

# **SEMI-ANNUAL REPORT**

**Period ended 30 June 2017**

**FMO Privium Impact Fund**

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## General information

### Registered office

FMO Privium Impact Fund  
Symphony Towers 26/F  
Gustav Mahlerplein 3  
1082 MS Amsterdam  
The Netherlands  
<http://www.priviumfund.com/>

### AIFM

Privium Fund Management  
Symphony Towers 26/F  
Gustav Mahlerplein 3  
1082 MS Amsterdam  
The Netherlands

### Legal Owner

Stichting Juridisch Eigendom FMO Privium  
Impact Fund  
Smallepad 30F  
3811 MG Amersfoort  
The Netherlands

### Investment Advisor

FMO Investment Management B.V.  
Anna van Saksenlaan 71  
2593 HW 's-Gravenhage  
The Netherlands

### Administrator

Circle Investment Support Services B.V.  
Smallepad 30F  
3811 MG Amersfoort  
The Netherlands

### Legal and Tax Counsel

Clifford Chance LLP  
Droogbak 1a  
1013 GE Amsterdam  
The Netherlands

### Depository

KAS Trust & Depositary Services B.V.  
Nieuwezijds Voorburgwal 225  
1012 RL Amsterdam  
The Netherlands

## Key figures

	30-06-2017	2016 <sup>1</sup>
<b>Class A (USD)</b>		
Net Asset Value at reporting date	14,795,994	14,523,695
Number of outstanding units at reporting date	143,000	143,000
Net Asset Value per unit at reporting date	103.47	101.24
Performance year to date	2.20%	1.56%
<b>Class B (EUR)</b>		
Net Asset Value at reporting date in EUR	36,756,165	28,301,331
Net Asset Value at reporting date in USD	41,997,595	29,773,000
Number of outstanding units at reporting date	367,342	283,100
Net Asset Value per unit at reporting date in EUR	100.06	99.77
Net Asset Value per unit at reporting date in USD	114.33	105.17
Dividend distribution per unit	-	1.0078
Performance year to date	1.11%	0.99%
<b>Class F (EUR)</b>		
Net Asset Value at reporting date in EUR	35,233	-
Net Asset Value at reporting date in USD	40,258	-
Number of outstanding units at reporting date	350	-
Net Asset Value per unit at reporting date in EUR	100.76	-
Net Asset Value per unit at reporting date in USD	115.13	-
Dividend distribution per unit	-	-
Performance year to date	0.76%	-
<b>Total for the Fund (USD)</b>		
Net Asset Value at reporting date	56,833,847	44,296,695
Number of outstanding units at reporting date	510,692	426,100

<sup>1</sup> The results cover the period from inception of the Fund at 26 February 2016 through 31 December 2016.

## Semi-annual financial statements

### Balance sheet

(all amounts in USD)

	Notes	<u>30-06-2017</u>	<u>31-12-2016</u>
<b>Assets</b>			
<b>Investments</b>			
Loans	1	49,615,546	39,360,043
Forwards		29,175	88,088
<b>Total of investments</b>		<b><u>49,644,721</u></b>	<b><u>39,448,131</u></b>
<b>Receivables</b>			
Prepaid investments		-	1,000,000
Other receivables	2	775,902	716,120
<b>Total of receivables</b>		<b><u>775,902</u></b>	<b><u>1,716,120</u></b>
<b>Other assets</b>			
Cash	3	45,938,103	30,309,350
<b>Total of other assets</b>		<b><u>45,938,103</u></b>	<b><u>30,309,350</u></b>
<b>Total assets</b>		<b><u>96,358,726</u></b>	<b><u>71,473,601</u></b>
<b>Liabilities</b>			
<b>Net asset value</b>	4	<b>56,833,847</b>	<b>44,296,695</b>
<b>Investments</b>			
Forwards	1	30,472	94,889
<b>Total of investments</b>		<b><u>30,472</u></b>	<b><u>94,889</u></b>
<b>Other liabilities</b>			
Bank overdrafts	3	36,124,592	27,016,593
Subscriptions received in advance		3,300,000	-
Other liabilities	5	69,815	65,424
<b>Total other liabilities</b>		<b><u>39,494,407</u></b>	<b><u>27,082,017</u></b>
<b>Total liabilities</b>		<b><u>96,358,726</u></b>	<b><u>71,473,601</u></b>

