

1.1 Introduction and warnings

1.1.1 Introduction

OIKOCREDIT, Ecumenical Development Cooperative Society U.A. (the "**Cooperative**" or the "**Issuer**") is a cooperative society with excluded liability (*coöperatie met uitsluiting van aansprakelijkheid*) incorporated in the Netherlands and operating under Dutch law. Members of a cooperative society with excluded liability (as opposed to other forms of cooperative societies under Dutch law) are not required to contribute in case the cooperative society has a deficit upon its dissolution. In other words, members of the Cooperative ("**Members**") are only liable for the amount they invest in their shares in the capital of the Cooperative (the "**Shares**"). The Cooperative has its statutory office in Amersfoort and its head office at Berkenweg 7 (3818 LA) in Amersfoort. The Cooperative is registered at the Chamber of Commerce under number 31020744. The Legal Entity Identifier of the Cooperative is 724500O951PB3SFR7U57. The ISIN number of the Shares is NL0015026469. The Cooperative's prospectus in connection with the offering of Shares (the "**Prospectus**") has been approved by the AFM, as competent authority under Regulation (EU) 2017/1129 (the "**Prospectus Regulation**"), on 3 June 2022. The AFM's address is Vijzelgracht 50, (1017 HS) Amsterdam, the Netherlands. Its telephone number is +31 (0)20 797 2000 and its website is <http://www.afm.nl/>.

1.1.2 Warnings

The summary should be read as an introduction to the Prospectus. Any decision to invest in the Shares should be based on consideration of the Prospectus as a whole by the investor. Investors should be aware they could lose all or a part of their invested capital.

Where a claim relating to the information contained in the Prospectus is brought before a court, the plaintiff investor might, under national law, have to bear the costs of translating the Prospectus before the legal proceedings can be initiated. Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only the case where the summary is misleading, inaccurate or inconsistent or where it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in the Shares.

1.2 Key information on the Company

1.2.1 Who is the issuer of the securities?

OIKOCREDIT, Ecumenical Development Cooperative Society U.A is a cooperative society with excluded liability (*coöperatie met uitsluiting van aansprakelijkheid*) incorporated in the Netherlands and operating under Dutch law. The Cooperative has its statutory office in Amersfoort and its head office at Berkenweg 7 (3818 LA) in Amersfoort. The Legal Entity Identifier of the Cooperative is 724500O951PB3SFR7U57.

The Cooperative's goal is to promote sustainable development by providing loans, equity investments and capacity building support to 'partners'. These are organisations to which the Cooperative has provided funding and that are engaged in economic activity or enterprises which provide both a financial and social return in mostly low-income

countries (the "**Partners**"). These Partners are active in the financial inclusion, agriculture and renewable energy sectors in developing countries. The Cooperative seeks to work closely together with its Partners and to offer financial services and support that answers their needs. The funding of Partners by the Cooperative mainly takes the form of loans with an average loan repayment period of around four years. At the end of 2021 the Cooperative's development financing portfolio consisted of 85% loans. The remainder of the funding is invested in the form of equity, which made up 15% of the aforementioned portfolio at the end of 2021. The goal is to have an equity portfolio of approximately 15% of the total development financing portfolio. Next to the development financing portfolio, the Cooperative owns liquid assets and some other assets, in total 21.5% of the total balance sheet as per year end 2021. In addition to the financing and funding provided to Partners, the Cooperative provides capacity building support to its Partners. The Cooperative's capacity building programmes help Partners become more resilient and supports them in achieving their social mission and sustainability goals for the benefit of their clients and members.

The Cooperative is not (in)directly owned or controlled by any Member or other person. At 31 December 2021 the total number of issued Shares was 5,625,631 Shares. The Cooperative is led by its managing board (*bestuur*) ("**Managing Board**") which currently consists of four members. Mirjam 't Lam is the Managing Director. The other members of the Managing Board are: Gwen van Berne (Director of Finance and Risk), Patrick Stutvoet (Director of IT & Operations) and Ging Ledesma (Director of Social Performance and Innovation).

The statutory auditor of the Cooperative is KPMG Accountants N.V., member of the Dutch Association of Accountants (*Nederlandse Beroepsorganisatie van Accountants*). KPMG Accountants N.V. has its statutory office in Amstelveen, the Netherlands, at the Laan van Langerhuize 1 (1186 DS).

