INFORMATION NOTE DATED 05 AUGUST 2026
RELATING TO THE OFFERING OF SHARES BY INCOFIN MICROFINANCE FUND
FOR A MAXIMUM OF EUR 5 MILLION

This document has been drafted by Incofin Microfinance Fund, a recognised cooperative company certified as a social enterprise incorporated under Belgian law.

THIS DOCUMENT IS NOT A PROSPECTUS AND HAS NOT BEEN CHECKED OR APPROVED BY THE FINANCIAL SERVICES AND MARKETS AUTHORITY.

WARNING

THE INVESTOR MAY LOSE ALL OR PART OF ITS INVESTMENT AND/ORMAY NOT OBTAIN THE EXPECTED YIELD. THE INVESTMENT INSTRUMENTS ARE NOT LISTED: THE INVESTOR MAY FACE SERIOUS DIFFICULTIES IN SELLING ITS PARTICIPATION TO A THIRD PARTY IF HE WISHES TO SELL.

CONTINUOUS PUBLIC OFFERING FOR A PERIOD OF 12 MONTHS FROM 05 AUGUST 2026

This information note is valid for a period of 12 months from the date of publication, i.e. 05 August 2026. Continuous public offering of shares for a period of 12 months from 05 August 2026 for a maximum of EUR 5 million. **The offer period is 12 months from the date of this document (i.e. from 05 August 2026 to 04 August 2027)** unless the offer is closed early as a result of reaching the maximum amount of EUR 5 million before the end of this 12-month period. Subscription to Incofin Microfinance Fund shares can take place continuously during this period.

IMPORTANT INTRODUCTORY INFORMATION

Incofin Microfinance Fund is an alternative investment fund within the meaning of the law of 19 April 2014 on alternative investment funds and their managers (the "**AICB Act**").

Incofin Microfinance Fund is a recognised cooperative company certified as a social enterprise. It does not pursue profit maximisation for its shareholders, but has a prominent social objective. The social component is emphasised by the fact that the investments of Incofin Microfinance Fund contribute to socio-economic development.

In concrete terms, Incofin Microfinance Fund invests both directly, through participations and loans, as indirectly in microfinance institutions to support small entrepreneurs in low- and middle-income countries.

Incofin Investment Management NV ("**Incofin IM**") is the appointed alternative investment fund manager in accordance with article 3, 44° of the AICB Act.

Belfius Bank NV ("**Belfius**") has been appointed as the **depositary** of Incofin Microfinance Fund in accordance with the AICB Act.

PART I – RISK FACTORS

Risks are by definition associated with any investment in shares. Potential risk factors relating to the issuance of Incofin Microfinance Fund shares are described below. Before making an investment decision regarding the Incofin Microfinance Fund shares, investors must carefully consider the following risk factors, as well as the other information contained in this information note.

The objectives formulated in the articles of association and the nature of the resulting activities entail a number of risks. Incofin Microfinance Fund's policy aims at managing these risks as well as possible without completely ruled out. Incofin Microfinance Fund makes a distinction between risk factors specific to Incofin Microfinance Fund's activities and risk factors specific to the ownership of shares.

Risk factors that are specific to Incofin Microfinance Fund's activities.

Incofin Microfinance Fund is mainly exposed to the following types of risks:

Credit risks

Incofin Microfinance Fund invests in microfinance institutions ("**MFIs**"), which in turn grant loans to persons who often are unable to submit actual collateral. Incofin Microfinance Fund also collaborates with such MFIs and microfinance funds. It cannot be ruled out that the MFIs in which Incofin Microfinance Fund invests or with which Incofin Microfinance Fund collaborates may become insolvent at some point in time, which could result in the loss of Incofin Microfinance Fund's investment. Incofin Microfinance Fund manages this risk by:

- performing rigorous financial analysis;
- assessing business planning;
- evaluating the management and the board;
- requiring regular reporting on the evolution of the activities;
- regular on-site follow-up.

Country risks

Incofin Microfinance Fund invests in low- and middle-income countries, which are the subject of significant country risks. These risks include the political risk (e.g. war or civil war) and the transfer risk (inability to recover invested funds from the country due to foreign exchange scarcity or other government measures). Incofin Microfinance Fund mitigates the country risk through provisions (since October 2018) and through diversification in its investment portfolio.

Market risks

Incofin Microfinance Fund's investments are also exposed to market and environmental risks. These risks include economic environmental factors, legal certainty and the quality of local regulations on MFIs. Incofin Microfinance Fund analyses these issues closely and adopts furthermore a healthy geographic diversification in the composition of the portfolio in order to minimise this risk as much as possible.

Exchange rate risks

The investments of Incofin Microfinance Fund are subject to exchange rate risk. Incofin Microfinance Fund defines exchange rate risk as the risk that the real value or future cash flows of loans granted to MFIs or the share participations will fluctuate as a result of exchange rate changes.

- *Loans in foreign currency:* Incofin Microfinance Fund actively manages the exchange rate risk on the loans it awards by using hedging techniques (such as cross currency swaps, forwards etc.). If an issued loan is not repaid according to the agreed terms (credit risk), Incofin Microfinance Fund must still fulfil its obligation to its hedging partner. In this scenario, Incofin Microfinance Fund runs an exchange rate risk and a potential liquidity risk, given that on the spot market, foreign currency must be purchased at the prevailing price with liquid assets available at that time.
- *Shareholdings in foreign currency*: The exchange rate risk on shareholdings in local currency is not actively hedged. In those cases, the return on the investment is expected to compensate for the potential depreciation of the currency in question.

Interest rate risk

Incofin Microfinance Fund attracts debt financing on the one hand and places foreign currency loans with MFIs on the other. The interest rate to which these operations are subject over time is subject to market influences. Incofin Microfinance

Fund will always ensure that the margin between the debit and credit interest rates remains broad enough to enable continued growth within Incofin Microfinance Fund. Incofin IM, Incofin Microfinance Fund's fund manager, manages this risk by (i) using fixed interest rates for both incoming and outgoing transactions and (ii) by setting a "minimum" rate of return on all lending transactions.

Liquidity risk

Liquidity risk is the risk arising from Incofin Microfinance Fund'sability to anticipate its liquidity needs in an appropriate and timely manner, taking into account the available funding sources, in order to be able to meet its financial commitments.

- *Liquidity risk in debt financing:* IncofinMicrofinance Fund'sliquidity risk is limited in view of the maturity of its loan portfolio (i.e. loans granted by Incofin Microfinance Fund) as well as the availability of liquid assets. The available liquid assets, the available credit lines that Incofin Microfinance Fund can use and the outstanding loans maturing in the coming year are always amply sufficient to meet the necessary financing obligations and to cover any loan defaults.
- *Liquidity risk due to the withdrawal of shareholders:* Withdrawals and exclusions result in an outgoing cash flow. The number of applications for exits can be subject to strong fluctuations, which may have negative repercussions on FundIncofin Microfinance Fund's liquidity position. The Board of Directors can refuse the withdrawal of a shareholder, but not for speculative reasons. If the number of withdrawals and/or exclusions of shareholders cannot be controlled from Incofin Microfinance Fund'sliquidity position, this could lead to shareholders not receiving the full nominal value of their shares.

Risks associated with the competence of Incofin IM as fund manager

Notwithstanding the experience of Incofin IM, the manager of Incofin Microfinance Fund, in the microfinance industry, there is no guarantee that Incofin IM will have the necessary ability to identify sufficient volume of attractive investments to meet the investment objectives of Incofin. Factors that may affect this risk may include, but are not limited to, competition from other funds and fund managers, changes in the political, economic and regulatory environmental factors in the low- and middle-income countries or changes in the global macroeconomic circumstances.

Risk factors specific to the offering and ownership of shares

Risks associated with investing in shares/shares of a cooperative company

An investment in Incofin Microfinance Fund's shares, as with any investment in shares, entails economic risks. When investing in shares, all or part of the invested capital may be lost.
The shares are registered and cannot be transferred.
Withdrawal of shareholders is only permitted in the first six months of each financial year, following approval by the Board of Directors and (i) to the extent that the net assets of Incofin Microfinance Fund are not negative or would not become negative as a result of payout, and (ii) after the board of directors has ascertained that, in accordance with reasonably expected developments, Incofin Microfinance Fund, after the payout, shall continue to be able to pay its debts as and when they fall due for a period of at least twelve months from the date of the payout and (iii) provided the number of shareholders does not fall below three or provided the continuity of the business of Incofin Microfinance Fund is not jeopardised. The Board of Directors cannot refuse the withdrawal of a shareholder for speculative reasons.

Returns are limited to dividend distributions

The return on an investment in Incofin Microfinance Fund-shares is limited to any dividends paid out, as upon withdrawal, exclusion or dissolution, the maximum amount that is paid to an investor is equal to the nominal value of the shares. There is therefore no potential for capital gains on the shares themselves, while the risk of a loss on the shares of Incofin Microfinance Fund is not excluded. An investor can thus lose all or part of its investment.
On withdrawal, a shareholder is entitled to a payment in accordance with Article 14 of the articles of association and in particular the lowest of the two following amounts: (i) the value of the contribution corresponding to the respective shares; and (ii) the book value of the share, calculated by dividing the shareholders' equity, as shown in the most recently approved financial statements prior to withdrawal, minus the reserves, by the number of existing shares. However, the exit share may never exceed the amount of the nominal value of the actual contributions made by the shareholder in question. If applicable, this payment will be reduced by the outstanding payment obligation of the withdrawing shareholder. Consequently, the maximum amount paid out to a shareholder upon withdrawal is equal to the value of the contribution represented by the share. The financial return on Incofin Microfinance Fund shares consists of a dividend payment to the extent proposed by the Board of Directors and approved by the General Meeting of shareholders. The maximum amount of a dividend is currently set at 6% of the nominal value of a share.

Risks associated with the limited liquidity of Incofin Microfinance Fund shares

There is no secondary market on which Incofin Microfinance Fund's shares are traded. As it is only possible for a shareholder to withdraw in accordance with the procedure provided for in the articles of association, there is therefore limited liquidity. According to the articles of association (article 10), shareholders can only withdraw or request a partial take back of their shares during the first six months of the financial year, subject to the approval of the board of directors. Finally, the shares may only be transferred with the prior approval of the board of directors. The funds that shareholders entrust to Incofin Microfinance Fund are invested by Incofin Microfinance Fund as efficiently as possible in the core activities. These funds are, subject to various contracts with the MFIs, used for a certain period as working capital to finance micro-entrepreneurs and are therefore not immediately available for withdrawal.

Risks associated with future dividend changes

Returns achieved in the past are no guarantee for the future and no guarantee is given regarding future returns. The dividend may decrease or increase currently by a maximum of 6% of the nominal value of a share as defined in the Law of 20/7/1955 for cooperatives recognised by the Dutch National Council for Cooperatives. Incofin Microfinance Fund makes no prognoses or estimates about the development of the dividend yield.

No capital protection and no deposit protection scheme

An investment in Incofin Microfinance Fund's shares does not benefit from capital protection or capital guarantee: because there is no protection against future market performance or credit risk, an investor may lose all or part of its investment.

