

Equity Investment Challenges

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Outline – *Equity Inv. Challenges*

Context – (i) Oikocredit; (ii) Market

1. Active Governance
2. Management
3. Valuation
4. Local Politics/Culture
5. Lawyers

1. Context

- Oikocredit : 35 country offices; € 450 mln portfolio, of which € 28 mln Equity, mostly MFI
 - 35,000 mostly individual investors
 - Dual Social and Investment return
- Market : increased supply of funds >> higher prices; changing nature >> commercial approach

2. Active Governance

- What does it mean?
- Effort, Patience >> Time/Mgmt

Constraints

3. Management – team & systems

- New demands;

Alignment; Changes?

When?

4. Fair Valuation

- Complex pricing and Negotiation

5. Local Politics/Culture

- Sensitivity and Dilemma

6. Lawyers

- Manage, Deadlines, Cost



Oikocredit *investing in people*