1.2.2 What is the key financial information regarding the issuer?

Income statement for non-financial entities (equity securities)	2021	2020	2019	Interim	Comparative interim from same period.
	€ ,000	€ ,000	€ ,000		
Total Income	67,354	80,114	97,034	N/A	N/A
*Operating profit/loss or another similar measure of financial performance used by the issuer in the financial statements	19,329	(21,133)	10,483	N/A	N/A
*Net profit or loss (for consolidated financial statements net profit or loss attributable to equity holders of the parent)	15,257	(22,182)	14,274	N/A	N/A
#Year on year revenue growth	(15.9%)	(17.4%)	18.3%	N/A	N/A
#Net profit margin	22.7%	(27.7%)	14.7%	N/A	N/A

Balance sheet for non-financial entities (equity securities)	2021	2020	2019	Interim	Comparative interim from same period.
	€ ,000	€ ,000	€ ,000		
Total Assets	1,258,134	1,241,713	1,310,359	N/A	N/A
*Total Equity	1,205,392	1,165,436	1,217,520	N/A	N/A

#Net financial debt (long term debt plus short term debt minus cash)	52,742	76,277	92,839	N/A	N/A
Cash flow statement for non-financial entities (equity securities)	2021	2020	2019	Interim	Comparative interim from same period.
	€ ,000	€ ,000	€ ,000		
*Relevant net Cash flows from operating activities and/or cash flows from investing activities and/or cash from financing activities.	(175,946)	126,636	520	N/A	N/A

1.2.3 What are the key risks that are specific to the issuer?

The risks outlined in the following paragraphs may negatively impact the performance of the Cooperative as well as the financial results. These risks may therefore have a negative impact on the dividend to be paid out on the Shares, the net asset value of the Shares (the "**Net Asset Value**"), and/or the ability to redeem the Shares.

Financial Risks

- The Cooperative may not receive back outstanding loan amounts, as well as other amounts that are due (e.g. interest payments, fees) from a credit Partner (i.e. an organisation to which the Cooperative has extended a loan) as a result of negative developments with respect to the credit worthiness of a Partner.
- The Cooperative may experience financial losses involved in holding a particular equity stake in a Partner. This may occur if the Partner is facing financial issues because of a reduction of business opportunities or other risks in its own activities, or if there is no buyer to finance the Cooperative's exit from the investment.
- The Cooperative may not be able to meet its payment obligations, redemption requests from Members and/or payment commitments and obligations to Partners and other counterparties. The Cooperative aims to have sufficient cash and other liquid assets available to be able to meet all its payment obligations and to accommodate redemption requests from its Members on an ongoing basis (the Shares do not have a lock-up period, i.e. there is no predetermined restricted period in which shares cannot be redeemed); at the same time, the Cooperative seeks to provide funding to Partners that is more long term in order to enable them to match funding needs with cash flows.
- The Cooperative may experience financial losses because of unexpected fluctuations in foreign currency positions. Although this risk is mitigated with the use of derivative contracts, hedges in less liquid currencies may not be always available and consequently the Cooperative may have to leave the exposures in such currencies unhedged. In the event the unhedged amounts are significant and the respective currencies depreciate relative to the euro, there can be a significant negative effect on the profitability of the Cooperative.
- Changes in interest rates may negatively affect the financial results of the Cooperative. Both hard (i.e. USD and EUR) and local (emerging and frontier market currencies) currency exposures may negatively affect the value of the investment portfolio (especially interest sensitive assets such as credit instruments, Term Investments, FX/IR derivatives, cash and deposits) and the financial income statement.
- The Cooperative has significant positions with financial institutions (not being Partners) ("**counterparties**") and a negative development in the creditworthiness of, or defaults on their contractual obligations by such counterparties could result in financial losses for the Cooperative.
- The Cooperative may see a reduction of its portfolio and liquidity buffers and it may incur significant additional credit and equity losses as a consequence of a resurgence of the Covid-19 outbreak.

Non-Financial Risks

- The Cooperative might incur significant costs or face financial losses resulting from inadequate or failed internal processes and/or systems, from human error, and/or from external events. The Cooperative is a relatively complex organisation with offices in 18 countries. Some of the offices are located in countries with generally higher chances of business disruptions because of climate events, political unrest and/or logistical issues. Loans are often created based on local law, in local currencies and tailored for specific requirements of the Partner. Many steps and controls are required to create these contracts, and mistakes may occur during this process. The 'tailor-made' approach makes it difficult to create one-size-fits-all processes that could be easily monitored and automated; consequently the risk of internal or external fraud is elevated.
- The Cooperative may incur financial losses as a result of its business practices and internal policies failing to comply with (local) laws and regulations. Because of the spread of the Cooperative's activities across approximately 30 jurisdictions, the Cooperative needs to evaluate compliance and adjust its business processes and internal policies continuously. Some of the changes in laws and regulations may be unexpected, which makes the prompt compliance with such laws and regulations difficult. Failures to comply with (unexpected) changing (local) laws and regulations may lead to (regulatory) sanctions or fines, financial losses, and reputational damage for the Cooperative.