Incofin Microfinance Fund's shares are not eligible for the guarantee of the protection fund for deposits and financial instruments. An investor may thus lose all or part of its investment in the event of total loss of Incofin Microfinance Fund's assets or in the event of depreciation of Incofin Microfinance Fund's shares.

Potential changes to the legal and tax framework in which Incofin Microfinance Fundoperates

Incofin Microfinance Fund is aware that changes in laws and regulations can be implemented or that new obligations can arise. Changes in the legal and/or tax framework within which Incofin Microfinance Fund acts may adversely affect Incofin Microfinance Fund's business activities, financial situation, operational results and prospects. Such adverse developments could reduce the value of Incofin Microfinance Fund's shares such that the investor could lose its part or all of its investment. Incofin Microfinance Fund strictly monitors the potential changes to the applicable legal and tax framework in order to manage such risks.

PART II – INFORMATION ABOUT THE ISSUER AND THE PROVIDER OF THE INVESTMENT INSTRUMENTS

A. Identity of the issuer

1. Issuer

Registered office:	Ravensteinstraat 2, B-9000 Ghent
Legal form:	Incofin Microfinance Fund is a: (i) recognised cooperative company certified as a social enterprise under Belgian law, (ii) a non-public alternative investment fund in the sense of the AICB Act, and (iii) a development fund as referred to in Article 2 (1) of the law of 1 June 2008, and therefore falls under the exemption regime provided for in Article 180 (2) (2) of the AICB Act.
Formation date:	27 August 1992
Company number:	0448.125.845
Country of origin:	Belgium
Website address:	https://incofin.com/funds/incofin-microfinance-fund-en/

2. Issuing body activities

Incofin Microfinance Fund is a specialised actor in the microfinance sector. Incofin Microfinance Fund invests both directly, through participations and loans, and indirectly in MFIs to support small entrepreneurs in low- and middle-income countries. The funds invested by Incofin Microfinance Fund are in turn used by the MFIs to allocate microcredits to local micro-entrepreneurs. Incofin Microfinance Fund reaches more than 3.3 million micro-entrepreneurs with its investments in 38 undertakings. Thanks to microcredit, small entrepreneurs have working capital to expand their business and are given leverage to improve their own livelihoods. In this way, Incofin Microfinance Fund wants to support local entrepreneurship in low- and middle-income countries and raise the standard of living of entrepreneurs and their families.

3. Individuals with more than 5% of the issuer's capital

There are no shareholders with more than 5% of Incofin Microfinance Fund's capital.

4. Transactions between the issuer and individuals with more than 5% of the issuer's capital.

Not applicable.

5. Governing body and day-to-day management

The Board of Directors

The general management structure of Incofin Microfinance Fund is as follows:

The Board of Directors has the most extensive powers to perform all acts of management and administration that fall within the scope of the corporate purpose. The day-to-day management of Incofin Microfinance Fund is in principle observed by the Board of Directors: there is no general delegation of the day-to-day management to a managing director or an external person.

On the date of this information note, the Board of Directors consists of the following persons:

Director:

Michiel Geers (President)
Willy Bosmans
Frank De Leenheer
Guy Pourveur
Anne Van Autreve
Frank Vereecken
Nancy Govaerts

Patrick Vandenberghe
Frank Degraeve
Steven Brusselle
Maurice Vrolix
Katrien Yde
Marijn van Zundert

The members of the Board of Directors are appointed by the General Meeting. The term of the mandate is six years. Members are eligible for re-election. The Board of Directors generally meets four times a year.

Incofin Microfinance Fund is validly represented towards third parties by two directors acting jointly and who themselves may not belong to the same company or association.

In accordance with Article 20 of the articles of association, the Board of Directors has established a Strategic Advisory Council, an Investment Committee and an Audit Committee (individually a "**committee**" and collectively the "**committees**"). The committees operate on the basis of delegation, which is granted to them by the Board of Directors. The composition, operation, powers and reporting of the Board of Directors and of the committees were laid down in an amended Internal Regulation approved by the Board of Directors at the meeting of 19 September 2023.

Relationship with Incofin Investment Management NV as the appointed fund manager

Incofin Microfinance Fund has appointed Incofin IM as manager to develop its activities as an alternative investment fund.

Incofin IM is responsible for the performance of the investment management functions in the sense of article 3, 41° of the AICB Act, being:
- Portfolio management,
- Risk management,
- Administration of the fund,
- Distribution of the shares of the fund, and
- Activities related to the assets of the fund.

As part of its investment management activities, Incofin IM has the mandate to develop and manage the investment portfolio of Incofin Microfinance Fund.

Incofin IM receives a market-based fee from Incofin Microfinance Fund for the performance of these investment management activities. The management agreement between Incofin Microfinance Fund and Incofin IM has been entered into for a fixed period of three years, with the option to renew it by means of a written agreement. The agreement can be terminated by both parties provided that a notice period of 12 months is respected.

As a fund manager and advisor, Incofin IM also provides service to funds and facilities other than Incofin Microfinance Fund. However, Incofin IM has a licence from the FSMA to act as fund manager for alternative investment funds, and is therefore subject to the prudential supervision of the FSMA and is obliged to apply a strict conflict of interest procedure when identifying and presenting investment and divestment opportunities to the various funds and facilities that it manages or advises.

Relationship with Belfius as the depositary

Incofin Microfinance Fund has appointed Belfius as the depository of the fund.

The depositary is responsible for the proper monitoring of Incofin Microfinance Fund's cash flows, and, in particular, for ensuring that investor money and cash belonging to the fund is booked correctly on accounts opened in the name of the fund.

The depositary is responsible for (i) the safe-keeping of the assets of Incofin Microfinance Fund, and (ii) the verification of ownership of the assets of Incofin Microfinance Fund.

The Strategic Advisory Board

The Strategic Advisory Board's primary objective is to provide input, advice and recommendations from the shareholder base to the Board of Directors on:
- the mission, current and long-term strategies, objectives and plans, and the positioning of the company; and
- governance-related matters, and more specifically with regard to:
  - the establishment, operation and composition of the committees within the Board of Directors; and
  - the appointment and/or dismissal of directors in accordance with the conditions stated in the Internal Regulations.

Investment Committee

The Board of Directors has set up an Investment Committee to which it grants the authority to issue advice to Incofin IM with regard to investment and divestment decisions by Incofin IM as manager of the Incofin Microfinance Fund's portfolio, in accordance with the terms of the management agreement between Incofin Microfinance Fund and Incofin IM.

The Investment Committee is composed of a minimum of 5 members with relevant experience. They are appointed by the Board of Directors. The Investment Committee meets on a regular basis, in person, via conference call or video conference.

Audit committee

The Audit Committee performs a supervisory function on the procedures and processes of Incofin Microfinance Fund, including all aspects relating to risks and their management. The Audit Committee is composed of at least 3 members appointed by the Board of Directors, who cannot sit on any another committee formed by the Board of Directors.

6. Remuneration of administrative bodies

The mandates of the members of the Board of Directors and of the committees are unpaid, unless the General Meeting decides to grant compensation. The last General Meeting did not award any remuneration.

7. For persons owning more than 5% of the issuer's capital, mentioning of any conviction as referred to in article 20 of the Law of 25 April 2014 on the status and supervision of credit institutions and listed companies

Not applicable since none of the shareholders possess more than 5% of Incofin Microfinance Fund's capital.

8. Conflicts of interest

There are no conflicts of interest between Incofin Microfinance Fund, the members of the Board of Directors or a person representing more than 5% of the capital.

Potential conflicts of interests between the duties of Incofin Microfinance Fund directors and their own interests and/or other duties are handled in accordance with the requirements of common law. In the 12 months preceding the date of the information note, no conflict of interest procedure was used.

9. Auditor

Deloitte Bedrijfsrevisoren, represented by Mr Tom Renders, has been appointed as external company auditor.

B. Financial information about the issuer

1. Financial statements for the previous financial years

The annual accounts for the financial years 2025 and 2024 are included as an annex to this information note.

2. Working capital

Incofin Microfinance Fund's working capital is sufficient to meet its current obligations for a period of at least 12 months following the publication date of this information note.

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3. Key figures of the issuer, including an overview of shareholders' equity and debt position.

3.1 Balance Sheet

Assets	12/2025	12/2024
Equity Portfolio	17,422	17,731
• Acquisition value	11,536	11,572
• *Stock dividends*	7,933	7,262
• *Impairments*	-2,047	-1,103
Subordinated loan portfolio	7,500	7,116
• *Subordinated loan portfolio > 1 year*	11,375	11,375
• *Subordinated loan portfolio < 1 year*		
• *Impairments*	-3,875	-4,259
Loan portfolio	37,519	32,265
• *Loan portfolio > 1 year*	26,271	14,831
• *Loan portfolio < 1 year*	13,123	17,783
• *Impairments*	-1,875	-349
Available provision	-1,087	-75
Current assets	1,485	1,280
• *Other receivables*	1,057	1,068
• *Deferred charges and accrued income*	428	212
Cash and cash equivalents	2,702	8,239
Assets	**65,541**	**66,556**

Liabilities	12/2025	12/2024
Equity	53,496	55,992
• *Capital*	49,953	51,217
• *Reserves*	1,597	1,597
• *Result caried forward*	1,946	3,178
Loan capital	10,100	8,600
• *Debt capital > 1 year*	7,600	8,100
• *Debt capital < 1 year*	2,500	500
Current liabilities	1,945	1,964
• *Other payables*	1,539	1,590
• *Dividends*		
• *Provision for technical assistance*	60	100
• *Accruals and deferred income*	346	274
Liabilities	**65,541**	**66,556**

4. Change in financial or trading position

After the end of the financial year 2025, no changes of significance have occurred in Incofin Microfinance Fund's financial or trading position.

PART III – INFORMATION ABOUT THE OFFERING OF INVESTMENT INSTRUMENTS

A. Description of the offer

1. Maximum amount for which the offer is made

There is no maximum number of shares for which one investor can subscribe. For each Subscription Period (as defined below), Incofin Microfinance Fund may issue shares for a maximum of EUR 5 million.

2. Terms of the offer

Both natural and legal persons can become shareholders of Incofin Microfinance Fund. Associations without legal personality may also become shareholders insofar as they appoint a natural person to represent them in respect of the company. Finally, Incofin IM's employees can also become shareholders.
Incofin Microfinance Fund cannot refuse the subscription of an investor for speculative reasons. Subscription can only be declined if the prospective investor does not meet the general conditions of subscription or if it acts in a manner contrary to the interests of the company.
Incofin Microfinance Fund's shares are issued without the intervention of a financial intermediary.

Subscription takes place in the following 3 steps:
- The subscription takes place via the online portal that can be found on https://incofin.com/funds/incofin-microfinance-fund-en/.
- The subscriber is then asked to transfer the subscription amount to Incofin Microfinance Fund's bank account in EUR, with such structured communication as instructed via the online portal.
- The new shareholder is assigned a shareholder number and included in the electronic shareholders' register. The subscription for shares implies the acceptance of the articles of association.

The electronic shareholders' register also states the amount and number of shares subscribed to and the date of payment. The shareholders receive an extract from the shareholders' register and a share certificate in the form required by law.

3. Total price of the shares

Subscriptions can be made to:
- A Shares : shares with a nominal value of EUR 2,604 per share;
- B Shares : 1/20th shares with a nominal value of EUR 130.20 per share.

