



## PRESS RELEASE

### **CHANCEN eG: Strong Growth in the 2020 Financial Year - Over 1,000 Students - Results on Target**

**The cooperative for fair education financing presents the figures for the 2020 financial year: A growth of 52% to €24m in total assets, a planned annual loss of €110k and the financing of around 1,000 students in their desired study program.**

Berlin, 17 June 2021 - Half a decade after being established, CHANCEN eG today publishes the figures for the fifth financial year 2020: the balance sheet total amounts to €24.1m; the loss has dropped to €110k as planned; and for 2021, the educational cooperative is aiming for zero-loss after its start-up phase. In addition, the internal organisation has been improved in a structured way. Of course, the social impact of the educational cooperative is equally, if not more important: At the end of the year, 959 students were able to finance their desired studies in a truly fair way; since the beginning of the summer semester, the number has already risen to around 1,070.

"With our concept of the 'Income Share Agreement' (ISA), we offer truly fair financing for studies and further education. With more than a thousand students, it is pleasing to see how well the concept has been adopted," says Florian Kollwijn, co-founder and board member of the education cooperative. "No wonder that this is the case as with our concept, no students have to worry that they will be faced with a mountain of debt after graduation, which can lead to over-indebtedness"

#### **Study Funding via the Income Share Agreement (ISA)**

The basis for the financial support of studies is the concept of the "Income Share Agreement" (ISA), invented in 1995, in which tuition fees are pre-financed by the cooperative and students later repay this as a percentage of their income over a pre-defined number of years (between 5 - 10, depending on the chosen course of study). Repayment only starts when the gross annual income exceeds a sum of €27,000 gross. If the income is lower, students are not obliged to make any repayments to CHANCEN, once the duration of the contract of 25 years expires, all payment

obligations in-turn also cease. In this respect, it is a fair model, reliant on our solidarity community, even in the case of dropouts or termination of studies.

### **The Number of Members has also Increased**

The number of members of CHANCEN eG also rose by 49% to 1,057. Membership is a requirement for every student who receives funding and through this process, become a shareholder of the cooperative. "This underlines our idea of solidarity," says Olaf Lampson, co-founder and CFO of CHANCEN. "In this way, a former student can pass on the advantage they have experienced first-hand to the next generation of students." He himself is now paying back his ISA, which he claimed from the StudierendenGesellschaft Witten/Herdecke e.V. at Witten/Herdecke University, just like his fellow board member and co-founder Kollewijn.

At the end of 2020, CHANCEN eG was working with 37 educational partners in comparison to 27 in the previous year, of which around just under two-thirds were universities and just over one-third boot camps. The main focus of the supported programs is within Health and IT professions respectively, with 85% of all students pursuing degrees in one of these areas of study.

### **Impact Investors Are Still Sought After**

The education cooperative intends to continue growing again in 2021 with the aspiration to more than double the number of its students to 2,500 by 2025. "The demand is there," says Kollewijn, "but we also have to manage this in terms of organization and financially." Therefore, CHANCEN is happy to welcome new investor members who want to make impact investments for education and refinance the expansion of the Granular Receivables portfolio.

### **Annual General Meeting**

The annual general meeting of the cooperative will be held on 26th June. Due to the pandemic, this will be held as an online-only conference.

The full 2020 figures can be found at: <https://chancen-eg.de/en/investors/financial-reporting>

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### **About CHANCEN eG**

Since its founding in 2016, CHANCEN eG has made it its mission to enable young people to study exactly what they want at a non-state university, regardless of their financial means. The model: the Income Share Agreement (ISA), which was developed in 1995 by students at the University of



Witten/Herdecke. Currently, CHANCEN eG supports over 1,000 students at 37 educational partners in over 100 degree programmes. Since the beginning of 2018, the social enterprise has also been active in Africa with its subsidiary CHANCEN International gGmbH: In Rwanda, the international offshoot of CHANCEN eG is currently financing 1,300 students and is currently launching a major initiative to finance the education of 10,000 students from Rwanda, Kenya and South Africa.