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Read the Key Investor Information Document.

THIS IS A MANDATORY ANNOUNCEMENT

FMO Privium
IMPACT FUND

Fund developments

During the second quarter of 2019 the Fund was able to make new investments worth USD 11 mln across four investments.

In April, we started with USD 5 mln total investment. Our first course of action was – as announced in the previous update – to increase the participation in the Sri Lanka based Citizens Development Bank to a total participation of USD 3 mln.

A second participation, of USD 3 mln, was taken in a loan to a run-of-the-river hydropower electric plant named Nyamwamba 1 in Uganda. It entails a fully operational and relatively small 9.2 MW plant near the city of Kasese.

In May the Fund invested a first USD 1 mln in the FMO loan to Niche Cocoa Industries Ltd in Ghana. This is a relatively young company which has grown to the largest independent cocoa processor of the country with a handling capacity of 60,000 tons per annum. Majority of the semi-finished products are currently shipped to Europe and Asia. The loan is used to a.o. increase capacity to enable the company's ambition of becoming the bean-to-bar producer for the local market; a market now predominantly served by expensive imported bars.

During the last month of the quarter the Fund IC approved an increase of this participation in Niche Cocoa to a total of USD 3 mln and one new participation of USD 3 mln to the portfolio. This entails Vicentin S.A.I.C., a 100% family owned company in Argentina whose main business activity is oilseed crushing. The participation is part of the FMO tranche of the USD 150 mln syndicated transaction arranged by FMO and Credit Agricole.

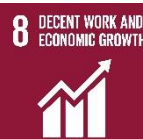
Against the backdrop of Argentina's economic downturn, the size of this transaction shows investors' confidence in the company. The [press release](#) provides more background information. Both investments were only effectuated on July 9th and are therefore not yet included in the financial or impact figures for the second quarter.

Although almost all investments are performing in a stable manner, we report that there is one additional participation where the client is facing - what we believe to be temporary - difficulties. The Special Operations team of FMO will now be made responsible for this client. We still expect the client to pay the interest and repay the loan in due course, possibly after a restructuring of the loan.

Quarterly case study: Khan Bank Mongolia.

Traditionally, financial institutions form an import part of FMO's strategy to increase access to finance, especially for small and medium enterprises as their impact on job creation is most significant. Financial institutions are essential to so many of their clients for whom access to financial services is not a given. Access to these services creates new opportunities which were out of reach before. This is what [SDG 8](#) addresses, next to decent jobs, it talks about economic growth substantiated a.o. by a proportion of the population with access to financial services and ATMs.

Khan Bank, a longstanding client of FMO, is such a bank, servicing many clients in previously underserved rural parts of Mongolia.



Overview

Fund Net Asset Value (NAV) in USD		142,178,460
Number of loans on the portfolio		62
Average exposure per loan (in USD)		2,082,158
Average maturity of the loans (years)		5.60
Average interest margin of the portfolio (bps)		488
Number of countries		30
Total number of loans in the portfolio, since launch		65
Total exposure in FMO loans		126,412,133
Total provision on the loans in the portfolio		1,250,000
Percentage of loans in the portfolio, denominated in USD		100%

Return (including dividend payments, where applicable)

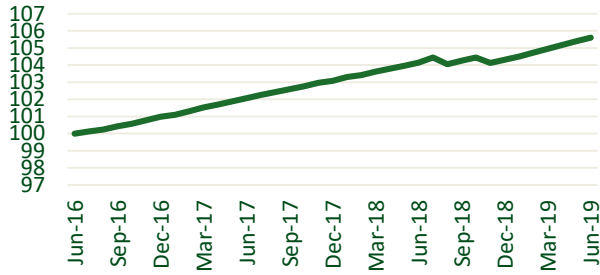
Classe	FX	NAV per participation	Monthly return	Year to date return	12 month return	Return since inception	Start date per class
A	USD	112.65	0.41%	2.77%	5.21%	12.65%	Jun-16
B	EUR	99.51	0.20%	1.25%	1.31%	5.55%	Jul-16
F	EUR	104.31	0.21%	1.25%	1.33%	4.31%	Mar-17
I – A	EUR	101.03	0.20%	1.20%	n.a.	1.03%	Aug-18
I – D	EUR	99.02	0.20%	1.20%	n.a.	1.01%	Aug-18
U – A	USD	101.80	0.39%	1.80%	n.a.	1.80%	Mar-19
U – D	USD	100.78	0.39%	1.79%	n.a.	1.79%	Mar-19

