

KEY INFORMATION DOCUMENT

Purpose

This document provides you with key information about this investment product. It is not marketing material. The information is required by law to help you understand the nature, risks, costs, potential gains and losses of this product and to help you compare it with other products.

Product

Name: Shares of Incofin CVSO CVBA-SO

Manufacturer: Incofin CVSO CVBA-SO (the “Fund”), a Belgian cooperative company with limited liability with social purpose. The Fund is recognized by the National Cooperation Council and is also a recognized development fund.

Competent Authority: Financial Services and Markets Authority (www.fsma.be)

Contact Details: www.incofincvso.be; +3238292536

Date of this document: 19 July 2020.

You are about to purchase a product that is not simple and may be difficult to understand.

What is this product?

Type

Shares of the Fund. It issues “whole” shares each with a denomination of € 2,604 and “twentieths of a share” each with a denomination of € 130.20. The shares are registered and may not be transferred. Share redemption is only allowed during the first six months of the year and after approval by the board of directors of the Fund, which may not be withheld for speculative reasons.

Strategy

The investment policy of the Fund aims to achieve a balanced combination of financial and social benefit by investing in a diversified debt and equity portfolio in emerging markets (Africa, Asia, Eastern Europe and Latin-America). It thrives to realize a reasonable financial return combined with social impact by contributing to social-economic development through financial inclusion. The Fund invests directly, through equity participations and loans, or indirectly in microfinance institutions or other financial institutions active in the area of inclusive financial services to support small business in emerging markets. The Fund applies clear investment criteria when selecting investments; it takes into account: the impact of the investment on the local economy, the quality of the management, the financial situation, the track record of the business and the prospects for the business. Prior to making investments, a thorough due diligence is performed to ensure that each investment complies with the Fund’s investment policy and the final investment decision is taken by the Fund’s investment committee.

The maximum amount paid to investors upon redemption of the shares is the nominal value. The financial return consists in a dividend if it is proposed by the board of directors of the Fund and if it is approved by the meeting of shareholders. The maximum amount of a dividend is limited to 6% of the fully paid-up capital. Since 2010 the Fund paid annually a dividend of 2.5%, except for the financial year ended on 31 December 2019 for which the dividend was 2%. However this past dividend practice is not guaranteed in the future.

Intended Investor

This product is intended for investors who wish to achieve social impact above profit maximization. The investor must be prepared to take on the risk of loss of his or her original capital. Although there is no required minimum holding period, the recommend holding period is 5 years.

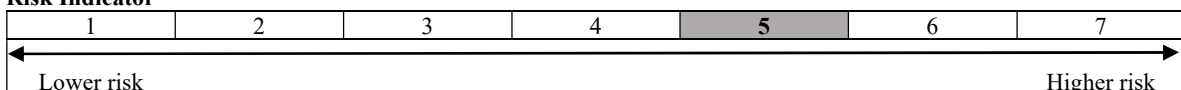
Maturity

There is no maturity date.

A shareholder may be excluded in exceptional circumstances set out in the Fund’s articles of association (e.g. non-compliance with the general admission criteria, acting contrary to the Fund’s interest, non-compliance with the Fund’s articles or internal rules, failure to comply with decisions of the general meeting of shareholders or the board or failure to comply with its obligations as a shareholder,).

What are the risks and what could I get in return?

Risk Indicator



The risk indicator assumes you keep the shares for the recommended holding period of 5 years. The shares may not be transferred. Share redemption is only allowed during the first six months of the year and after approval by the board of directors of the Fund, which may not be withheld for speculative reasons.

The summary risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets or because we are not able to pay you. We have classified this product as **5 out of 7**, which is a medium-high risk class. This rates the potential losses from future



performance at a medium-high level, and poor market conditions will likely impact our capacity to provide you a positive return on your investment.

The following are some of the other risks materially relevant to the PRIIP which are not taken into account in the summary risk indicator:

- Emerging markets may have less advanced regulatory and control environments.
- The Fund is exposed to currency exchange rate volatility to a limited extent, as it holds assets denominated in multiple currencies. The Fund uses specialist financial techniques (known as derivatives) to manage its currency exchange rate risk.
- This product holds no capital protection against market risk: this product does not include any protection from future market performance so you could lose some or all of your investment.
- This product holds no capital guarantee against credit risk: if we are not able to pay you what is owed, you could lose your entire investment.
- The Fund is furthermore subject to concentration risk, counterparty risk, and interest rate risk. See the information note for overall risk information (<https://incofincvso.be/>).

The management of the risks mainly involves portfolio diversification, spreading assets across regions and countries, techniques to hedge exchange rate risk, holding liquid assets, etc.