4. Timeframe of the offer

The subscription period during which investors can subscribe to Incofin Microfinance Fund shares is 12 months from the date of the information note (i.e. from 05 August 2026 to 04 August 2027) (the "**Subscription Period**"), unless the offer is closed early as a result of reaching the maximum amount of EUR 5 million before the end of the Subscription Period.

5. Costs will be borne by the investor

No costs are charged to the investor when subscribing to Incofin Microfinance Fund's shares.

B. Reason for the offer

The proceeds from the offer will be used by Incofin Microfinance Fund to invest in microfinance institutions and investment funds in low- and middle-income countries. In this way, Incofin Microfinance Fund can meet the ever-growing demand for capital (in the form of participations and loans) by these entities.
Whoever acquires Incofin Microfinance Fund's shares does not do this with the main intention of realising a financial return. A subscription to Incofin Microfinance Fund's shares primarily contributes to Incofin Microfinance Fund's ability to invest in MFIs in low- and middle-income countries, either directly or through investment funds. These MFIs in turn provide microcredit to small local entrepreneurs who can expand their business. Incofin Microfinance Fund wants to strengthen the support base of small entrepreneurs in low- and middle-income countries through investments in MFIs and thus contribute to the alleviation of poverty.
In this way, an investment in Incofin Microfinance Fund is primarily an investment with a social return.

PART IV – INFORMATION ABOUT THE OFFERING OF INVESTMENT INSTRUMENTS

A. Characteristics of the investment instruments offered

1. Nature and category of the investment instruments

There are two types of shares that can be subscribed to:

- A S hares with a nominal value of EUR 2,604 per share, and
- B Shares with a nominal value of EUR 130.20 per share.

This information note relates to the issuance of both types of shares.

Incofin Microfinance Fund is a limited liability cooperative society with social purpose under Belgian law. This issuance therefore relates to shares governed by Belgian law. Incofin Microfinance Fund's shares are registered and are represented by entries in the share register.

2. Currency, denomination and nominal value

Currency:	Euro ("**EUR**")
Denomination:	A Shares B Shares
Nominal value:	A Shares – EUR 2,604 per share B Shares – EUR 130.20 per share

3. Maturity date and repayment terms

Withdrawal – in whole or in part – can, according to the articles of association, only take place during the first six months of the financial year and after approval by the Board of Directors. Withdrawal is only possible (i) to the extent that the net assets of Incofin Microfinance Fund are not negative or would not become negative as a result of payout, and (ii) after the board of directors has ascertained that, in accordance with reasonably expected developments, Incofin Microfinance Fund, after the payout, shall continue to be able to pay its debts as and when they fall due for a period of at least twelve months from the date of the payout and (iii) provided the number of shareholders does not fall below three or provided the continuity of the business of Incofin Microfinance Fund is not jeopardised..
Shareholders can be excluded if they cease to fulfil the conditions for joining or if they perform acts which are contrary to the interests of the company, if they do not comply with the articles of association or the Internal Regulations, if they refuse to submit to the decisions of the General Meeting or of the Board of Directors, or if they fail to meet their obligations towards the company.

- On withdrawal or exclusion, a shareholder is entitled to a payment in accordance with Article 14 of the articles of association and in particular the lowest of the two following amounts: (i) the value of the contribution corresponding to the respective shares; and (ii) the book value of the share, calculated by dividing the shareholders' equity, as shown in the most recently approved financial statements prior to withdrawal, minus the reserves, by the number of existing shares. However, the exit share may never exceed the amount of the nominal value of the actual contributions made by the shareholder in question.

If applicable, this payment will be reduced by the outstanding payment obligation of the shareholder.

During the year when the withdrawal takes place, a shareholder is entitled to a dividend pro rata to the number of full months during which that shareholder was registered in the electronic shareholders' register, provided that the Incofin Microfinance Fund General Meeting decides to pay a dividend.
Insofar as the practical formalities of withdrawal/exclusion are met and the approval of the Board of Directors is obtained, a shareholder is removed from the electronic shareholders' register on the date on which the Exit Amount is transferred by Incofin Microfinance Fund to the bank account of such shareholder. This therefore means that a shareholder loses shareholdings rights (including the right to dividend distributions) from the day on which the Exit Amount is transferred by Incofin Microfinance Fund to such shareholder's bank account.

4. Rank of the investment instruments in the capital structure of the issuing body in the event of insolvency

The new shares are, like the existing shares, ordinary shares that are last in ranking in the event of insolvency.

5. Potential restrictions on the free transfer of investment instruments.

The shares may not be transferred or transitioned unless with the prior consent of the Board of Directors.
Shareholders who wish to transfer shares must submit a written request to the Board of Directors to this end. The Board of Directors will make known the approval or refusal of the transfer in writing within a period of 1 month following receipt of the notification. The decision to decline the request, against which there may be no remedy, does not need to be justified.
The transfer or transition of shares to other parties than existing shareholders is only possible if such parties meet the conditions for subscription.
The transfer or transition of shares is only opposable to the company and third parties from the date of registration in the shareholders' register.

6. Dividend policy

The net profit of the company is allocated in accordance with the following sequence:

1. addition of the net profit to the statutory reserves, as long as the legal minimum has not been reached.
2. distribution of a dividend to the shareholders, which may not, however, be higher than the maximum determined in accordance with the applicable provisions for cooperative companies (decisions to implement the law of 20 July 1955 establishing a National Council of the Cooperative). This maximum is currently set at 6% of the nominal share value. For shareholders who subscribed during the financial year prior to the profit distribution, the amount of the profit distribution is multiplied by a fraction whose denominator is equal to 12 and numerator is equal to the number of remaining months of the relevant financial year following the month of subscription.
3. the remaining part of the net profit can be transferred in whole or in part to the next financial year or added to the non-statutory reserves, on the understanding that these must always be used to achieve the company's social purpose.

Incofin Microfinance Fund wishes to pay a modest dividend in the coming years.
When the General Meeting approves the distribution of dividends, the individual shareholders are contacted by means of a letter which, in addition to the calculation of the respective dividend amount allocated, also states the account into which the net dividend amount (after deduction of the withholding tax on dividends) will be deposited. New shareholders are requested to provide their contact details and account numbers.
Uncollected dividends are forfeited to the company after a period of five years from the date of payment was instructed.
The withholding tax is deducted by Incofin Microfinance Fund and paid to the tax authorities.

7. Dates on which the dividend is paid out

When a dividend is paid, this happens once a year following approval by the General Meeting.

8. Trading of investment instruments on an MTF and ISIN code.

Not applicable.

PART V – ALL OTHER IMPORTANT INFORMATION PROVIDED VERBALLY OR IN WRITING TO ONE OR MORE INVESTORS

- The annual accounts for the financial years 2024 and 2023: included as an annex to this information note.
- Terms and conditions for subscription are available on https://incofin.com/funds/incofin-microfinance-fund-en/
- The articles of association of Incofin Microfinance Fund are available at the company's registered office.
- The Internal Regulations are available at the company's registered office.

PART VI – SUSTAINABLE FINANCE DISCLOSURES

1. Sustainability Risks

This section sets out the information required under Articles 6 and 7 of the Regulation 2019/2088 on sustainability-related disclosures in the financial services sector ("**SFDR**").

Incofin Microfinance Fund is exposed to sustainability risks in the form of environmental, social or governance (ESG) events and conditions that can have negative impacts on the assets, financial and/or earnings situation, or the reputation of Incofin Microfinance Fund.

Incofin Microfinance Fund is exposed to sustainability risks primarily through its direct exposure in financial service providers, as well as indirectly through the sustainability risk exposure of such clients with their end-clients. Such risks could be triggered from external events such as climate change, as well as through weak business practices.

This risk is amplified by the often weaker environmental and social laws and other laws and regulations and enforcement thereof in the countries in which Incofin Microfinance Fund operates, i.e. including, but not limited to Africa, Asia, Eastern Europe and Central Asia, and Latin America and Caribbean region.

Investments in emerging countries also face risks related to labour and working conditions including child labour, hazards to human health, safety and security, resource efficiency and pollution, land acquisition and (involuntary) resettlement, biodiversity, management of living natural resources, indigenous peoples and cultural heritage.

Incofin Microfinance Fund is financing activities which can potentially be exposed to and have adverse negative impact on the environment and society in terms of environmental pollution, hazards to human health, safety and security, as well as threats to a region's biodiversity and cultural heritage. If not adequately managed, these risks can have a negative impact on the relevant investee's reputation, regulatory compliance and financial viability. Given Incofin Microfinance Fund's strategic focus, such impacts can in turn negatively affect Incofin Microfinance Fund's risk profile, reputation and/or its financial situation.

However, sustainability risks are largely mitigated by Incofin Microfinance Fund's investment strategy to finance exclusively companies that meet strict sustainability criteria. Incofin Microfinance Fund applies exclusions and refrains from financing activities with a high level of environmental and social risk. Incofin Microfinance Fund integrates sustainability considerations into decision-making and investee engagement throughout the investment process. The Incofin Microfinance Fund applies the Sustainability Risk Policy of Incofin IM (the investment manager of the Incofin Microfinance Fund), which spells out the general framework for identifying, assessing and mitigating sustainability risks and made available to investors. Incofin IM's evaluation of potential investees includes an ESG risk screening and an ESG due diligence, customized according to the risk profile of the investee.

Engagement with potential and existing investees, including on ESG matters, is an integral component of Incofin Microfinance Fund's investment cycle and contribution to positive development impact. Incofin Microfinance Fund monitors its investments through quarterly and annual reporting provided by Incofin IM to the board of directors of Incofin Microfinance Fund. Monitoring will also occur through regular follow-up visits (either physical or virtual) by the team of Incofin IM.

As the Incofin Microfinance Fund operates almost exclusively with unlisted companies in emerging markets, it relies exclusively on data provided by the respective microfinance institutions (MFIs). The Incofin Microfinance Fund or Incofin IM has limited control over the accuracy, completeness, and consistency of this data.

Limitations include:

- Dependence on the data reporting capacity of portfolio companies;
- The functionality and reliability of their management information systems (MIS);
- Potential biases in self-reported data;
- Variations in data quality and consistency across institutions.

To mitigate these limitations, Incofin IM has implemented several internal control and quality assurance measures in its sustainability risk management system:

- Data Validation: The Risk & ESG team of Incofin IM performs formatting checks, historical comparisons, and peer benchmarking (when possible) to validate data submitted by the investee.
- Advocacy for Standardization: Incofin IM actively promotes industry-wide ESG data harmonization to improve comparability and reliability.

Based on its selective and targeted investment approach, sustainability risks at the level of Incofin Microfinance Fund are not considered significant and thus not expected to materially impact the value of the assets and the financial performance of Incofin Microfinance Fund.

However, given the broad scope of sustainability risks and despite policies, procedures and tools in place to manage sustainability risks, there can be no certainty that Incofin Microfinance Fund will be successful in eliminating or mitigating all sustainability risks or that sustainability risks will not materialise, in each case with potentially significant financial, reputational, or other consequences for Incofin Microfinance Fund.

As regards the approach in respect of the principal adverse sustainability impact of the investments of funds managed by Incofin IM (including the Incofin Microfinance Fund), reference is made to the disclosure on its website (Regulatory Disclosures – Incofin).