Quarterly update, Q2 2019

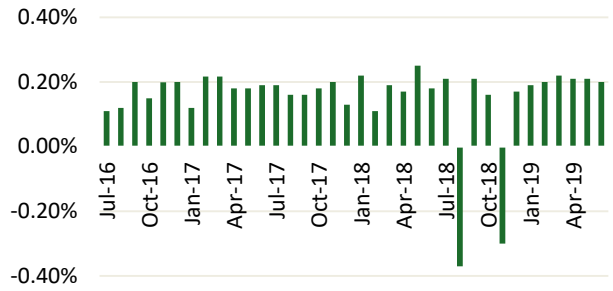
Portfolio overview

Historical financial performance

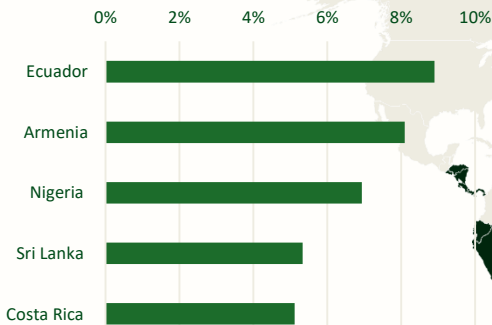
B class (EUR) – including dividends



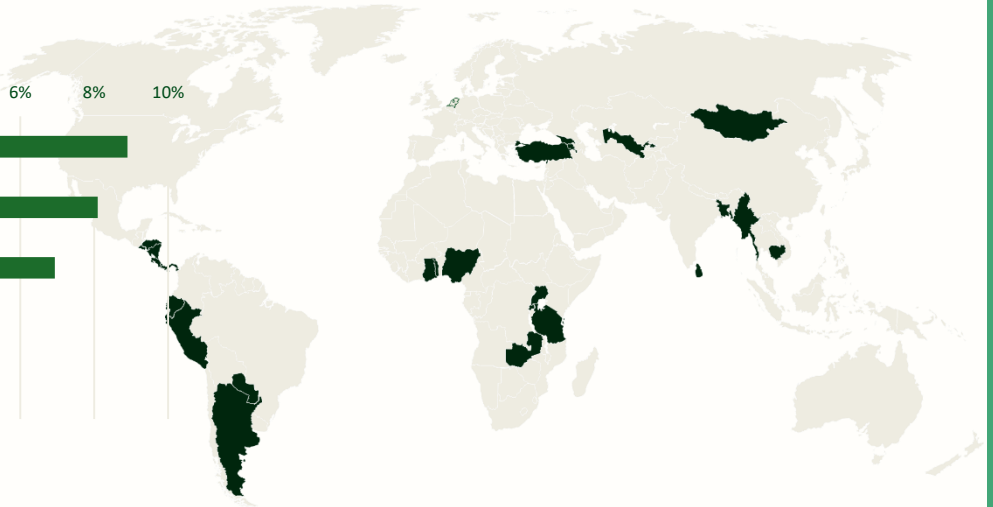
Monthly returns



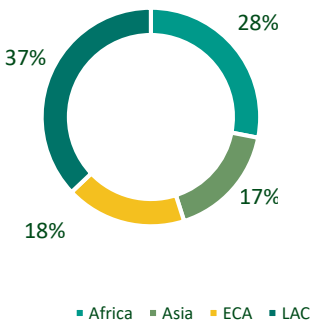
Top 5 countries



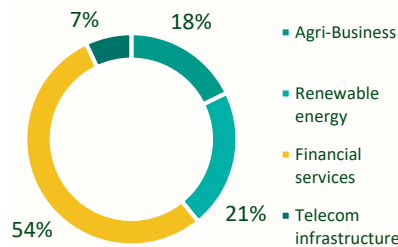
Country exposure



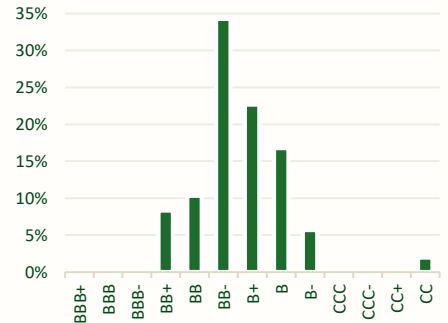
Region



Sector



Credit rating*



10 largest investments

Company name	Sector	Land	Date	\$ exposure
1 Hidronormandia	Renewable energy	Ecuador	Juli 2018	3,500,000
2 Tiryaki	Agri-business	Turkey	March 2018	3,500,000
3 INT Towers	Telecom infrastructure	Nigeria	March 2018	3,142,750
4 Africa EMS Nyamwamba Ltd.	Renewable energy	Uganda	April 2019	3,000,000
5 Ararat Bank	Financial services	Armenia	April 2018	3,000,000
6 Access Bank Ghana	Financial services	Ghana	September 2018	3,000,000
7 Access Bank Nigeria	Financial services	Nigeria	September 2018	3,000,000
8 Yoma Strategic Holdings	Agri-Business	Singapore	December 2018	3,000,000
9 Nations Trust Bank	Financial services	Sri Lanka	December 2018	3,000,000
10 Banco Pichincha	Financial services	Ecuador	March 2019	3,000,000

*Credit rating is based on FMO's methodology, which has been validated by Moody's

Below is an overview of the contribution the fund made since inception towards the five impact indicators. To enable you, as an investor in the FMO Privium Impact Fund, to interpret the impact figures reported, there is a short explanation of each indicator below. The results are always calculated by taking into account the ratio between the funding from the FMO Privium Impact Fund and the total value of the company or project. Only the share attributable to the fund is reported.