Strategic Risks

- The Cooperative may fail to offer the right products in the right markets which could lead to a loss of business opportunities and in turn hinder the Cooperative's ability to make new loan and equity investments; it can also lead to the Cooperative's failing to attract sufficient funding for its activities.
- The Cooperative may face a reduction in efficiency and financial returns if the portfolio declines in value and it is not able to reduce its costs on a pro-rata basis.
- The Cooperative is subject to regulatory regimes in multiple jurisdictions in which it operates, including the Netherlands, and changes in these regulatory regimes can adversely affect its business and operations, and its financial results.

1.3 Key information on the Shares

1.3.1 What are the main features of the securities?

The Cooperative issues Shares in its capital to its Members. The ISIN number of the Shares is NL0015026469. During the life of this Prospectus, Shares are in principle continuously offered at the discretion of the Managing Board. The Managing Board of the Cooperative issues and redeems Shares at its discretion in accordance with the Cooperative's articles of association (the "**Articles of Association**") and the further elaboration thereof in the Cooperative's member share issuance and redemption policy ("**Member Share Issuance and Redemption Policy**"). There is no limit to the number of Shares that can be issued. Fractions of Shares may also be purchased.

Shares are issued and registered with a nominal value of EUR 200, CAD 200, CHF 250, GBP 150, SEK 2,000, or USD 200 ("**Nominal Value**"). According to the Articles of Association, the Managing Board, following the prior approval of the Cooperative's supervisory board (*raad van toezicht*) (the "**Supervisory Board**"), can decide to issue Shares in currencies other than the aforementioned currencies.

Each Member may exercise one vote at the Cooperative's general meeting (*algemene ledenvergadering*) ("**General Meeting**"), irrespective of the number of Shares held. There are no different voting rights in relation to major shareholders. All Shares entitle the holder to a dividend proportional to the Nominal Value of its Shares, if any.

Net income available for distribution is calculated by correcting the annual net income with any extraordinary costs or income not arising from normal operations and an addition to the general reserves. The General Meeting, after consideration of the Managing Board's proposal (approved by the Supervisory Board) decides on the allocation of the net income. The distribution of dividends takes place as described in the following sentences. A dividend of 1/12th of the dividend percentage as approved by the General Meeting for every full calendar month that the Shares have been registered. Dividend is paid either by allotting additional fractions of Shares or in cash upon the Member's choice. Dividends made available in cash which are not claimed within five years shall be forfeited for the benefit of the Cooperative. Dividend in amounts below EUR 50, CAD 50, CHF 50, GBP 50, SEK 500, or USD 50, will not be paid out but automatically reinvested.

Members may freely transfer their Shares to other Members upon written notice to the Cooperative. As the Articles of Association determine that only Members may hold Shares, it is not possible for Members to transfer Shares to non-Members. Each Member must hold at least one Share. Organisations of other types than the ones specifically listed in the Articles of Association and which can be invited to become a Member by the Supervisory Board have a EUR 50,000 minimum investment requirement in Shares.

1.3.2 Where will the securities be traded?

The Shares are currently not listed and the Cooperative has no plans to have the Shares admitted to trading or distributed on a regulated market or a multilateral trading facility.

1.3.3 What are the key risks that are specific to the securities?

- **Dividends can vary and are not certain.** The key risks specific to the Cooperative as issuer and its business activities may have a negative impact on the amount of dividend to be paid out on the Shares. Because the number of Shares that can be offered is unlimited, distributable income may be diluted in case the additional funds cannot be invested at least at the average yield of the existing portfolio.
- **Risk that redemption of Shares will be at a Net Asset Value below the Nominal Value.** Shares can be redeemed by the Cooperative. Shares will be redeemed by the Cooperative taking into account the conditions mentioned in article 13 of the Articles of Association and the Member Share Issuance and Redemption Policy. Article 13 of the Articles of Association states that redemption price shall in principle be at Nominal Value. However, if the Net Asset Value of Shares is lower than the Nominal Value, redemption will be at the (lower) Net Asset Value per Share.
- **Risk of delay in redemption.** According to article 13 of the Articles of Association the granting of a request for redemption could be delayed for up to five (5) years. As a consequence, Members are not always able to immediately convert their investment in the Shares into cash. Members largely depend on the possibility to redeem their Shares, since there is no public market for the Shares and Members can only transfer their Shares to other Members. In case the redemption of Shares is delayed by the Cooperative the value of the Shares a particular Member has requested for redemption could reduce in the time waiting for redemption. In June 2018 the General Meeting approved the inclusion of a provision in the Articles of Association to remove the five-year redemption period upon the occurrence of certain conditions before 1 July 2021. This would be in principle that the granting of any redemption request might be delayed indefinitely by the Cooperative. The transition clause would have lapsed on 1 July 2021 if not triggered,

