

Don't take any unnecessary risks.

Read the Key Investor Information Document.

THIS IS A MANDATORY ANNOUNCEMENT

FMO Privium
**IMPACT
FUND**

Fund developments

During the second quarter of 2020 no new investments were made. It is in this quarter that the pandemic spread even further also to many countries the coronavirus had not reached before. Looking at the latest trend analysis we see that Latin-America, South-Asia and Africa are still moving on an upward trend in confirmed cases. While lockdown measures are being eased in many emerging markets, this upward trend will mostly likely continue into the near future.

On to the Fund's portfolio: So far, no clients have experienced immediate liquidity shortage or other issues due to the COVID-19 pandemic. As the current environment is highly uncertain, quantifying risk or making a reliable forecast remains difficult.

We have had to take one provision unrelated to COVID-19. In this case the 25% provision captures the inability of an energy project in Africa to fulfill its payment obligations as its primary client (a government entity) has not been honoring its obligations. Of course, steps are being taken towards a solution, but as this is taking longer than anticipated, a provision needed to be taken.

New impact reporting

The world of impact measurement and reporting is very much a world in constant development. At FMO, much is being done to improve and align methodologies among peers and others.

Over the past years the impact reporting for our fund has been a best effort based on the available tools and methodologies. It turned out that some indicators proved difficult to align year after year or even quarter after quarter. In the 2019 annual report, published last week, we needed to restate the numbers for 'jobs supported' and 'SMEs reached' that we reported in Q3 and Q4 of last year (less jobs, more SMEs). We believe this is at least partially due to how we measured and reported in the past (i.e. cumulative and based on the moment of initial participation instead of dynamic) and also because of changing macro-economic figures.

As this discovery coincides with the implementation of a new impact measurement methodology in FMO's systems, we have decided that as of now we will report dynamically (based on the current committed portfolio size) and no longer cumulatively. In fact, just as we report the financial figures, which is in line with FMO's own impact reporting. This means, that the impact numbers may fluctuate more, reflecting the expected portfolio impact at the reporting moment.

FMO's new Joint Impact Model (JIM) is the successor of FMO's own impact model, which was in place since 2015. Since early 2019, FMO and Steward Redqueen, together with other development banks and strategic partners, have worked on the harmonization among these participants of their underlying methodologies and the inputs required.

In the meantime FMO has also implemented a methodology for steering its loan commitments towards specific SDGs, especially SDG 8, 10 and 13. Although the Fund does not steer towards one or more specific SDGs, the resulting reporting does provide insight in how the portfolio supports these three SDGs.

Overview

Fund Net Asset Value (NAV) in USD		156,727,505
Number of loans on the portfolio		72
Average exposure per loan (in USD)		1,965,403
Average maturity of the loans (years)		5,10
Average interest margin of the portfolio (bps)		474
Number of countries		31
Total number of loans in the portfolio, since launch		81
Total exposure in FMO loans		141,509,049
Total provision on the loans in the portfolio		8,737,830
Percentage of loans in the portfolio denominated in USD		100%

Return (including dividend payments, where applicable)

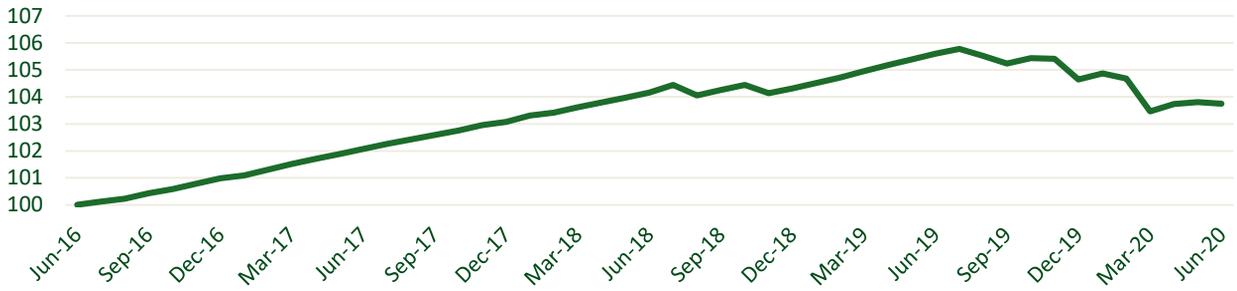
Class	FX	NAV per participation	Monthly return	Year to date return	12 month return	Return since inception	Average yearly return	Start date per class
A	USD	113.26	0.05%	0.05%	0.54%	13.26%	3.10%	Jun-16
B – A	EUR	98.40	-0.05%	-0.86%	N/A	-1.60%	N/A	Nov-19
B – D	EUR	95.82	-0.05%	-0.86%	-1.74%	3.82%	0.94%	Jul-16
F	EUR	102.48	-0.05%	-0.86%	-1.77%	2.48%	0.74%	Mar-17
I – A	EUR	99.10	-0.06%	-0.94%	-1.91%	-0.90%	-0.47%	Aug-18
I – D	EUR	95.19	-0.06%	-0.94%	-1.89%	-0.86%	-0.45%	Aug-18
U – A	USD	102.09	0.03%	-0.08%	0.29%	2.09%	1.56%	Mar-19
U – D	USD	99.06	0.03%	-0.08%	0.30%	2.09%	1.57%	Mar-19