* For a more detailed description of the impact model and the indicators, we refer to the website of FMO:
www.fmo.nl/impact/how-we-measure-impact



25,366 Number of jobs supported

This indicator comprises two components: 1) The number of employees (FTEs) working at the company – a figure that's relatively easy to come by via the annual reports; 2) Indirect jobs created – this is based on an estimate based on the outcome of FMO's Impact Model. This is an input-output model in which the expected impact of the investment on the chain is modelled. Together, these components form the outcome of the number of jobs supported.



18,385 Greenhouse gases avoided
tCO₂eq

The greenhouse gases avoided are calculated as the company's or project's anticipated CO₂ emissions compared against the most likely alternative. The required data is taken from independently verified documentation.



1,035 Number of SMEs financed

This number is measured for investments in the financial sector, by taking the number of outstanding SME loans at year end. This is not per se the same as the number of SMEs reached – a client could have multiple loans. It is a snapshot of the number of outstanding SME loans, not a sum of the number of loans funded during the term of the investment.



45.50 GWh electricity produced
GWh per annum

Energy production is associated with projects in the energy sector. In the case of the FMO Privium Impact Fund, it only relates to renewable forms of energy. The electricity generated and supplied is expressed in GWh (Gigawatt hours) per year. The figure reported here represents the annual production, based on the period of the last financial year per project. As soon as there are projects in the portfolio that are still under construction, we will also report a second figure that reflects expected annual production.



53,258 Equivalent number of people served via power generation

The number of people served is estimated by dividing the (expected) electricity production of the project by the average electricity consumption per head of the population in the country impacted by connection to the grid. The energy projects in which the fund invests essentially deliver electricity to the grid. It is therefore not possible to calculate an exact figure, but it is an estimate of the number of people that could be served in principle.

Key characteristics

Investment methodology	Investors get exposure to the private loans that are originated by FMO and provided to selected projects and companies in developing countries.
Investable sectors	<ul style="list-style-type: none"> • Agri-business; theme's are food and water • Renewable energy • Financial services • Telecom Infrastructure
Target return	2% to 4% per annum
Launch date	20 June 2016
Fund domicile	The Netherlands
Fund type	Fund for joint account (FGR)
Fund Manager	Privium Fund Management B.V.
Fund advisor / delegate	FMO Investment Management B.V.
Subscriptions / redemptions	Monthly
Subscription notice	Before the 24th of the prior month
Redemption notice	1 month (a 2% fund level redemption gate may apply)
Administrator	Circle Investments Support Services B.V.
AIFMD Depository	KAS Trust & Depository Services B.V.
Auditor	Ernst & Young Accountants LLP
Legal and tax advisor	Jones Day
Websites	www.priviumfund.com/funds and www.fmopriviumimpactfund.nl

Class	ISIN	Bloomberg		Minimum investment	Annual dividend (part of target return)	Launch date	Management fee	Only available for
A	NL0011765904	FPIFAUA NA	USD	100.-	Not applicable	June 2016	0.90%	Privium Sustainable Impact Fund
B	NL0011765912	FPIFBED NA	EUR	100.-	2%	July 2016	0.98%	Seed investor
F	NL0012135750	FPIFFEA NA	EUR	1,000.-	Not applicable	March 2017	0.98%	FMO employees
I – A	NL0012818223	FPIFIEA NA	EUR	1,000.-	Not applicable	August 2018	1.15%	NL, CH, ES, LU, UK, FR
I – D	NL0012939029	FPIFIDE NA	EUR	1,000.-	2%	August 2018	1.15%	NL, CH, ES, LU, UK, FR
U – A	NL0013380173	FPIFUUA NA	USD	1,000.-	Not applicable	March 2019	1.15%	NL, CH, ES, LU, UK, FR
U – D	NL0013380181	FPIFUDU NA	USD	1,000.-	2%	March 2019	1.15%	NL, CH, ES, LU, UK, FR

About the Fund Manager

Privium Fund Management B.V. ('Privium') is a Dutch fund manager. Privium is regulated by the Dutch Authority for the Financial Markets (www.afm.nl) and the Dutch central bank (www.dnb.nl). Privium is part of a group of companies with fund management activities in Amsterdam, London and Hong Kong. Privium manages a range of alternative investment funds.

About the Fund Advisor / delegate

FMO Investment Management BV ('FMO IM') is a Dutch investment advisor and is fully owned by the Dutch development bank FMO NV. FMO IM advises the Fund Manager about the loan portfolio. All loans that are advised to the Fund Manager have been approved by FMO NV and FMO NV is an investor in all of the loans. The strategy of FMO IM is to improve the scalability of impact investing by providing investors access to the sustainable investments from FMO's in developing countries.

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Disclaimer:

The FMO Privium Impact Fund, a Dutch fund for joint account ('FGR'), is registered with the Dutch Authority for the financial markets (www.afm.nl). No rights may be derived from the provided information, data and calculations. Also by the risks inherent to this investment fund, the value of the investments may fluctuate. Past performance is no guarantee or guide to future performance. We refer to the prospectus of the fund for further information.