


# TINC

## Annual Report
## 2015-2016


# The year at a glance

| Portfolio | 2015 | Corporate |
|---|---|---|
| Additional investment in Storm | March | |
| Commitment to invest in A11 and A15 | May | IPO |
| Investment in Windfarm Kreekraksluis<br>Divestment dcinex | June | |
| | September | Publication of first interim report<br>Payment of interim dividend |
| Investment in Nobelwind<br>Additional investment Solar Finance | October | |
| Divestment Belwind | December | |

| | 2016 | |
|---|---|---|
| Investment in Prinses Beatrix lock | February | |
| Additional investment in Storm | March | Publication of second interim report |
| | September | Publication of annual report |
| | October | Annual meeting<br>Payment of dividend |

# TINC in figures (30 June 2016)

€128,0 million
**Market value of investment portfolio**

€31,6 million
**Total investments during the financial year**

€28,3 million
**Available cash**

€157,7 million
**Net asset value (NAV)**

€11,8 million
**Total net profit**

€6,375 million
**Total dividend (incl. interim dividend)**

€11,57
**Net asset value per share**

€0,86
**Net profit per share**

€0,4675
**Proposed dividend per share (incl. interim dividend)**

# TINC

## Annual Report 2015-2016

TINC

# Contents


**Letter to shareholders** ..... **5**

**1. About TINC** ..... **7**
- 1.1 Background and history ..... 8
- 1.2 Strategy ..... 9
- 1.3 Financing ..... 11
- 1.4 Organizational structure ..... 12

**2. The past year** ..... **13**
- 2.1 Evolution of the portfolio ..... 14
- 2.2 New portfolio companies ..... 15
- 2.3 Contracted participations ..... 16
- 2.4 Divestments ..... 16
- 2.5 Events after the balance sheet date ..... 16
- 2.6 Principal risks and uncertainties ..... 16

**3. The portfolio in figures** ..... **19**
- 3.1 Participations ..... 20
- 3.2 Contracted participations ..... 20
- 3.3 Investment portfolio broken down by various criteria ..... 21
- 3.4 Long-term cash flow projection ..... 23

**4. Portfolio overview** ..... **25**

**5. Results and key figures** ..... **35**
- 5.1 Valuation of the portfolio ..... 36
- 5.2 Key figures ..... 37

**6. Corporate governance statement** ..... **45**
- 6.1 General ..... 46
- 6.2 Capital and shareholders ..... 47
- 6.3 Governing bodies of TINC ..... 48
- 6.4 Policy to avoid conflicts of interest in respect of investment opportunities ..... 56
- 6.5 External audit ..... 56
- 6.6 Internal control and risk management ..... 56
- 6.7 Remuneration report ..... 57

**7. Shareholder information** ..... **59**
- 7.1 TINC on the stock market ..... 60
- 7.2 Dividend ..... 61
- 7.3 Yield for shareholders ..... 61
- 7.4 Financial calender

**8. Financial Statements** ..... **63**
- 8.1 Consolidated Financial statements as per 30 June 2016 ..... 64
- 8.2 Statutory auditor's report to the general meeting of TINC Comm. VA for the 18 months period ended 30 June 2016 ..... 91

**9. Abridged statutory annual accounts** ..... **93**
- 9.1 Income statement ..... 94
- 9.2 Balance sheet ..... 95
- 9.3 Annual report concerning the statutory annual accounts ..... 96

**10. Glossary** ..... **97**

**11. Statement of the statutory manager** ..... **98**

Jean-Pierre Blumberg

Chairman of the Board of Directors

Manu Vandenbulcke

CEO

# Letter to shareholders

**The past financial year was important for TINC. This is the first annual report of TINC since its listing on Euronext Brussels on 12 May 2015. Through the listing, TINC realized its ambition of becoming a platform offering both institutional and private investors the opportunity to invest in infrastructure.**

Being recently listed, TINC is very pleased with its results for the past financial year. These results significantly exceed the projections at the time of the listing.

During the financial year, TINC also secured several participations in new additional portfolio companies. This enhances the diversification of the portfolio.

## PORTFOLIO & INVESTMENT ACTIVITY

TINC experienced a positive investment dynamic, with € 31,6 million invested in existing and new participations during the financial year. As such, a substantial part of the net proceeds of the IPO were put to work. The portfolio includes 3 new portfolio companies and now holds 13 participations with a fair market value of € 128,0 million.

In June 2015, TINC invested in the operational on-shore windfarm Kreekraksluis in the Netherlands.