2. Sustainable Objective

Incofin Microfinance Fund makes investments in economic activities that contribute to a social objective and, therefore, is considered as having sustainable investment as its objective in accordance with article 9 of the SFDR. More information about the sustainable investments of Incofin Microfinance Fund can be found in Annex II of this information note.

ANNEX I – ANNUAL INCOFIN MICROFINANCE FUND ACCOUNTS FOR THE FINANCIAL YEARS 2025 AND 2024

Do not file with the NBB on paper/by PDF: print in eurocent!							
20				**1**	**EUR**		
NAT.	Deposit date	Nr.	PP.	B.	D.		Abbr-cap 1

ANNUAL ACCOUNTS AND OTHER DOCUMENTS TO BE FILED FOLLOWING THE COMPANIES CODE

IDENTIFYING DATA (on the deposition date)

NAME: ***Incofin Microfinance Fund***

Legal form: ***706*** ***Cooperative society***

Entity industry:

Address: ***Ravensteinstraat*** Nr.: ***2*** Box:

Postal code: ***9000*** Municipality: ***Gent***

Country: ***België***

Entities register - Business court of: ***0448.125.845***

Internet address[1]: ***http://www.incofin.be***

E-mail:

Enterprise number **BE 0448.125.845**

DATE ***23-05-2025*** of the deposit of the most recent document mentioning the date of publication of the deed of incorporation and of the deed amending the articles of association.

ANNUAL ACCOUNTS IN EURO[2]

approved by the General Assembly of ***29-04-2026***

concerning the financial year covering the period from ***01-01-2025*** till ***31-12-2025***

Preceding period from ***01-01-2024*** till ***31-12-2024***

The data related to the preceding period **are** / ~~**are not**~~[3] identical to data published before.

The enterprise ~~**has**~~ / **has not**[3] taken over another enterprise or suspended activities during the financial year.

Total number of pages deposed: Number of sections of the standard model not deposited for not being of service: ***6.1.1, 6.1.2, 6.2, 6.7, 6.9, 7.2, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17***

Signature
(name and position)

Geers Michiel -Voorzitter van de raad van bestuur

Signature
(name and position)

Samyn Frans-Bestuurder

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[1] Optional statement.

[2] If required, modify the unit and the currency of the amounts.

[3] Delete where appropriate.

LIST OF ADMINISTRATORS, MANAGERS AND STATUTORY AUDITORS AND DECLARATION ABOUT COMPLEMENTARY AUDITING OR ADJUSTMENT MISSION

LIST OF ADMINISTRATORS, MANAGERS AND STATUTORY AUDITORS

COMPLETE LIST WITH name, first names, profession, residence-address (address, number, postal code, municipality) and position within the partnership

Geers Michiel, Chairman of the board of directors
Mandate: 23-06-2009 - 26-04-2028
Gavermolenstraat 57, 9111 Belsele, België

Bosmans Willy, Director
Mandate: 29-04-2009 - 26-04-2028
Wijngaardberg 4, 2170 Merksem (Antwerpen), België

De Leenheer Frank, Director
Mandate: 28-04-2010 - 26-04-2028
Ravestraat 52, 9240 Zele, België

Pourveur Guy, Director
Mandate: 28-04-2010 - 26-04-2028
Rue de Mersch 106, 8181 Kopstal, Luxemburg

Samyn Frans, Director
Mandate: 24-04-2013 - 30-04-2025
Nelemeersstraat 7A, 9830 Sint-Martens-Latem, België

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van den Brock Peter, Director
Mandate: 25-04-2007 - 30-04-2025
Ludwig-Wilhelm-Strasse 20, D-76530 Baden-Baden, Duitsland

Van Autreve Anne, Director
Mandate: 27-04-2016 - 26-04-2028
Havenlaan 88 box 100, 1000 Brussel-stad, België

Vereecken Frank, Director
Mandate: 27-04-2022 - 26-04-2028
Watermuntweg 9, 9080 Lochristi, België

Govaerts Nancy, Director
Mandate: 27-04-2022 - 26-04-2028
Vogelenzangstraat 46, 3070 Kortenberg, België

Vandenberghe Patrick, Director
Mandate: 27-04-2022 - 26-04-2028
Petronilla Van Outryvestraat 5, 8310 Sint-Kruis (Brugge), België

Degraeve Frank, Director
Mandate: 26-04-2023 - 26-04-2029
Ravensteinstraat 2, 9000 Gent, België

Terpstra Annette, Director
Mandate: 26-04-2023 - 26-04-2029
Ravensteinstraat 2, 9000 Gent, België

LIST OF ADMINISTRATORS, MANAGERS AND STATUTORY AUDITORS AND DECLARATION ABOUT COMPLEMENTARY AUDITING OR ADJUSTMENT MISSION

LIST OF ADMINISTRATORS, MANAGERS AND STATUTORY AUDITORS

COMPLETE LIST WITH name, first names, profession, residence-address (address, number, postal code, municipality) and position within the partnership

Bruselle Steven, Director

Mandate: 20-03-2024 - 24-04-2030

Ravensteinstraat 2, 9000 Gent, België

Vrolix Maurice, Director

Mandate: 30-04-2025 - 30-04-2031

Opitterstraat 28, 3960 Bree, België

Deloitte Bedrijfsrevisoren. Vertegenwoordigd door: Tom Renders (Lidmaatschapsnr:A02527), Auditor (Membership nr.: B-00025)

BE 0429.053.863 Mandate: 26-04-2023 - 26-04-2026

Luchthaven Brussel Nationaal 1 box J, 1930 Zaventem, België

DECLARATION ABOUT COMPLEMENTARY AUDITING OR ADJUSTMENT MISSION

The managing board declares that not a single audit or correction assignment has been given to a person not authorized to do so by law, pursuant to article 5 of the law of 17 March 2019 on the professions of accountant and tax adviser.

The annual accounts **~~have~~** / **have not*** been audited or adjusted by an external accountant or by a auditor who is not the statutory auditor.

When affirmative, mention here after: name, first names, profession and residence-address of each external accountant or auditor and the number of membership with his Institute, as well as the type of assignment:

A. Bookkeeping of the partnership**,
B. Preparing the annual accounts**,
C. Auditing the annual accounts and/or
D. Adjusting the annual accounts

If assignments mentioned under A. or under B. were executed by authorized accountants or by authorized accountants-tax specialists, may be mentioned here after: name, first names, profession and residence-address of each authorized accountant or authorized accountant-tax specialist and membership number of the Institute of Authorized Accountants and Tax Specialists as well as the type of assignment.

Name, first name, profession, residence-address	Number of membership	Nature of the mission (A, B, C and/or D)

* Delete where appropriate.

** Optional disclosure.

ANNUAL ACCOUNTS

BALANCE SHEET AFTER APPROPRIATION

	Note	Codes	Period	Preceding period
ASSETS				
FORMATION EXPENSES		20		
FIXED ASSETS		21/28	17.421.885,09	17.730.879,30
Intangible fixed assets	6.1.1	21		
Tangible fixed assets	6.1.2	22/27		
Land and buildings		22		
Plant, machinery and equipment		23		
Furniture and vehicles		24		
Leasing and other similar rights		25		
Other tangible fixed assets		26		
Assets under construction and advance payments		27		
Financial fixed assets	6.1.3	28	17.421.885,09	17.730.879,30
CURRENT ASSETS		29/58	48.118.945,70	48.825.205,93
Amounts receivable after more than one year		29	30.207.464,04	21.871.495,02
Trade debtors		290	30.207.464,04	21.871.495,02
Other amounts receivable		291		
Stocks and contracts in progress		3		
Stocks		30/36		
Contracts in progress		37		
Amounts receivable within one year		40/41	14.782.118,74	18.502.207,32
Trade debtors		40	13.726.023,98	17.435.917,68
Other amounts receivable		41	1.056.094,76	1.066.289,64
Current investments		50/53	392,63	392,63
Cash at bank and in hand		54/58	2.701.119,65	8.239.310,08
Deferred charges and accrued income		490/1	427.850,64	211.800,88
TOTAL ASSETS		20/58	65.540.830,79	66.556.085,23

	Note	Codes	Period	Preceding period
EQUITY AND LIABILITIES				
EQUITY		10/15	53.495.577,73	55.992.085,73
Contribution		10/11	49.952.920,69	51.217.423,09
Capital		10	49.952.920,69	51.217.423,09
Issued capital		100	49.952.920,69	51.217.423,09
Uncalled capital[1]		101		
Outside the capital		11		
Share premium account		1100/10		
Other		1109/19		
Revaluation surpluses		12		
Reserves		13	1.597.057,34	1.597.057,34
Reserves not available		130/1	1.597.057,34	1.597.057,34
Legal reserve		130	840.383,79	840.383,79
Reserves statutorily not available		1311	756.673,55	756.673,55
Aquisition of own shares		1312		
Financial support		1313		
Other		1319		
Untaxed reserves		132		
Available reserves		133		
Accumulated profits (losses) (+)/(-)		14	1.945.599,70	3.177.605,30
Investment grants		15		
Advance to associates on the sharing out of the assets[2]		19		
PROVISIONS AND DEFERRED TAXES		16	60.000,00	100.000,00
Provisions for liabilities and charges		160/5	60.000,00	100.000,00
Pensions and similar obligations		160		
Taxation		161		
Major repairs and maintenance		162		
Environmental obligations		163	60.000,00	
Other liabilities and charges		164/5		100.000,00
Deferred taxes		168		

[1] Amount to be deducted from the issued capital.

[2] Amount to be deducted from the other parts of the equity.

	Note	Codes	Period	Preceding period
AMOUNTS PAYABLE		17/49	11.985.253,06	10.463.999,50
Amounts payable after more than one year	6.3	17	7.600.000,00	8.100.000,00
Financial debts		170/4	7.600.000,00	8.100.000,00
Credit institutions, leasing and other similar obligations		172/3	6.600.000,00	8.100.000,00
Other loans		174/0	1.000.000,00	
Trade debts		175		
Advances on contracts in progress		176		
Other amounts payable		178/9		
Amounts payable within one year	6.3	42/48	4.038.935,59	2.090.210,12
Current portion of amounts payable after more than one year falling due within one year		42	2.500.000,00	500.000,00
Financial debts		43		
Credit institutions		430/8		
Other loans		439		
Trade debts		44	467.712,07	489.808,20
Suppliers		440/4	467.712,07	489.808,20
Bills of exchange payable		441		
Advances on contracts in progress		46		
Taxes, remuneration and social security		45		
Taxes		450/3		
Remuneration and social security		454/9		
Other amounts payable		47/48	1.071.223,52	1.100.401,92
Deferred charges and accrued income		492/3	346.317,47	273.789,38
TOTAL LIABILITIES		10/49	65.540.830,79	66.556.085,23

INCOME STATEMENT

	Note	Codes	Period	Preceding period
Operating income and charges				
Gross margin (+)/(-)		9900	-1.260.710,35	-1.479.433,14
Of which: non-recurring operating income		76A		
Turnover *		70		
Raw materials, consumables, services and other goods *		60/61		
Remuneration, social security costs + pension (+)/(-)		62		
Depreciation of and other amounts written off formation expenses, intangible and tangible fixed assets		630		
Amounts written down stocks, contracts in progress and trade debtors: appropriations (write-backs) (+)/(-)		631/4	3.088.302,84	2.357.940,17
Provisions for risks and charges: appropriations (uses and write-backs) (+)/(-)		635/8	-40.000,00	-92.933,80
Other operating charges		640/8	35.574,85	7.128,16
Operating charges carried to assets as restructuring costs (-)		649		
Non-recurring operating charges		66A		
Operating profit (loss) (+)/(-)		9901	-4.344.588,04	-3.751.567,67
Financial income	6.4	75/76B	5.697.268,96	6.683.159,52
Recurring financial income		75	5.673.916,08	6.652.646,52
Of which: Investment grants + interest subsidies		753		
Non-recurring financial income		76B	23.352,88	30.513,00
Financial charges	6.4	65/66B	2.569.208,65	3.462.940,96
Recurring financial charges		65	2.569.208,65	3.462.940,96
Non-recurring financial charges		66B		
Gain (loss) for the period before taxes (+)/(-)		9903	-1.216.527,73	-531.349,11
Transfer from deferred taxes		780		
Transfer to deferred taxes		680		
Income taxes (+)/(-)		67/77	15.477,87	126.893,21
Gain (loss) of the period (+)/(-)		9904	-1.232.005,60	-658.242,32
Transfer from untaxed reserves		789		
Transfer to untaxed reserves		689		
Gain (loss) of the period available for appropriation (+)/(-)		9905	-1.232.005,60	-658.242,32

* Optional statement.