but was extended until 1 July 2022 at the 2021 annual general meeting. The Managing Board, following approval of the Supervisory Board, will propose to extend the inclusion of the transition clause for two more years at the 2022 annual general meeting in June. Up to the date of this Prospectus, none of the conditions of the transition clause are met.

1.4 Key information on the offer of securities

1.4.1 Under which conditions and timetable can I invest in this security?

Membership of the Cooperative is restricted to eligible organisations that meet the criteria included in the Articles of Association. There is no specific timetable for the offering of the Shares are (in principle) being offered continuously.

The Cooperative does not make use of placing agencies and/or any other intermediaries in connection with the offering of Shares. The Cooperative does work closely with 'support associations' ("**Support Associations**"). Support Associations are Members of the Cooperative and raise people's awareness in the relevant countries about the importance of development and socially responsible investments. Some of the Support Associations also raise capital exclusively for the Cooperative, providing for the possibility to participate indirectly (and locally) in the Cooperative. The way in which Support Associations offer the opportunity to (indirectly) invest in the Cooperative differs for each country and depends on, among other things, the local regulatory environment.

All Shares are offered and thereby issued against the Nominal Value. When new Shares are issued, the financial position of the Members may dilute, because such issuance reduces the Net Asset Value per Share when the financial return on the newly issued Shares is lower than the financial return on the existing Shares. Provided that new Shares are issued to existing Members, there is no dilutive effect insofar the voting rights of Members is concerned. Each Member has one vote at the General Meeting, irrespective of the amount invested. The amount and percentage of the dilution cannot be calculated as Shares are issued on a continuous basis and the number of Shares that can be offered is unlimited. The Cooperative publishes quarterly information about its financial results and total outstanding Member capital.

The issuance of Shares incurs annual costs consisting of the acquisition costs of Share capital such as capital mobilisation, Members' relations, promotions and so on, amounting to approximately € 5.1 million for 2021. We expect comparable costs to be incurred in 2022 or for the 12 months during the life of this Prospectus. The direct costs of issuing Shares are not separately charged to Members.

1.4.2 Why is this Prospectus being produced?

This Prospectus is made available in connection with the offer of the Shares in the Netherlands and in several other member states of the European Economic Area of which the competent authorities have been notified by the AFM with a certificate of approval attesting that this Prospectus has been drawn up in accordance with the Prospectus Regulation .

By (in principle) continuously issuing Shares to its 546 Cooperative Members (as at 31 December 2021), the Cooperative mobilises the capital needed to carry out its mission of development financing. The mission of the Cooperative is to challenge all to invest responsibly. It provides financial services and supports organisations to improve the quality of life of low-income people or communities in a sustainable way. The Cooperative thus offers Shares to attract liquidity to provide loans and equity to Partners. The majority (75%) of the proceeds will be used to provide loans to existing Partners, subject to their record on repayment and social impact; as well as to some

new Partners who fit in the mission of the Cooperative. In all cases, the Partners are based in 33 so-called focus countries in Africa, Asia, and Latin America and the Caribbean, and they operate in the financial inclusion, agriculture or renewable energy sector. A minority (about 13%) of the proceeds will be used to invest equity in existing and new Partners who require a strengthening of their capital in order to generate further social impact.

Due to the Shares being offered continuously, there is no upfront realistic estimation of the number of Shares that will be issued. After this Prospectus expires in June 2023, the Cooperative will publish on its [website](#) the total amount of Shares that are issued during the life of this Prospectus. The expected estimation of the net proceeds (gross proceeds of the offering minus the costs of the offering) amounts to € 25.9 million. The actual net proceeds can deviate from this estimation. The offer is not subject to an underwriting agreement on a firm commitment basis.

No potential conflicts of interests are identified on governance levels which relate to ancillary activities.