Quarterly update, Q2 2020

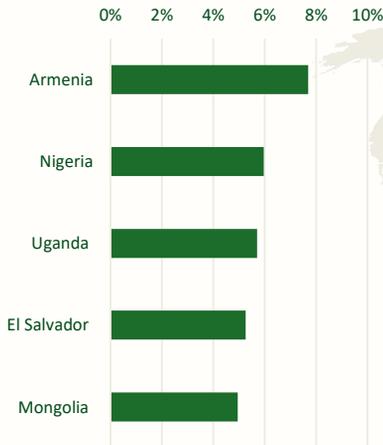
Portfolio overview

Historical financial performance

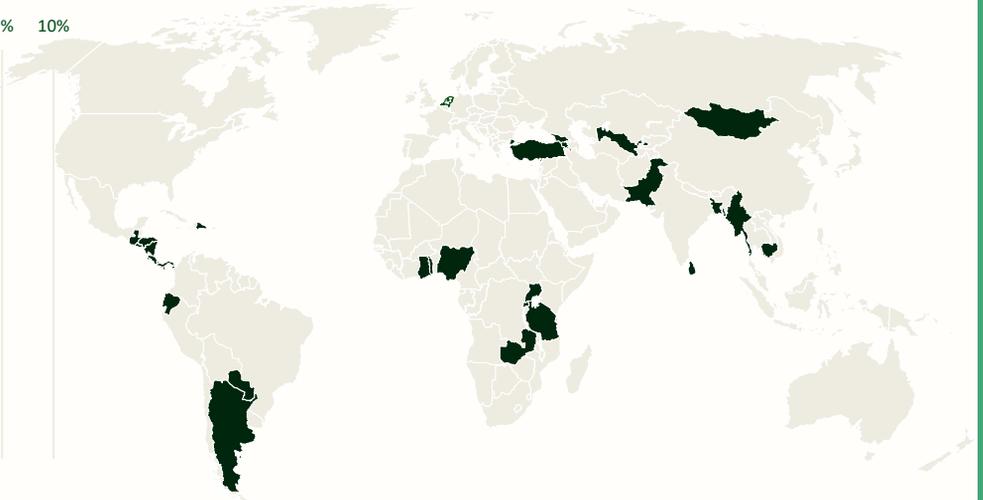
B class (EUR) – including dividends



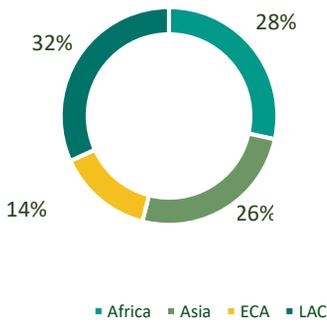
Top 5 countries



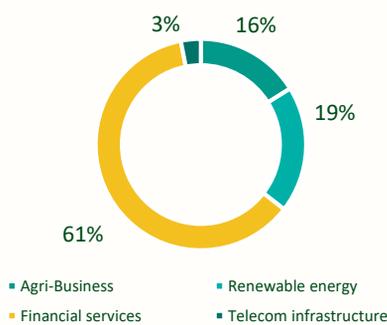
Country exposure



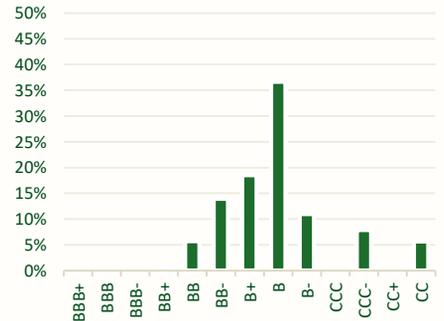
Region



Sector



Credit rating*



10 largest investments

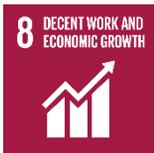
Company name	Sector	Land	Date	\$ exposure
1 Access Bank Plc	Financial Services	Nigeria	September 2018	6,250,000
2 ECOM	Agri-Business	Global	July 2017	4,013,636
3 Fedecredito	Financial Services	El Salvador	January 2020	4,000,000
4 Hamkorbank	Financial Services	Uzbekistan	October 2019	4,000,000
5 Xac Bank	Financial Services	Mongolia	February 2020	4,000,000
6 TBC Bank	Financial Services	Georgia	September 2017	3,750,000
7 Exim Bank Tanzania Limited	Financial Services	Tanzania	January 2020	3,555,556
8 Zephyr Power	Renewable Energy	Pakistan	November 2019	3,352,543
9 Tiryaki	Agri-Business	Turkey	July 2018	3,181,850
10 DFCU Bank	Financial Services	Uganda	October 2019	3,107,143

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

Impact report

Below is an overview of the contribution the current Fund portfolio is expected to make with the current portfolio. 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 descriptions we refer to the website of FMO unless otherwise stated:

www.fmo.nl/impact/how-we-measure-impact



100%
=

Private business activity, investment and innovation are major drivers of productivity, inclusive economic growth and job creation. SDG 8 calls for promoting economic growth that is a) sustained, b) inclusive and c) sustainable; and employment that is a) full, b) productive and c) decent.

All investments in our portfolio are considered to contribute to SDG 8. Impact is measured e.g. via the jobs supported indicator as stated below.



39.0%
▲ 0.0%

Investments which contribute to SDG 10 have received a Reducing Inequalities label. This label is applied via two tracks: 1) financing inclusive business that reduce inequalities within countries (e.g. investments made specifically in support of gender equality or smallholders) by expanding access to goods, services and/or increase livelihood opportunities on a commercially viable basis to people at the Base of the Pyramid by making them part of the companies' value chain of suppliers, distributors, retailers or customers; and 2) all investments made in low income countries.



30.0%
▲ 1.0%