APPROPRIATION ACCOUNT

	Codes	Period	Preceding period
Profit (loss) to be appropriated (+)/(-)	9906	*1.945.599,70*	*3.177.605,30*
Gain (loss) of the period available for appropriation (+)/(-)	(9905)	*-1.232.005,60*	*-658.242,32*
Profit (loss) brought forward	14P	*3.177.605,30*	*3.835.847,62*
Transfers from capital and reserves	791/2		
Transfers to capital and reserves	691/2		
to the contribution	691		
to legal reserve	6920		
to other reserves	6921		
Profit (loss) to be carried forward (+)/(-)	(14)	*1.945.599,70*	*3.177.605,30*
Owners' contribution in respect of losses	794		
Profit to be distributed	694/7		
Remuneration of the contribution	694		
Directors' or managers' entitlements	695		
Employees	696		
Other beneficiaries	697		

	Codes	Period	Preceding period
FINANCIAL FIXED ASSETS			
Acquisition value at the end of the period	8395P	xxxxxxxxxxxxxxx	*18.833.745,88*
Movements during the period			
Acquisitions	8365	*713.937,65*	
Sales and disposals	8375	*79.240,94*	
Transfers from one heading to another (+)/(-)	8385		
Other movements (+)/(-)	8386		
Acquisition value at the end of the period	8395	*19.468.442,59*	
Revaluation gains at the end of the period	8455P	xxxxxxxxxxxxxxx	
Movements during the period			
Recorded	8415		
Acquisitions from third parties	8425		
Cancelled	8435		
Transfers from one heading to another (+)/(-)	8445		
Revaluation gains at the end of the period	8455		
Amounts written down at the end of the period	8525P	xxxxxxxxxxxxxxx	*1.102.866,58*
Movements during the period			
Recorded	8475	*943.690,92*	
Written back	8485		
Acquisitions from third parties	8495		
Cancelled owing to sales and disposals	8505		
Transfers from one heading to another (+)/(-)	8515		
Amounts written down at the end of the period	8525	*2.046.557,50*	
Uncalled amounts at the end of the period	8555P	xxxxxxxxxxxxxxx	
Movements during the period (+)/(-)	8545		
Uncalled amounts at the end of the period	8555		
NET BOOK VALUE AT THE END OF THE PERIOD	(28)	*17.421.885,09*	

STATEMENT OF AMOUNTS PAYABLE

	Codes	Period
BREAKDOWN OF AMOUNTS PAYABLE WITH AN ORIGINAL PERIOD TO MATURITY OF MORE THAN ONE YEAR, ACCORDING TO THEIR RESIDUAL TERM		
Total current portion of amounts payable after more than one year falling due within one year	(42)	***2.500.000,00***
Total amounts payable with a remaining term of more than one but not more than five years	8912	***7.600.000,00***
Total amounts payable with a remaining term of more than five years	8913	
GUARANTEED AMOUNTS PAYABLE *(included in the headings 17 and 41/48 of liabilities)*		
Amounts payable guaranteed by the Belgian public authorities		
Financial debts	8921	
Credit institutions, leasing and other similar obligations	891	
Other loans	901	
Trade debts	8981	
Suppliers	8991	
Bills of exchange payable	9001	
Advances on contracts in progress	9011	
Remuneration and social security	9021	
Other amounts payable	9051	
Total amounts payable guaranteed by the Belgian public authorities	9061	
Amounts payable guaranteed by real securities or irrevocably promised by the partnership on its own assets		
Financial debts	8922	
Credit institutions, leasing and other similar obligations	892	
Other loans	902	
Trade debts	8982	
Suppliers	8992	
Bills of exchange payable	9002	
Advances on contracts in progress	9012	
Taxes, remuneration and social security	9022	
Taxes	9032	
Remuneration and social security	9042	
Other amounts payable	9052	
Total amounts payable guaranteed by real securities or irrevocably promised by the partnership on its own assets	9062	

RESULTS

	Codes	Period	Preceding period
PERSONNEL			
Employees for whom the partnership submitted a DIMONA declaration or who are recorded in the general personnel register			
Average number of employees calculated in full-time equivalents	9087		
INCOME AND CHARGE OF EXCEPTIONAL SIZE OR INCIDENCE			
Non recurring income	76	***23.352,88***	***30.513,00***
Non-recurring operating income	(76A)		
Non-recurring financial income	(76B)	***23.352,88***	***30.513,00***
Non-recurring charges	66		
Non-recurring operating charges	(66A)		
Non-recurring financial charges	(66B)		
FINANCIAL RESULTS			
Capitalized interests	6502		

RIGHTS AND COMMITMENTS NOT ACCRUED IN THE BALANCE SHEET

	Codes	Period
PERSONAL GUARANTEES PROVIDED OR IRREVOCABLY PROMISED BY THE PARTNERSHIP AS SECURITY FOR DEBTS AND COMMITMENTS OF THIRD PARTIES	9149	
Of which		
Bills of exchange in circulation endorsed by the partnership	9150	
REAL GUARANTEES		
Real guarantees provided or irrevocably promised by the partnership on its own assets as security of debts and commitments of the partnership		
Mortgages		
Book value of the immovable properties mortgaged	91611	
Amount of registration	91621	
For irrevocable mortgage mandates, the amount for which the proxy may subscribe under the mandate	91631	
Pledging of commercial fund		
Maximum amount for which the debt is guaranteed and for which registration takes place	91711	
For irrevocable mandates to pledge the commercial fund, the amount for which the proxy may proceed to register under the mandate	91721	
Pledge on other assets or irrevocable mandates to pledge other assets		
Book value of the immovable properties mortgaged	91811	
Maximum amount for which the debt is guaranteed	91821	
Security provided or irrevocably promised on the assets still to be acquired by the partnership		
Amount of the assets involved	91911	
Maximum amount for which the debt is guaranteed	91921	
Privilege of the seller		
Book value of the asset sold	92011	
Amount of the unpaid price	92021	

	Codes	Period
Real guarantees, given or irrevocably promised by the partnership on its own assets as security of debts and commitments from third parties		
Mortgages		
Book value of the immovable properties mortgaged	91612	
Amount of registration	91622	
For irrevocable mortgage mandates, the amount for which the proxy may subscribe under the mandate	91632	
Pledging of commercial fund		
Maximum amount for which the debt is guaranteed and for which registration takes place	91712	
For irrevocable mandates to pledge the commercial fund, the amount for which the proxy may proceed to register under the mandate	91722	
Pledge on other assets or irrevocable mandates to pledge other assets		
Book value of the immovable properties mortgaged	91812	
Maximum amount for which the debt is guaranteed	91822	
Security provided or irrevocably promised on the assets still to be acquired by the partnership		
Amount of the assets involved	91912	
Maximum amount for which the debt is guaranteed	91922	
Privilege of the seller		
Book value of the asset sold	92012	
Amount of the unpaid price	92022	

	Period
AMOUNT, NATURE AND FORM CONCERNING LITIGATION AND OTHER IMPORTANT COMMITMENTS	
1) ***Financiële Contracten:17.776.416,65 USD***	***15.791.479,88***
2) ***Financiële Contracten:431.600.000,00 INR***	***4.807.857,01***
3) ***Financiële Contracten:5.051.516.666,84 COP***	***1.133.756,47***
4) ***Financiële Contracten:481.500.000,00 KZT***	***1.000.000,00***
5) ***Financiële Contracten:17.920.000,00 MXN***	***849.289,10***
6) ***Financiële Contracten: 1.239.468.497,62 TZS***	***472.634,54***
7) ***Financiële Contracten: 49.382.950,00KGS***	***500.000,00***
8) ***Financiële Contracten: 21.923.240,00 TJS***	***2.000.000,00***
9) ***Financiële Contracten: 7.194.872.677,7 MNT***	***1.714.824,66***
10) ***Financiële Contracten: 7.089.569.514,57 IDR***	***473.775,03***

SUPPLEMENT RETIREMENTS OR SURVIVORS PENSION PLANS IN FAVOUR OF THE PERSONNEL OR THE EXECUTIVES OF THE ENTERPRISE

Brief description

Measures taken by the enterprise to cover the resulting charges

	Code	Period
PENSIONS FUNDED BY THE PARTNERSHIP		
Estimated amount of the commitments resulting from past services	9220	
Methods of estimation		

	Period
NATURE AND COMMERCIAL OBJECTIVE OF TRANSACTIONS NOT REFLECTED IN THE BALANCE SHEET **Provided that the risks or advantages coming from these transactions are significant and if the disclosure of the risks or advantages is necessary to appreciate the financial situation of the company**	

	Period
OTHER RIGHTS AND COMMITMENTS NOT REFLECTED IN THE BALANCE SHEET (including those which can not be quantified)	

RELATIONSHIPS WITH AFFILIATED ENTERPRISES, ASSOCIATED ENTERPRISES, DIRECTORS, MANAGERS AND AUDITORS

	Codes	Period
AFFILIATED OR ASSOCIATED ENTERPRISES		
Guarantees provided in their favour	9294	
Other significant commitments undertaken in their favour	9295	
DIRECTORS, MANAGERS, INDIVIDUALS OR BODIES CORPORATE WHO CONTROL THE PARTNERSHIP WITHOUT BEING ASSOCIATED THEREWITH OR OTHER ENTERPRISES CONTROLLED BY THESE PERSONS		
Amounts receivable from these persons	9500	
Conditions on amounts receivable, rate, duration, possibly reimbursed amounts, canceled amounts or renounced amounts		
Guarantees provided in their favour	9501	
Other significant commitments undertaken in their favour	9502	

	Period
STATUTORY AUDITORS OR PEOPLE THEY ARE LINKED TO	
1) ***Vergoeding bedrijfsrevisor***	***16.380,00***
2) ***Er zijn geen andere diensten (commissarissen)***	