**Profit and loss statement**

(for the period 1 January through 30 June)

(all amounts in USD)	Notes	<b>2017</b>
<b>Investment result</b>		
Interest income		1,431,543
<b>Total investment result</b>		<b>1,431,543</b>
<b>Revaluation of investments</b>		
Unrealized results		5,504
<b>Total changes in value</b>		<b>5,504</b>
<b>Other results</b>		
Foreign currency translation		2,877,959
Other		(61)
<b>Total other results</b>		<b>2,877,898</b>
<b>Operating expenses</b>		
Management fee	6	249,779
Organisational fee		22,043
Administration fees	7	21,689
Depositary fees		11,751
Interest expenses		60,080
Brokerage fees and other transaction costs		25,056
Audit fees	8	9,242
Legal fees		28,507
Supervision fees		993
Other expenses	9	4,052
<b>Total operating expenses</b>		<b>433,192</b>
<b>Result for the period</b>		<b>3,881,753</b>

**Cash flow statement**

(for the period 1 January through 30 June)

(all amounts in USD)

	Notes	<b>2017</b>
<b>Cash flow from operating activities</b>		
Purchases of investments		(13,500,000)
Sales of investments		4,244,497
Interest received		1,317,646
Management fee paid		(240,850)
Interest paid		(60,080)
Operating expenses paid		(73,817)
<b>Net cash flow from operating activities</b>		<b>(8,312,604)</b>
<b>Cash flow from financing activities</b>		
Proceeds from subscriptions		12,915,577
Payments for redemptions		(543,504)
Dividend paid		(416,674)
<b>Net cash flow from financing activities</b>		<b>11,955,399</b>
<b>Net cash flow for the period</b>		<b>3,642,795</b>
Cash at the beginning of the period		3,292,757
Foreign currency translation of cash positions		2,877,959
<b>Cash at the end of the period</b>	3	<b>9,813,511</b>

## Notes to the semi-annual financial statements

### General information

FMO Privium Impact Fund (the Fund) was constituted on 26 February 2016 and commenced operations on 20 June 2016.

The Fund is a fund for joint account ('fonds voor gemene rekening') organised and established under the laws of The Netherlands. The Fund is under Dutch law not a legal entity (rechtspersoon) nor a partnership, commercial partnership or limited partnership (maatschap, vennootschap onder firma or commanditaire vennootschap), but a contractual arrangement sui generis between the AIFM, the Legal Owner and each of the Unitholders separately, governing the assets and liabilities acquired or assumed by the Legal Owner for the account and risk of the Unitholders.

The Fund has its principal offices at the offices of the AIFM at Symphony Towers 26/F, Gustav Mahlerplein 3, 1082 MS Amsterdam, The Netherlands. In view of its legal form of fund for joint account the Fund is not eligible for registration in the Dutch trade register (handelsregister).

The Fund is established by the adoption of its Terms and Conditions by agreement between the AIFM and the Legal Owner and the subsequent admission of the first Unitholder, being the Launch Date. The Fund is managed by the AIFM. The assets, rights and obligations of the Fund are held by the Legal Owner. The Unitholders invest in the Fund as participants (participanten) and acquire Units in the Fund.

The Board of Directors of the Fund Manager authorized these semi-annual financial statements for issue on August 21, 2017

### Accounting policies

The semi-annual financial statements are prepared in accordance with Part 9, Book 2 of the Dutch Civil Code and the the Dutch Act on Financial Supervision ('Wet op het financieel toezicht') and covers the period from 1 January 2017 through 30 June 2017.