Investments which receive a Green label contribute positively towards SDG 13. This includes finance to projects that reduce greenhouse gas emissions, increase resource efficiency, preserve and grow natural capital, support climate mitigation and climate adaptation. Impact data is presented as avoided GHG emissions in eq of tons CO₂ and emissions scope 3.



49,850

Number of Supported Jobs

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 Joint Impact Model (JIM). This is an input-output model in which the estimated impact of the investment on the chain is modelled. Together, these components form the outcome of the number of jobs supported.



172,071
tCO₂eq

Avoided CO₂ emissions

The greenhouses gas emissions 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 and is calculated as tons of CO₂ equivalents per year.

538,119
tCO₂eq

Scope 3: financed emissions

This number indicates the green house gas emissions equivalent of tCO₂ measured for all investments in our portfolio according to the methodologies of the Partnership for Carbon Accounting Financials (PCAF).

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	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 BANK 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	Jun-2016	0.90%	PSIF
B – A	NL0013691314	FPIFBAE NA	EUR	100.-	Not applicable	Nov-2019	0.98%	Seed investor
B – D	NL0011765912	FPIFBED NA	EUR	100.-	2%	Jul-2016	0.98%	Seed investor
F	NL0012135750	FPIFFEA NA	EUR	1,000.-	Not applicable	Mar-2017	0.98%	FMO employees
I – A	NL0012818223	FPIFIEA NA	EUR	1,000.-	Not applicable	Aug-2018	1.15%	NL, CH, ES, LU, UK, FR
I – D	NL0012939029	FPIFIDE NA	EUR	1,000.-	2%	Aug-2018	1.15%	NL, CH, ES, LU, UK, FR
U – A	NL0013380173	FPIFUUA NA	USD	1,000.-	Not applicable	Mar-2019	1.15%	NL, CH, ES, LU, UK, FR
U – D	NL0013380181	FPIFUDU NA	USD	1,000.-	2%	Mar-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

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.

Contact

Mark Baak, Privium Fund Management B.V.

T: +31 20 46 26 644

E: mbaar@priviumfund.com

Kevin Pijper, Privium Fund Management B.V.

T: +31 20 46 26 644

E: kpipper@priviumfund.com

Disclaimer:

Do not run any unnecessary risk. Read the Key Investor Information Document. This communication is neither an offer to sell nor a solicitation to invest. Past performance is not indicative of future results. The value of investments and any income generated may go down as well as up and is not guaranteed. The Fund and its manager, Privium Fund Management B.V., are held in the register of Dutch Authority for the Financial Markets (www.afm.nl). The prospectus of the Fund and the Key Investor Information Document can be downloaded via the manager's website, www.priviumfund.com. The performance overviews shown in this communication have been carefully composed by Privium Fund Management B.V. No rights can be derived from this communication.