	Period
TRANSACTIONS CONCLUDED, DIRECTLY OR INDIRECTLY, OUTSIDE THE NORMAL MARKET CONDITIONS	
With persons holding an participating interest in the partnership	
Nature of the transactions	
With companies in which the partnership holds participating interest	
Nature of the transactions	
With members of the administrative, management and supervisory bodies of the partnership	
Nature of the transactions	

VALUATION RULES

Waarderingsregels
Onverminderd de hierna vermelde specifieke waarderingsregels, gelden de waarderingsregels zoals deze bepaald worden overeenkomstig de bepalingen van het Koninklijk Besluit van 29 April 2019 tot uitvoering van het Wetboek van vennootschappen en verenigingen Tenzij anders vermeld, verwijzen de artikelnummers naar de desbetreffende artikelen van voornoemd Koninklijk Besluit van 29 April 2019.
Waardering van activa
Onverminderd de hierna vermelde specifieke waarderingsregels wordt elk actiefbestanddeel afzonderlijk gewaardeerd tegen aanschaffingswaarde en voor dat bedrag in de balans opgenomen, onder aftrek van de afschrijvingen en waardeverminderingen op het betrokken actiefbestanddeel (art. 3:13, eerste lid).
IMMATERIËLE VASTE ACTIVA
Immateriële vaste activa worden geboekt aan aanschaffingswaarde, exclusief bijkomende kosten. Ze worden afgeschreven over de economische levensduur aan de activa, met name 5 jaar voor software.
MATERIËLE VASTE ACTIVA
Materiële vaste activa worden geboekt aan aanschaffingswaarde, exclusief bijkomende kosten. Ze worden afgeschreven over de economische levensduur van de activa, met name:
Bureautica 5 jaar
Computer 3 jaar
Meubilair 10 jaar
DEELNEMINGEN EN AANDELEN
Deelnemingen en aandelen worden gewaardeerd tegen aanschaffingsprijs, exclusief de bijkomende kosten (art.3:19,§2). Er wordt tot waardevermindering overgegaan ingeval van duurzame minderwaarde of ontwaarding, verantwoord door de toestand, de rentabiliteit of de vooruitzichten van de vennootschap waarin de deelnemingen of de aandelen worden aangehouden (art. 3:44, §2). De deelnemingen en aandelen die onder de financiële vaste activa voorkomen worden niet geherwaardeerd (art. 3:35, §1). Eens tot waardevermindering werd overgegaan, zal voor de desbetreffende deelneming opnieuw tot waardevermeerdering worden overgegaan tot maximaal het niveau van de originele aanschaffingsprijs indien de toestand, de rentabiliteit of de vooruitzichten van de vennootschap (te beoordelen door de Raad van Bestuur) dit verantwoordt.
VASTRENTENDE EFFECTEN
Vastrentende effecten worden gewaardeerd aan aanschaffingswaarde. Het verschil tussen de aanschaffingswaarde en de terugbetalingwaarde wordt op lineaire basis prorata temporis in resultaat opgenomen.
VORDERINGEN
Onverminderd de bepalingen van de artikels 3:45, §2, 3:46 en 3:51, worden vorderingen geboekt tegen hun nominale waarde (art. 3:45, §1) op datum van afsluiting van het boekjaar.
VORDERINGEN OP MEER EN OP MINDER DAN ÉÉN JAAR
Onverminderd de bepalingen van de artikels 3:45, §2, 3:46 en 3:51 worden vorderingen geboekt tegen hun nominale waarde (art. 3:45, §1).
Conform artikel 3:46 worden waardeverminderingen aangelegd, zo er voor het geheel of een gedeelte van de vordering onzekerheid bestaat over de betaling er van op de vervaldag.
Om rekening te houden met het specifieke krediet- en valutarisico dat ontstaat door het verstrekken van leningen aan hoogrisicolanden met een onstabiel economisch en politiek klimaat, wordt jaarlijks een globale provisie van 1,11% voor de leningen en 5,38% voor de quasi-equity aangelegd. Dit percentage wordt toegepast op de uitstaande investeringsportefeuille - uitgedrukt als vorderingen - gewogen volgens de per land gepubliceerde ECA-risicoscores. De percentages zijn gebaseerd op de lifetime loss rate en worden jaarlijks aangepast. Deze globale waardeverminderingen worden aangelegd conform artikel 3:25 vermits het hier gaat om vorderingen met dezelfde technische en juridische kwaliteiten.
Het niveau van deze provisies kan aangepast worden op basis van historische verliesgegevens.
Indien specifieke risico's op de uitstaande vorderingen worden geïdentificeerd, is sinds 2020 de mogelijkheid gecreëerd om hiervoor een specifieke provisie voor op te zetten.
GELDBELEGGINGEN EN LIQUIDE MIDDELEN
Worden opgenomen aan hun aanschaffingswaarde of de realisatiewaarde op datum van de jaarafsluiting indien deze lager is (art. 3:52).
Waardering van passiva
VOORZIENINGEN VOOR RISICO'S EN KOSTEN
Voorzieningen worden aangelegd teneinde naar hun aard duidelijk omschreven verliezen of kosten te dekken die op de balansdatum waarschijnlijk of zeker zijn, doch waarvan het bedrag echter niet vaststaat (art. 3:28).
SCHULDEN OP MEER EN OP MINDER DAN ÉÉN JAAR
Onverminderd de overige bepalingen van artikels 3:55, 3:45, §2, en 3:51 worden schulden geboekt tegen hun nominale waarde (art. 3:45, §1).
OMREKENING VAN VREEMDE VALUTA (ART. 3:12)
Transacties in vreemde valuta worden geboekt tegen de wisselkoers die geldt op de datum van de transactie.

Alle vorderingen en schulden in vreemde valuta worden ingedekt tegen mogelijke wisselkoersverschillen via cross-currency contracten of forward contracten. Dergelijke vorderingen of schulden worden gewaardeerd aan de contractueel afgesproken indekkingskoers.
Overige monetaire activa en passiva in vreemde valuta worden omgerekend aan de slotkoers op balansdatum. Winsten en verliezen die voortvloeien uit transacties in vreemde valuta en uit de omzetting va n monetaire activa en passiva in vreemde valuta, worden opgenomen in de resultatenrekening. Niet-monetaire elementen gewaardeerd aan aanschaffingswaarde in een vreemde munt, worden omgerekend aan de wisselkoers die geldt op datum waarop de aanschaffingswaarde wordt bepaald.
In de financiële resultaten worden de positieve en negatieve koersverschillen op netto basis weergegeven.
CONTINUÏTEITSVERONDERSTELLING Het bestuursorgaan heeft de continuïteit van het Incofin Microfinance Fund beoordeeld voor een periode van ten minste twaalf maanden vanaf de datum van goedkeuring van deze jaarrekening. Ondanks de verliezen in de afgelopen twee boekjaren beschikt het Fonds over voldoende liquiditeit om aan zijn verplichtingen te voldoen naarmate deze opeisbaar worden.
Daarnaast zijn de aanwezige reserves en het overgedragen resultaat ruim voldoende om de activiteiten van het Fonds zonder enige belemmering verder te zetten.
Er zijn geen plannen om het Fonds te liquideren of de activiteiten stop te zetten; de investeringsstrategie en operationele werking worden onverminderd voortgezet. Op basis van deze beoordeling is het bestuursorgaan van oordeel dat de continuïteitsveronderstelling passend blijft en dat er geen materiële onzekerheden bestaan die significante twijfel zouden kunnen doen ontstaan over het vermogen van het Fonds om zijn activiteiten voort te zetten.

OTHER DOCUMENTS TO BE FILED FOLLOWING THE COMPANIES CODE

PARTICIPATING INTERESTS INFORMATION

PARTICIPATING INTERESTS AND SHARES IN OTHER ENTERPRISES

List of both enterprises in which the partnership holds a participating interest (recorded in the heading 28 of the assets), and other enterprises in which the partnership holds rights (recorded in the headings 28 and 50/53 of the assets) in the amount of at least 10% of the capital, or of the equity or of some sort of shares of that partnership.

NAME, full address of the REGISTERED OFFICE and for an enterprise governed by Belgian law, the ENTERPRISE NUMBER	Participating interests held by				Information from the most recent period for which annual accounts are available			
	Nature	the enterprise (directly)		subsi-diaries	Annual accounts	Cur-rency	Equity	Net result
							(+) of (-) (in monetary units)	
		Number	%	%				
1) ***Proempresa*** 610 Private limited company Jr Carlos Arrieta 1066, PE-1066 Lima, Peru	Gewone aanc	136.699	1,76			EUR		
2) ***Akiba Commercial Bank*** 610 Private limited company 3rd Floor, amanu Place, Ohio street, 000 Dar es Salaam, Tanzania + eiland Zanzib	Gewone	617.850	5,62			TZS		
3) ***Impulse Microfinance Investment Fund*** 610 Private limited company BE 0870.792.160 Sneeuwbeslaan 20, 2610 Wilrijk (Antwerpen), België	Gewone aanc	800	7,03			EUR		
4) ***Banco FIE SA*** 610 Private limited company calle Generale Gonzales, 15032 Casilla - La Paz, Bolivia	Gewone aanc	556.344	5,66			BOB		

NAME, full address of the REGISTERED OFFICE and for an enterprise governed by Belgian law, the ENTERPRISE NUMBER	Participating interests held by				Information from the most recent period for which annual accounts are available			
	Nature	the enterprise (directly)		subsi-diaries	Annual accounts	Cur-rency	Equity	Net result
		Number	%	%			(+) of (-) (in monetary units)	
5) ***MFX Solutions,LLC*** 610 Private limited company 20th Street 1724, US-2000 NW District of Columbia, Verenigde Staten	Gewone aanc	500.000	3,30			EUR		
6) ***Incofin Investment Management*** 610 Private limited company BE 0815.870.958 Sneeuwbeslaan 20, 2610 Wilrijk (Antwerpen), België	Gewone aanc	467	25,00			EUR		
7) ***Association pour la Coopération avec la Micro Entreprise (ACME)*** 610 Private limited company 000 Bois de Patate, Haïti	Gewone aanc	59.265	18,23			HTG		
8) ***Fairtrade Acces Fund S.A., Sicav-FIS*** 610 Private limited company Rue Aldringen 11, LU-1118 Luxembourg, Luxemburg	Gewone aanc	7.500	2,68			USD		
9) ***FPM SA*** 610 Private limited company Avenue Kauka, Gombe 17, 0000 Congo (Dem. Rep.), Congo (ex-Zaïre)	Gewone aanc	1.000	0,43			USD		
10) ***Juhudi Kilimo*** 610 Private limited company 2nd Floor, The priory, 0000 Kilimani, Kenia	Gewone aanc	8.083	32,10			KES		

NAME, full address of the REGISTERED OFFICE and for an enterprise governed by Belgian law, the ENTERPRISE NUMBER	Participating interests held by				Information from the most recent period for which annual accounts are available			
	Nature	the enterprise (directly)		subsi-diaries	Annual accounts	Cur-rency	Equity	Net result
		Number	%	%			(+) of (-) (in monetary units)	
11) ***Sempli*** 610 Private limited company Calle 11 AN 31 A - 89 Officina 502A, 0000 Medellin, Colombia	Gewone aanc	317.014	5,64			COP		
12) ***Lovcen Banka*** Bulevar Dzordza Vasingtona 56/I, 0000 Bulevar Dzordza Vasingtona 56/I, Montenegro	Gewone aanc	3.636	8,65			EUR		

Template pre-contractual disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph, of Regulation (EU) 2020/852

Product name: Incofin Microfinance Fund
Legal entity identifier: 549300O5VTOTJJIS6X96

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Sustainable investment objective

Does this financial product have a sustainable investment objective?