The accounting principles used to prepare this semi-annual report 2017 are the same as the accounting principles used for the annual report 2016.

The semi-annual report has not been audited by an independent auditor.

### Comparative figures

This is the Fund's first semi-annual report. Due to the fact that the Fund only commenced operations on June 20, 2016, no comparative figures are shown in the profit & loss statement, the cash flow statement and movement schedules. The comparative figures used in this semi-annual report are the balances at 31 December 2016.



## Notes to the balance sheet

### 1. Investments

The movement of the financial instruments is as follows:  
(for the period 1 January through 30 June)

(all amounts in USD)	<b>2017</b>
<i>Loans</i>	
Opening balance	39,360,043
Purchases	14,500,000
Sales and repayments	(4,244,497)
Realised investment result	-
Unrealised investment result	-
<b>Closing balance</b>	<b>49,615,546</b>

The fair value of the loans at 30 June 2017 is USD 49,615,546 (2016: USD 41,161,018)

(all amounts in USD)	<b>2017</b>
<i>Forwards</i>	
Opening balance	(6,801)
Sales and expirations	-
Realised investment result	-
Unrealised investment result	5,504
<b>Closing balance</b>	<b>(1,297)</b>

### 2. Other receivables

(all amounts in USD)	<b>30-06-2017</b>	<b>31-12-2016</b>
Interest receivable	597,473	483,576
Deferred organisation fee	175,101	197,144
Prepaid legal owner fees	3,328	-
Other receivables and prepayments	-	35,400
<b>Closing balance</b>	<b>775,902</b>	<b>716,120</b>

### 3. Cash and cash equivalents

The cash balances at reporting date are as follows:

(all amounts in USD)	<b>30-06-2017</b>	<b>31-12-2016</b>
<b>Positive cash balances</b>		
ABN AMRO	45,938,103	30,309,350
	45,938,103	30,309,350
<b>Bank overdrafts</b>		
ABN AMRO	(36,124,592)	(27,016,593)
<b>Closing balance</b>	<b>9,813,511</b>	<b>3,292,757</b>

At 30 June 2017, no restrictions on the use of the cash position exist.

#### 4. Net assets value

##### Movement schedule of net asset value

(for the period 1 January 2017 through 30 June 2017)

(all amounts in USD)	<b>Class A</b>	<b>Class B</b>	<b>Class F</b>	<b>Total</b>
<b>Movement schedule of net asset value</b>				
Opening balance	14,523,695	29,773,000	-	44,296,695
Proceeds from subscriptions	-	9,578,445	37,132	9,615,577
Payments for redemptions	-	(543,504)	-	(543,504)
Dividend paid	-	(416,674)	-	(416,674)
Result current period	272,299	3,606,328	3,126	3,881,753
<b>Total net assets value at the end of the period</b>	<b>14,795,994</b>	<b>41,997,595</b>	<b>40,258</b>	<b>56,833,847</b>

The units of Class B and Class F are issued in Euro. At 30 June 2017, the net asset values of Class B and Class F in their Class currency are EUR 36,756,165 (2016: EUR 28,301,331) and EUR 35,233 respectively.

##### Movement schedule of units

(for the period 1 January 2017 through 30 June 2017)

(in number of units)	<b>Class A</b>	<b>Class B</b>	<b>Class F</b>	<b>Total</b>
<b>Outstanding units</b>				
Opening balance	143,000	283,100	-	426,100
Proceeds from units issued	-	89,201	350	89,551
Redemption of units	-	(4,959)	-	(4,959)
<b>Outstanding units at the end of the period</b>	<b>143,000</b>	<b>367,342</b>	<b>350</b>	<b>510,692</b>

#### 5. Other liabilities

(all amounts in USD)

	<b>30-06-2017</b>	<b>31-12-2016</b>
Management and performance fees payable	44,841	35,912
Audit fees payable	13,411	15,912
Reporting fees payable	3,327	6,655
Depositary fees payable	4,631	4,323
Supervision fees payable	2,571	1,578
Other fees payable	1,034	1,044
<b>Closing balance</b>	<b>69,815</b>	<b>65,424</b>

## Notes to the profit and loss statement

### 6. Management fee

The AIFM receives an annual management fee for managing the Fund equal to 0.90% of the Net Asset Value of Class A of the Fund prior to deducting provision for fees payable to the AIFM. This management fee will be paid in full by the AIFM to the Investment Advisor.

