-standing regional experience and uses both digital and traditional channels to rapidly expand its reach across the country.

"We are excited to partner with one of the leading microfinance players in the region and capitalize on the vast market potential of the sector. Vitas Group shares our vision in helping to promote economic growth and financial inclusion in Egypt. Vitas holds a long standing heritage of adopting international best practices; with strong governance systems. Leveraging its strong credit and extensive regional experience will allow us to move beyond micro hopes, micro ambitions and transform lives."

- Mohamed Hazem Barakat, Co-Founder, Chief Executive Officer, and Chairman, BPE Partners



Our Strength: Our Employees



"I'm so happy that I am part of a team that is working to improve Vitas Palestine and Vitas Group. I really appreciate the management and audit committee for keeping the correct tone at the top and maintaining a healthy environment for worklife balance. I also appreciate the positive attitude of the employees toward the role of internal audit – I am so thankful for their support and patience with my all my requests, comments and recommendations!"

- Rabab Bargouti, 4 years with Vitas Palestine



"Vitas Jordan is not just a work environment it's a place where you feel that we are in one big family and all of us are motivated to support each other. The best thing here in Vitas Jordan is that when you see some of the staff members working for more than ten years, you feel comfortable and safe. We believe in building long term relationships with our clients. Working with Vitas Jordan gives you a great sense of feeling that you are doing something really good in your career and not just working for 8 hours a day."

- Mohammad Al-Shafei, 11 years with Vitas Jordan



"In our day to day tasks, we keep on helping and counseling our clients, trying to make them be more successful and responsible in the communities they live in. And day by day they show their gratitude to us. A few days ago I met a former client which Vitas Romania financed years ago, who has now a very developed SME business, with big projects and big dreams. The first thing that she told me was 'Thank you,' without you and Vitas my company wouldn't have been able to survive. This made me very proud and more aware about our impact on Romanian economic development."

- Codruta Piturescu, 17 years with Vitas Romania



"What I really like at Vitas is the fact that you have a great freedom of movement. Really great. If you're lucky to work with people that are dedicated and have the will to do something just like you are, a relationship is established automatically. You're happy to go to work. I think that if I would have a job and I would say in the morning on my way to the office 'it's just a job,' I would honestly give up. It would be sad. I am happy to go to work every day. And I also like the people very much."

- Mihaela Schiopu, 5 years with Vitas Romania



"It is an honor to work for Vitas, we are a leading microfinance institution in Lebanon. I feel that by providing timely financial help to small business owners who are in need of money to expand their business or start a new business, we are helping our society. I am extremely happy to see my customers doing well after receiving funds to promote their business."

- Michel Allaf, 2 years with Vitas Lebanon



"Working with Vitas Group has been a great experience. I've learned so much about microfinance and I love working with all of our subsidiaries across the network. It's amazing to see all of the work that is happening in the field, and I'm glad to know that I am even a small part of the work that Vitas does in bringing financial services to the unbanked."

- Morgan Byttner, 2 years at Vitas HQ

Financial Statements

Vitas Group Consolidated Balance Sheet

	2016	2015
Assets		
Cash and cash equivalents	\$ 8,818,960	\$ 12,103,440
Investment in other entity	433,333	433,333
Loans receivable, net of allowance for doubtful loans	71,241,007	52,860,072
Interest and commissions receivable	726,220	559,691
Accounts receivable	913,191	720,140
Prepaid expenses	89,020	100,338
Property and equipment, net of accumulated depreciation and amortization	572,596	383,322
Other assets	215,020	117,022
TOTAL ASSETS	\$ 83,009,347	\$ 67,277,358
Liabilities		
Notes payable	\$ 58,578,681	\$ 45,453,592
Due to Global Communities	107,114	122,061
Accounts payable and accrued liabilities	1,140,782	1,101,201
Income taxes payable	701,355	446,221
Accrued salaries and related benefits	469,385	250,000
Other liabilities	101,703	121,891
TOTAL LIABILITIES	\$ 61,099,020	\$ 47,494,966
Equity		
Members' share	\$ 17,620,178	\$ 16,056,271
Minority interest share	4,290,149	3,726,121
TOTAL EQUITY	\$ 21,910,327	\$ 19,782,392
TOTAL LIABILITIES AND EQUITY	\$ 83,009,347	\$ 67,277,358

Institutions consolidating include: Vitas Jordan, Vitas Lebanon, Vitas Palestine, and Vitas Romania

Vitas Group Consolidated Income Statement

	2016	2015
Financial Income		
Interest	\$ 16,746,072	\$ 11,959,014
Commission income, net of fees	2,395,555	2,178,066
Bad debt expense	(1,170,236)	(732,454)
NET FINANCIAL INCOME	\$ 17,971,391	\$ 13,404,626
Other Income		
Grant Income		560,455
Other operating income	189,134	53,196
TOTAL OTHER INCOME	\$ 189,134	\$ 613,651
TOTAL INCOME	\$ 18,160,525	\$ 14,018,277
Expenses		
Salaries and related expenses	5,190,603	4,420,680
Administrative and operating expenses	6,140,506	4,216,634
Interest	3,763,937	2,613,601
TOTAL EXPENSES	\$ 15,095,046	\$ 11,250,915
NET INCOME BEFORE OTHER ITEMS	\$ 3,065,479	\$ 2,767,362
Other Items		
Provision for income taxes	(905,773)	(581,063)
Translation adjustment	(31,771)	(251,011)
Total other items	(937,544)	(832,074)
NET INCOME	\$ 2,127,935	\$ 1,935,288

Institutions consolidating include: Vitas Jordan, Vitas Lebanon, Vitas Palestine, and Vitas Romania

A Vitas Lebanon customer working at her kids clothing store.