☒ **Yes**	☐ **No**
☐ It will make a minimum of **sustainable investments with an environmental objective:** ___%	☐ It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of ___% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☒ It will make a minimum of **sustainable investments with a social objective:** 85%	☐ It promotes E/S characteristics, but **will not make any sustainable investments**

What is the sustainable investment objective of this financial product?

Incofin Microfinance Fund has sustainable investment as its objective as described in article 9 of the SFDR. The mandate of Incofin Microfinance Fund is to invest in entities contributing to the social, environmental and/or economic development of vulnerable populations in emerging countries. Specifically, Incofin Microfinance Fund seeks to invest in companies that contribute to at least one of the following:

- provide vulnerable and excluded populations with better access to basic goods and services, with a specific focus on financial inclusion (such as microloans, savings, microinsurance);
- support local entrepreneurship and raise the standards of living of entrepreneurs and their families;
- build strong and transparent companies that apply responsible practices and contribute to their customers' capacity building through the provision of non-financial services, such as training services on women empowerment, financial literacy, business development, sustainable agriculture practices, health and other educational services;

- support the development of the local communities, which can take the form of creating sustainable employment and decent jobs for people excluded from the labor market.

The portfolio is diversified across regions, countries, products (equity and debt instruments), and currencies. Such investments are expected to (i) provide a fair return to investors in Incofin Microfinance Fund, (ii) do no significant harm to society and/or the environment, and (iii) comply with the investment strategy of Incofin Microfinance Fund.

Sustainability indicators measure how the sustainable objectives of this financial product are attained.

What sustainability indicators are used to measure the attainment of the sustainable investment objective of this financial product?

Incofin Microfinance Fund intends to deliver a positive impact and it expects from investee companies the highest standards in terms of environmental, social and governance practices. Incofin Microfinance Fund tracks the sustainable performance of its investment portfolio through the following indicators, which are linked to the UN Sustainable Development Goals (SDGs):

ESG risk score	1	% of the investment portfolio invested in investees having a minimum SPI4-ALINUS score of 60%
SDG 1: No Poverty	2	% of investees who offer services and products targeting vulnerable or excluded groups
	3	# of end-beneficiaries
	4	% of rural end-beneficiaries
SDG 2: Zero Hunger	5	% of investees having more than 20% of loan portfolio in agriculture
	6	Total $ in agriculture financing by investees
SDG 5: Gender Equality	7	% of women end-beneficiaries
	8	% of women staff employed by investees
SDG 8: Decent Work & Economic Growth	9	% of investees having more than 50% of loan portfolio in productive activities
	10	% of investees following best practices on labour rights (SPI4-ALINUS dimension on staff treatment >60%)
SDG 10: Reduced inequalities	11	% of investees who have an anti-discrimination policy
	12	% of investees offering remittance services
SDG 12: Responsible consumption and production	13	% of FI investees who offer specific loan products to finance renewable energy, energy efficient technologies, or activities that promote environmentally-friendly practices (such as recycling, waste management, clean water, etc.)

How do sustainable investments not cause significant harm to any environmental or social sustainable investment objective?

In pursuing its sustainable objective, Incofin Microfinance Fund places a priority on the effective management of potential sustainability harm associated with its investments, with the principle of 'no significant harm to any area of environmental or social concern' as a minimum requirement. Towards that end, Incofin Microfinance Fund has implemented and maintains a specific investment process, investees selection criteria, exclusion list, and tools to conduct robust sustainability risk and impact assessment of each potential investment.

How have the indicators for adverse impacts on sustainability factors been taken into account?

➢ <u>Identifying principal adverse impacts (PAIs)</u>

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

Given the pioneering target investment sector of Incofin Microfinance Fund, availability of data is a challenge for identifying the PAIs mandated by the SFDR regulation. Incofin Microfinance Fund has been working with its impact investors peers through the Social Performance Task Force (SPTF), a financial inclusion network of over 4,500 members, to standardize methodologies, metrics, data collection and reporting of the PAI indicators. A pilot test was conducted throughout 2022 to test the quality of the data, with the aim to finalize the methods and tools before the June 2023 deadline for the first quantitative PAI reporting.

Incofin Microfinance Fund will be reporting PAI indicators at the portfolio company level (financial institution), but will proactively work with peers to build capacities to collect and report at the end-client level in the future, likely with the use of proxy indicators.

- Prioritising the principle adverse impacts

To prioritize the PAIs and evaluate its materiality on Incofin Microfinance Fund's sustainability objective, a mix of quantitative audit tools, judgement based techniques and benchmarking are used to process the information gathered. This includes an ESG rating using SPI4-ALINUS, an industry recognized social and environmental audit tool, to evaluate a company's ESG practices against the industry's best practices and furthermore, classify the risk level. Minimum thresholds corresponding to the risk appetite of Incofin Microfinance Fund are set as another safeguard.

How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?

All potential investees undergo an ESG risk assessment in addition to a credit risk assessment. A mix of industry recognized tools and dedicated proprietary tools are used to evaluate the environmental, social and governance risks and practices of the investee. All tools are aligned with international standards and minimum safeguards like the UN Guidelines for Business and Human Rights, the ILO Labour convention and the UN Global Compact Principles. Incofin Microfinance Fund's impact framework complies with the Operating Principles for Impact Management.

Incofin Microfinance Fund's ESG risk assessment thoroughly assesses the following aspects of the OECD Guidelines for Multinational Enterprises: employment and labour conditions, human rights, environment, information disclosure, combating bribery, customer protection and taxation.

Does this financial product consider principal adverse impacts on sustainability factors?

- [x] Yes
- [ ] No

Please see information under question "How have the indicators for adverse impacts on sustainability factors been taken into account?" above.

Additionally, Incofin Microfinance Fund applies the sustainability risk policy of Incofin IM, the investment manager of the Incofin Microfinance Fund (the "Sustainability Risk Policy"). The Sustainability Risk Policy describes the process and tools used to identify, assess, control and monitor sustainability risks that could have a materially negative impact on the value of the investments and/or its sustainability objectives. This Policy is reviewed and approved periodically. The latest policy was approved on September 2024.

As outlined in the Sustainability Risk Policy, Incofin IM considers the sustainability risks of its investments from a double materiality perspective[1] using a 4-step risk management approach:

1. **Identify** - Principal adverse impacts are largely filtered out before an investment is even made through the eligibility criteria, which applies both a positive and negative screening;
2. **Assess** - The materiality of potential sustainability risks are evaluated with ESG rating tools that takes into account the probability of occurrence and severity of adverse impact, including their potentially irremediable character. A rigorous due diligence of the company, including an onsite verification, is carried out to determine if an adequate ESG management system is in place. The findings during the due diligence could lead to modification of the terms of the transaction. Where ESG-related risks of adverse impacts cannot be mitigated to a satisfactory extent, the investment will not proceed.
3. **Control** - Potential sustainability risks are controlled by avoiding or limiting them through various methods including ESG clauses in loan agreements, technical assistance to portfolio companies, requirement for an E&S action plan; and
4. **Monitor and report** - All portfolio companies are reviewed on an annual basis. Indicators are set to track the performance of the portfolio company over the investment period and reported to stakeholders.

Overall, Incofin IM uses an iterative process for the early recognition of sustainability risks, which continues throughout the investment period. Good quality information is the starting point for identifying sustainability risks. Incofin IM has a specialized team of investment professionals trained to collect relevant information and assess risks with an impact lenses. The main sources of information include:

- Interviews with relevant stakeholders (i.e. Company's senior management and board, industry experts, regulators, end borrowers, etc.);
- Review of external and internal audit reports;
- Historic data analysis;
- Benchmarking against peer group;
- Market and sector information.

The information on principal adverse impacts on sustainability factors is available in annex 1 of the annual report of Incofin Microfinance Fund.

What investment strategy does this financial product follow?

The investment strategy guides investment decisions based on factors such as investment objectives and risk

Sustainability is designed into Incofin Microfinance Fund's investment process. To be eligible for financing, all potential investees must undergo a sustainability screening process. Firstly, a company must meet Incofin Microfinance Fund's investment mandate (positive screening). In addition, the company must also meet Incofin Microfinance Fund's "do no harm" standards (negative screening).

Incofin IM shall review the application form submitted by an organization requesting funding as a first step to verify that the potential investee meets the eligibility criteria of Incofin Microfinance Fund (including the general corporate governance practices). In addition, Incofin IM also checks references and evaluates the quality of financial reports. Internal approval to proceed will be requested for a potential investee that meets the eligibility criteria, and if provided, the terms and conditions of a possible investment will be negotiated with the potential investee.

Once the terms have been agreed between the potential investee and Incofin Microfinance Fund, pre-due diligence information will be gathered. Incofin IM analyses this information prior to conducting a field visit to the organization. The results of the pre-due diligence and the field visit will be used to conduct a financial risk analysis using the Counterparty Risk Score tool (as described in the Investment Policy) and a social and environmental risk analysis using the SPI4-ALINUS[2] tool, an industry recognized

[1] 5 Double materiality perspective is referring to the external ESG risks that can negatively impact a portfolio company as well as the internal ESG risks created by the portfolio company through its operations.

[2] Tool developed by CERISE, a non for profit organization which has more than 15 years of social audits in financial inclusion, rural finance and social businesses (http://www.cerise-microfinance.org), working to promote ethical and responsible finance.

due diligence tool that is aligned with the Universal Standards[3]. Incofin IM assesses sustainability risk with a double materiality perspective[4], taking into account both external ESG risks and internal negative impacts created by the company.

If Incofin IM identifies during its due diligence, eligibility criteria that may be improved by potential investees, Incofin IM may request Incofin Microfinance Fund to proactively provide technical assistance to the targeted investees in order to help them attain the quality level expected by Incofin Microfinance Fund. When a proposal from a potential investee scores below 60% on the SPI4-ALINUS tool and that ESG-related risks cannot be mitigated to a satisfactory extent, the investment does not proceed. If the score exceeds the minimum, an investment memorandum summarizing the results of the ESG risk assessment is presented to the Investment Committee of Incofin Microfinance Fund, which takes the final investment decision.

What are the binding elements of the investment strategy used to select the investments to attain the sustainable investment objective?

<u>Geographical criteria:</u>

Incofin Microfinance Fund is a global investor prioritizing countries which qualify as 'Developing Countries' and 'Countries in Transition' according to the DAC-List of the OECD . Additionally on a case by case basis also investments in other countries can be considered if the Board of Incofin Microfinance Fund allows.

<u>Criteria relating to the investees:</u>

In all cases, eligible investees must meet the following conditions:

- pertain to a business sector widely considered eligible for impact investments;
- show adequate and transparent corporate governance ;
- be externally audited;
- be able to provide good quality financial reports on a regular basis.