The AIFM is entitled to an annual management fee due in respect of Class B and Class F of 0.98% of the Net Asset Value of each Class, excluding the accrued Management Fee. 0.08% is for the benefit of the AIFM, with a minimum of EUR 90,000 (or the equivalent thereof in another currency) for Class B and Class F in aggregate, calculated pro rata the Net Asset Value of each Class. The total fee on these Classes, including the 0.90% fee for the Investment Advisor, which will be paid in full by the AIFM to the Investment Advisor, equals 0.98% with a minimum of 0.90% plus EUR 90,000. However, such minimum amount is limited to EUR 15,000 during the first year of the Fund only.

The fee is calculated monthly on the basis of the gross of fee Net Asset Value of each Series as of the Valuation Day that coincides with the last Business Day of the month and is paid monthly in arrears in EUR. This fee currently does not attract VAT.

The management fee for the period ended 30 June 2017 amounts to USD 249,779.

### 7. Administration fees

The administration agreement between the AIFM and the Administrator provides for payment to the Administrator of an annual administrative fee equal to 0.045% of the Net Asset Value of the Fund (based on a Fund size of up to USD 100 million), subject to a minimum fee of USD 32,000 per annum in respect of the administration of the Fund. The Administrator will, in addition, be paid USD 5,500 (excl. VAT) annually for the preparation of the Fund's annual and semi-annual financial statements, plus USD 1,800 (excl. VAT) per report for providing support in connection with the requirements of AIFMD Reporting.

(all amounts in USD)

	<b>2017</b>
Administration fees	16,272
Reporting fees	3,328
FATCA fees	1,089
AIFMD fees	1,000
<b>Total</b>	<b>21,689</b>

### 8. Audit fees

The Fund has appointed Ernst & Young Accountants LLP as the independent auditor of the Fund. The Independent Auditor's remuneration for the period from 1 January 2017 through 30 June 2017 amounts to USD 9,242 and relates solely to the audit of the financial statements. The Independent Auditor does not provide any other audit or non-audit services to the Fund.

**9. Other expenses**

(for the period 1 January 2017 through 30 June 2017)  
(all amounts in USD)

	<b>2017</b>
Legal owner fees	3,327
Miscellaneous fees	725
<b>Total</b>	<b>4,052</b>

**10. Income and withholding taxes**

The Fund is organized as an investment Fund ("Fonds voor gemene rekening") under the current system of taxation in The Netherlands. The Fund is transparent for Dutch corporate income tax purposes. As a consequence, the Fund is not subject to Dutch corporate income tax. Certain dividend and interest income received by the Fund are subject to withholding tax imposed in the country of origin.

**11. Related parties**

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party making financial or operational decisions.

All services rendered by the AIFM therefore qualify as related party transactions. The fees of the AIFM are disclosed in note 6.

**12. Core business and outsourcing**

The following key task has been delegated by the Fund:

*Administration*

The administration has been outsourced to Circle Investment Support Services B.V, who carries out the administration of the Fund, including the processing of all investment transactions, processing of revenues and expenses and the preparation of the NAV. It also states, under the responsibility of the AIFM, the interim report and the financial statements of the Fund. For information on the fees of the Administrator refer to note 7.

**13. Events after balance sheet date**

None.

## Other Information

### **Personal holdings of the Board of Directors of the AIFM**

The Board of Directors of the AIFM had no interests or positions at 30 June 2017 and 1 January 2017 in investments the Fund held in portfolio at these dates.