Between **October 2004 and September 2016**,
Global Communities and Vitas Group disbursed



798,806 loans worth
\$2.03 billion.

Financial Inclusion at Global Communities

Beyond Vitas Group's portfolio, Global Communities advances financial inclusion of micro, small and medium enterprises through programs and institutions in Bosnia, Colombia, Ghana, Egypt, Jordan, Kenya, Malawi and Tanzania.

Between May 2012 and March 2017



Jordan Loan Guarantee Facility guaranteed **\$100 million** in loans.

More than **17 percent** of loan guarantees have benefited **women-owned businesses**, in addition to more than **240 women entrepreneurs** having received financial management training.



Capacity-building workshops for more than **640 SME owners and managers** have provided almost **5,800 hours of training** to make them more "bankable" to lenders.



10 percent of loan guarantees have gone to **start-up businesses**.



In total, these **400+ loan guarantees** have sustained more than **5,500 jobs** in diverse businesses across Jordan.

In fiscal year 2016, through nine institutions in eight different countries: 88,165 loans disbursed, worth **\$270.6 million**, including 31,827 loans to women, worth \$69.4 million.

562 institution loans disbursed, worth **\$13.8 million**, including 28 loans to women, worth \$900,000.

15,957 housing loans disbursed, worth **\$54.6 million**, including 5,141 loans to women, worth \$15.5 million.

63,339 business loans disbursed, worth **\$175 million**, including 23,559 loans to women, worth \$48.2 million.



VITAS

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Leadership

Board of Directors



David A. Weiss
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Caroline Blakely
*President and CEO,
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Peter Woicke
*Former Managing Director of
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President of the International
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*Fund Manager, Bamboo
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*Vice President,
Deutsche Bank,
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Operations*



Rohit Kulkarni
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Sarah Mitwalli
Program Manager

Vitas Field



Ziad Halaby
Vitas Lebanon



Cristi Jurma
Vitas Romania



Naser Darwish
Vitas Jordan



Alaa Sisalem
Vitas Palestine



Ahmad Lamaa
Vitas Iraq (Affiliate)



Moustafa Khalifeh
Vitas Iraq (Affiliate)



Partners and Investors

Corporations and Foundations

Al Etihad Bank
Al Quds Bank
Al Rafah Microfinance Bank (National Bank)
Bamboo Financial Inclusion Fund
Bank of Palestine
BiB Essen
BlueOrchard
Cairo Amman Bank
Calvert Foundation
Capital Bank
Cash United s.a.l.
Commercial International Bank
CoopEst
Credit Libanais s.a.l.
EFSE
Egyptian Arab Land Bank
European Commission
European Investment Fund
Fransabank
Global Microfinance Fund

Government or Multilateral Institutions

Habitat for Humanity
Housing Bank for Trade and Finance, Jordan
International Finance Corporation
Jammal Trust Bank
Jordan Kuwait Bank
Khoury Foundation
Lebanon Cash United
Liban Post
Oikocredit
Overseas Private Investment Corporation
Raiffeisen Bank
ResponsAbility Finance
SANAD Fund for MSME
Société Générale Banque de Jordanie
Swiss Capacity Building Fund
Triodos

Partners

Frankfurt School of Finance & Management
Iraq Microfinance Network
Kiva.org
KPMG
LMFA – Lebanese Microfinance Association
Microfinanza Rating
Sharakeh- Palestinian Microfinance Network
Silatech
The Microfinance Centre (MFC) Network
Tanmeyah - Jordan Microfinance Network
ZebraPay



"Working with Global Communities and Vitas Group has been exciting for Calvert Foundation, because it allows us to support financial services within reach for vulnerable populations in some of the most difficult and complex lending environments on the market today. Over eight years, we have invested \$5 million that has gone on to finance shop owners in Mexico, youth entrepreneurs in Jordan, farmers in Romania, disabled homeowners in Iraq, and seamstresses in Palestine, all through companies that have been part of their communities for years, and will be with them for the long term. Calvert Foundation is proud to be a partner in the success of Global Communities and Vitas Group."

- Songbae Lee, Investments Senior Officer, Calvert Foundation



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Vitas Lebanon client in action at his hair salon.

Concept and Editing
Rohit Kulkarni

Designed By
Tarine Wright

Front Cover Image
Vitas Lebanon Client at his pottery factory in Deir Baba (Chouf District)

Back Cover Image
Kids participating in Vitas Palestine sponsored marathon in Bethlehem

Special thanks to those in the field and at the headquarters who made this report possible by sharing their stories, images, and impact.

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