Target investees, who are financial intermediaries, must also meet the following conditions:

- provide financial services for the BoP with a maximum of 30% consumer finance (excluding housing and education finance);
- obtain minimum performance levels, meaning that it must have a minimum score of 60% on the Incofin IM financial risk score (CRS) and a minimum score of 60% on the SPI4-ALINUS tool;

Target investees, who are not financial intermediaries, must also qualify on the following:

- evaluation of ESG management against industry parameters, through use of SPI4-ALINUS tool.

With regard to the stage of investment, Incofin Microfinance Fund considers that every opportunity has to be assessed in relation to the maturity of the market in which the target operates, and therefore can invest over different stages of the lifecycle of a company, such as from greenfield over early-stage to mature.

Finally, Incofin Microfinance Fund is concerned about potentially harmful effects and will apply restrictions to minimize negative effects, excluding unlawful activities and others having harmful effects. To that effect, Incofin Microfinance Fund applies the following exclusion criteria:

[3] The Universal Standards for Social Performance Management (the "Universal Standards") is a comprehensive manual of best practices created by and for people in microfinance as a resource to help financial service providers achieve their social goals. They were developed by the Social Performance Task Force (SPTF), a non-profit membership organization with more than 3,000 members from all over the world, engaging with all stakeholder groups in inclusive finance.
[4] Double materiality perspective is referring to the external ESG risks that can negatively impact a portfolio company as well as the internal ESG risks created by the portfolio company through its operations.

Incofin Microfinance Fund will not invest directly or indirectly in any person or entity of which its activities exceed the threshold in the following excluded activities, calculated as a percentage of gross loan portfolio or consolidated balance sheet or earnings:

N°	Exclusion	Threshold:
1.	Production or trade in alcoholic beverages (excluding beer and wine).	10%
2.	Trade in tobacco	10%
3.	Production, trade, storage, or transport of significant volumes of hazardous chemicals, or commercial scale usage of hazardous chemicals. Hazardous chemicals include gasoline, kerosene, and other petroleum products.	10%
4.	Prospection, exploration, and mining, extraction, distribution or refining of coal; land-based means of transport and related infrastructure essentially used for coal; power plants, heating stations and cogeneration facilities essentially fired with coal, as well as associated stub lines	10%
5.	Exploration, mining, extraction, distribution or refining of oil fuels.	10%
6.	Exploration, extraction, manufacturing or distribution of gaseous fuels	50%
7.	Electricity generation with a GHG intensity of more than 100 g CO_2 e/kWh.	50%

Incofin Microfinance Fund will not invest in any person or entity if it is involved in any of the following excluded activities, regardless of size or exposure:

1. Production or trade in any product or activity deemed illegal under host country laws or regulations or international conventions and agreements, or subject national or international phase-out or to international bans, such as:
    - pharmaceuticals, pesticides/herbicides and other toxic substances,[5]
    - ozone depleting substances,[6]
    - PCB's (polychlorinated biphenyls),
    - wildlife or products regulated under the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES),
    - prohibited transboundary trade in waste and waste products, unless compliant with the Basel Convention and the underlying regulations.
2. any activities related to Controversial Weapons[7], including, but not limited to, the production or trade in munitions or critical components thereof (nuclear weapons and radioactive ammunition, biological and chemical weapons, cluster bombs and munitions, anti-personnel mines, enriched uranium).
3. Cultivation and production of tobacco.
4. Gambling, casinos and equivalent enterprises.
5. Production or trade in radioactive materials. This does not apply to the purchase of medical equipment, quality control (measurement) equipment and any equipment or other application for which the radioactive source is insignificant and/or adequately shielded.

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[5] In accordance with the 1998 Rotterdam Convention on the Prior Informed Consent Procedure for Certain Hazardous Chemicals and Pesticides in International Trade, as amended from time to time; the 2001 Stockholm Convention on Persistent Organic Pollutants (POPs); World Health Organisation (2020), *Restrictions in use and availability of pharmaceuticals, 2010-2018*, as amended and/or updated from time to time.
[6] In accordance with the 1987 Montreal Protocol on Substances that Deplete the Ozone Layer, as amended from time to time.
[7] "Controversial Weapons" means controversial weapons as referred to in international treaties and conventions, United Nations principles and, where applicable, national legislation.

6. Production or trade in unbonded asbestos fibres. This does not apply to purchase and use of bonded asbestos cement sheeting where the asbestos content is less than 20%.

Asset allocation describes the share of investments in specific assets.

7. Destructive fishing methods or drift net fishing in the marine environment using nets in excess of 2.5 km. in length.

8. Production or activities involving harmful or exploitative forms of Forced Labour[8]/Harmful Child Labour.[9]

9. Commercial logging operations for use in primary tropical moist forest.

10. Production or trade in wood or other forestry products other than from sustainably managed forests .

11. Production or activities that impinge on the lands owned, or claimed under adjudication, by Indigenous Peoples (as defined in Standard 7 of the IFC Performance Standards), without full documented consent of such peoples.

12. Investments which could be associated with Destruction[10] or significant impairment of High Conservation Value areas.[11]

13. Pornography and/or prostitution.

14. Racist and/or anti-democratic media.

15. Nuclear power plants (apart from measures that reduce environmental hazards of existing assets) and mines with uranium as an essential source of extraction.

16. Non-conventional prospection, exploration and extraction of oil from bituminous shale, tar sands or oil sands.

17. Companies that benchmark administrators find in violation of the United Nations Global Compact (UNGC) principles or the Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises.

What is the policy to assess good governance practices of the investee companies?

During the screening and the due diligence processes, Incofin IM shall assess whether a potential investee company meets the eligibility criteria of Incofin Microfinance Fund, including general corporate governance practices such as: anti-corruption and bribey, board independence, financial transparency and tax honesty. Potential investee companies that do not implement principles of good corporate governance will be screened out. However, if during the screening process, Incofin IM determines that certain corporate governance practices may be improved, Incofin Microfinance Fund may decide to invest in the potential investee company and proactively provide technical assistance to the targeted investees in order to help them to attain the quality level expected by Incofin Microfinance Fund.

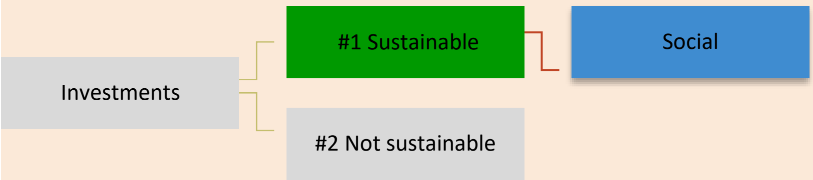
Good governance practices include sound management structures, employee relations, remuneration of staff ad tax compliance.

What is the asset allocation and the minimum share of sustainable investments?

Incofin Microfinance Fund commits to invest at least 85% of its assets in investments considered as sustainable under the SFDR (#1 Sustainable) in alignment to its social sustainable investment objective. 100% of the sustainable investments of Incofin Microfinance Fund have social objectives.

Incofin Microfinance Fund shall invest up to 85% of its assets for liquidity management or hedging purposes.

[8] "Forced Labour" means all work or service, not voluntarily performed, that is extracted from an individual under threat of force or penalty.
[9] Harmful Child Labour" means the employment of children that is economically exploitive, or is likely to be hazardous to, or to interfere with, the child's education, or to be harmful to the child's health, or physical, mental, spiritual, moral, or social development.
[10] "Destruction" means the (1) elimination or severe diminution of the integrity of an area caused by a major, long term change in land or water use or (2) modification of a habitat in such a way that the area's ability to maintain its role is lost.
[11] "High Conservation Value" areas are defined as natural habitats where these values are of outstanding significance or critical importance (See http://www.hcvnetwork.org).



#1 Sustainable covers sustainable investments with environmental or social objectives.

#2 Not sustainable includes investments which do not qualify as sustainable investments.

How does the use of derivatives attain the sustainable investment objective?

Incofin Microfinance Fund's principal currency of funding is the EUR, as the capital is expressed in EUR and debt is mostly attracted in EUR. However, Incofin Microfinance Fund considers it is important that its clients should not be excessively exposed to foreign currency risk, and will structure its transactions, so as to limit foreign currency exposure, providing local currency where possible and/or setting thresholds for acceptable FX exposure at the client's level.

For its debt portfolio, Incofin Microfinance Fund, will seek appropriate hedging of the FX exposure through currency swaps, cross currency interest rate swaps, and non-deliverable forwards in order to swap the currency of funding (EUR) into the local currency of the investee. Incofin Microfinance Fund's Investment Committee shall review case-by-case the most appropriate hedging position and mechanism, including the possibility to accept not hedging the exposure.

As an exception to the aforementioned, Incofin Microfinance Fund's investments in equity will generally be exposed to foreign currency risk. Incofin Microfinance Fund's investments in equity can be made in all currencies, if and when the return on these investments is expected to compensate for the eventual local currency's depreciation

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

Incofin Microfinance Fund does not have an environmental objective aligned with the EU Taxonomy.

Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[12]?

☐ Yes

☐ In fossil gas ☐ In nuclear energy

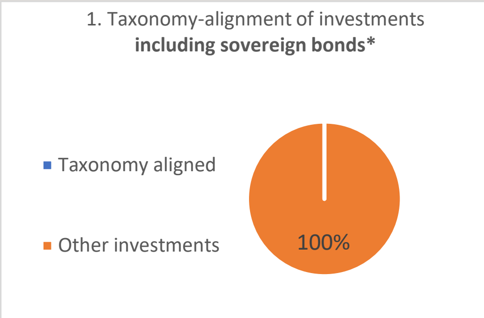
☒ No

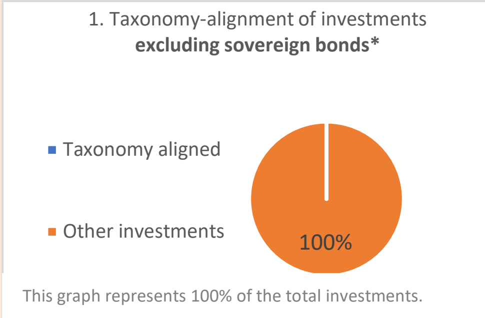
[12] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives – see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.
Transitional activities are activities for which low-carbon alternatives are not yet available ad among others have greenhouse gas emission levels corresponding to the best performance.

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.





**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

What is the minimum share of investments in transitional and enabling activities?

Not applicable given the social investment objective of Incofin Microfinance Fund.

What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

Incofin Microfinance Fund does not make investments with an environmental objective.

What is the minimum share of sustainable investments with a social objective?

The minimum share of sustainable investments with a social objective is 100%.

What investments are included under "#2 Not sustainable", what is their purpose and are there any minimum environmental or social safeguards?

Incofin Microfinance Fund shall invest up to 15% of its assets for liquidity management (e.g. maintenance of cash on the accounts of Incofin Microfinance Fund) or hedging purposes (to hedge the currency risk of investments in investee companies that are made in local currencies).

Is a specific index designated as a reference benchmark to meet the sustainable investment objective?

Incofin Microfinance Fund does not implement any international or EU index as reference benchmark.

are environmentally sustainable investments that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

Where can I find more product specific information online?

More product-specific information can be found on the website: https://incofincvso.be/