Performance scenarios

Investment (€ 10,000)		1 year	3 years	5 years (recommended holding period)
Stress scenario	What you might get back after costs	€ 8,469	€ 9,283	€ 9,205
	Average return each year	-15.3%	-2.5%	-1.6%
Unfavourable scenario	What you might get back after costs	€ 9,902	€ 10,014	€ 10,169
	Average return each year	-1%	0%	0.3%
Moderate scenario	What you might get back after costs	€ 10,224	€ 10,688	€ 11,142
	Average return each year	2.2%	2.2%	2.2%
Favourable scenario	What you might get back after costs	€ 10,341	€ 10,859	€ 11,397
	Average return each year	3.4%	2.8%	2.6%

This table shows the money you could get back over the next 5 years (recommended holding period), under different scenarios, assuming that you invest €10,000. The scenarios shown illustrate how your investment could perform. You can compare them with the scenarios of other products. The scenarios presented are an estimate of future performance based on evidence from the past on how the value of this investment varies, and are not an exact indicator. What you get will vary depending on how the market performs and how long you keep the product. The stress scenario shows what you might get back in extreme market circumstances, and it does not take into account the situation where we are not able to pay you.

The shares may not be transferred. Share redemption is only allowed during the first six months of the year and after approval by the board of directors of the Fund, which may not be withheld for speculative reasons.

The figures shown include all the costs of the product itself, but may not include all the costs that you pay to your advisor or distributor. The figures do not take into account your personal tax situation, which may also affect how much you get back.

What happens if the Fund is unable to pay out?

The investor may face a financial loss should the Fund default on its obligations. There is no compensation or guarantee scheme in place which may offset, the whole or part of, this loss.

Should the Fund incur losses as a result of which the Fund's net assets would fall below the nominal value, you will receive less on withdrawal than the nominal value paid. The nominal value of each "whole" share is € 2,604. On 31 December 2019 the Fund's net assets per "whole" share amounted to € 2,970.06.

What are the costs?

The Reduction in Yield (RIY) shows what impact the total costs you pay will have on the investment return you might get. The total costs take into account one-off, ongoing and incidental costs. The amounts shown here are the cumulative costs of the product itself, for three different holding periods. The figures assume you invest € 10,000. The figures set out in the tables below are estimates and may change in the future.



Table – cost over time

The person selling you or advising you about this product may charge you other costs. If so, this person will provide you with information about these costs, and show you the impact that all costs will have on your investment over time.

Investment (€10,000)			
Scenarios	If you cash in after 1 year	If you cash in after 3 years	If you cash in after 5 years (recommended holding period)
Total costs	€ 209	€ 627	€ 1045
Impact on return (RIY) per year	2.09%	2.09%	2.09%

Table – composition of costs

The table below shows: the impact each year of the different types of costs on the investment return you might get at the end of the recommended holding period; and the meaning of the different cost categories.

This table shows the impact on return per year			
One-off costs	There are no one-off entry or exit costs.	0%	Not applicable.
Ongoing costs	No portfolio transaction costs	0%	Not applicable.
	Other ongoing costs	2.09%	These costs include, but are not limited to: (a) expenses necessarily incurred in the operations of the Fund (e.g. marketing costs); and (b) any payments of expenses, fees and remunerations to (i) the manager of the Fund; (ii) accountants, (iii) auditors, (iv) external legal counsel, etc.
Incidental costs	No performance fee	0%	Not applicable.
	No carried interests	0%	Not applicable.

How long should I hold it and can I take my money out early?

This product has no required minimum holding period, however the recommended holding period is 5 years. Share redemption is only allowed during the first six months of the year and after approval by the board of directors of the Fund, which may not be withheld for speculative reasons.

The Fund is a recognized development fund and therefore, private individuals may claim 5% tax relief on their investment when complying with certain conditions up to an amount of 320 EUR. If you are prepared to stay invested for at least 5 years, you realize the tax benefit in full. Detailed information on the tax reduction and on other advantages related to the exemption of withholding tax can be found on our website.

You can also be forced to sell if you cease to comply with the conditions for investing in the shares, if you perform acts which are contrary to the interests of the Fund, if you do not comply with the articles of association or the regulations of internal order of the Fund, if you refuse to comply with the decisions of the general assembly or the board of the Fund or if you do not comply with the obligations towards the Fund.

How can I complain?

If you have any complaints about the product, the conduct of the Fund or the person advising on, or selling the product, you may lodge your complaint with us in one of three ways:

- You can contact our complaints hotline on +3238292536 who will log your complaint and explain what to do.
- You may send an email to info@incofincvso.be.
- You may send your complaint in writing to Incofin, Sneeuwbeslaan 20, bus 2, 2610 Antwerp.

You can also contact the ombudsman for financial services, North Gate II, Koning Albert II-laan 8, bus 2, 1000 Brussels, telephone +3225457770, email: ombudsman@ombudsfin.be, www.ombudsfin.be.

Other relevant information

Investors who would like to have detailed information should read the information note, available upon request, or online at www.incofincvso.be. Further information on our activities and our annual report can also be found online, or by contacting us.