In October 2015, TINC provided a subordinated loan to the offshore wind farm Nobelwind which is being realized off the Belgian coast. This is the third participation by TINC in the offshore wind farm sector, following earlier investments in the financing of the Belgian wind farms Belwind and Northwind. In February 2016, TINC participated in the Princess Beatrix lock project in the Netherlands, a public-private-partnership established to refurbish and expand an existing lock complex. This is initially a relatively small participation for TINC, which can be increased once the infrastructure becomes operational.

These new portfolio companies contribute to the diversification of the investment portfolio, particularly in terms of the expansion to the Netherlands.

TINC has also provided funding under existing commitments, and made additional investments in existing portfolio companies. As such, TINC increased its participation in portfolio company Solar Finance through the partial acquisition of the participation from another shareholder. TINC is further contractually committed to invest over the next years in both existing and new portfolio companies.

Portfolio companies Belwind and dcinex were divested following the repayment of the outstanding subordinated loans to TINC. The repayment proceeds are available for new investments.

The portfolio performed and developed in line with expectations, as did the cash flows from the portfolio companies to TINC.

## 2016 RESULTS

TINC has posted a net profit of € 11,8 million, significantly exceeding the projections at the time of the listing. The increase in net profit compared to the projections is largely the result of non-recurring effects resulting from the successful refinancing of a number of participations, which have benefited from the low interest-rate environment to optimize their current financing at improved terms. This translates into a valuation increase of these participations and contributes positively to the total realized and unrealised results of the past financial year.

These results contribute to TINC's ability to distribute the proposed dividend to shareholders.

## OUTLOOK

Investing in infrastructure is high on today's agendas.

Governments, whether local or European, are considering initiatives encouraging the investment of private capital in refurbishing existing and realizing new infrastructure to meet the needs of modern society. While the challenges faced are not to be neglected, TINC is convinced of its ability to make a significant contribution. TINC attaches great importance to the quality of its participations. When taking investment decisions, TINC will continue to focus on maintaining a balanced portfolio and a sustainable dividend policy.

TINC is able to do this thanks to its dedicated staff and the trust of partners and shareholders. We would like to use this occasion to thank them all.

| | |
|---|---|
| Jean-Pierre Blumberg | Manu Vandenbulcke |
| Chairman of the Board of Directors | CEO |

# About TINC

# 1. About TINC

**As an investment company, TINC wants to be a reference in terms of infrastructure investment. TINC strives to be a reliable and long-term partner for public and private stakeholders involved in realizing, financing and operating infrastructure. Backed by a wealth of experience, its own network and the extensive know-how accumulated across its portfolio, TINC contributes to efficient and modern infrastructure solutions.**

## 1.1 Background and history

**€ 128 million**

Market value of TINC's investment portfolio

TINC holds participations in companies that realize and operate infrastructure. TINC was established in December 2007 as a privately held investment company, at the initiative of TDP NV, an infrastructure joint venture between Belfius Bank and Gimv.

Since its inception, TINC has built a portfolio of investments in infrastructure companies. This has often required a strong involvement from TINC to the development of the infrastructure, usually in collaboration with industrial, financial and operational partners. TINC intends to be a long-term partner.

TINC adopts a diversified investment policy, holding participations in public and private infrastructure and through both equity and debt investments. At the end of the financial year, the investment portfolio of TINC includes 13 participations with a market value of €128,0 million. Together, these participations hold infrastructure with a value exceeding € 2,5 billion.

On 12 May 2015 TINC was successfully listed on the stock market. In so doing, TINC became the first publicly traded investment company on the Brussels stock exchange with a focus on infrastructure.

## 1.2 Strategy

TINC participates actively in infrastructure, and the revenues from its portfolio companies are the basis for a sustainable dividend policy.

**13**

The investment portfolio of TINC includes 13 participations

### PARTICIPATING IN INFRASTRUCTURE

TINC is seeking to build a diversified portfolio of participations in infrastructure companies. Their activities often demand capital-intensive investments of a sustainable, long-term nature, which contribute to the provision of services of a public (in view of realizing a public service) or private nature (supporting companies in realizing their corporate objectives).

The portfolio companies of TINC have typically a good visibility on both income and costs in the longer term, as they often rely on long-term contracts, a strong strategic market position or regulated frameworks.

Whilst TINC does not focus specifically on any one particular infrastructure subsector, its portfolio companies generally have one or more of the following characteristics:

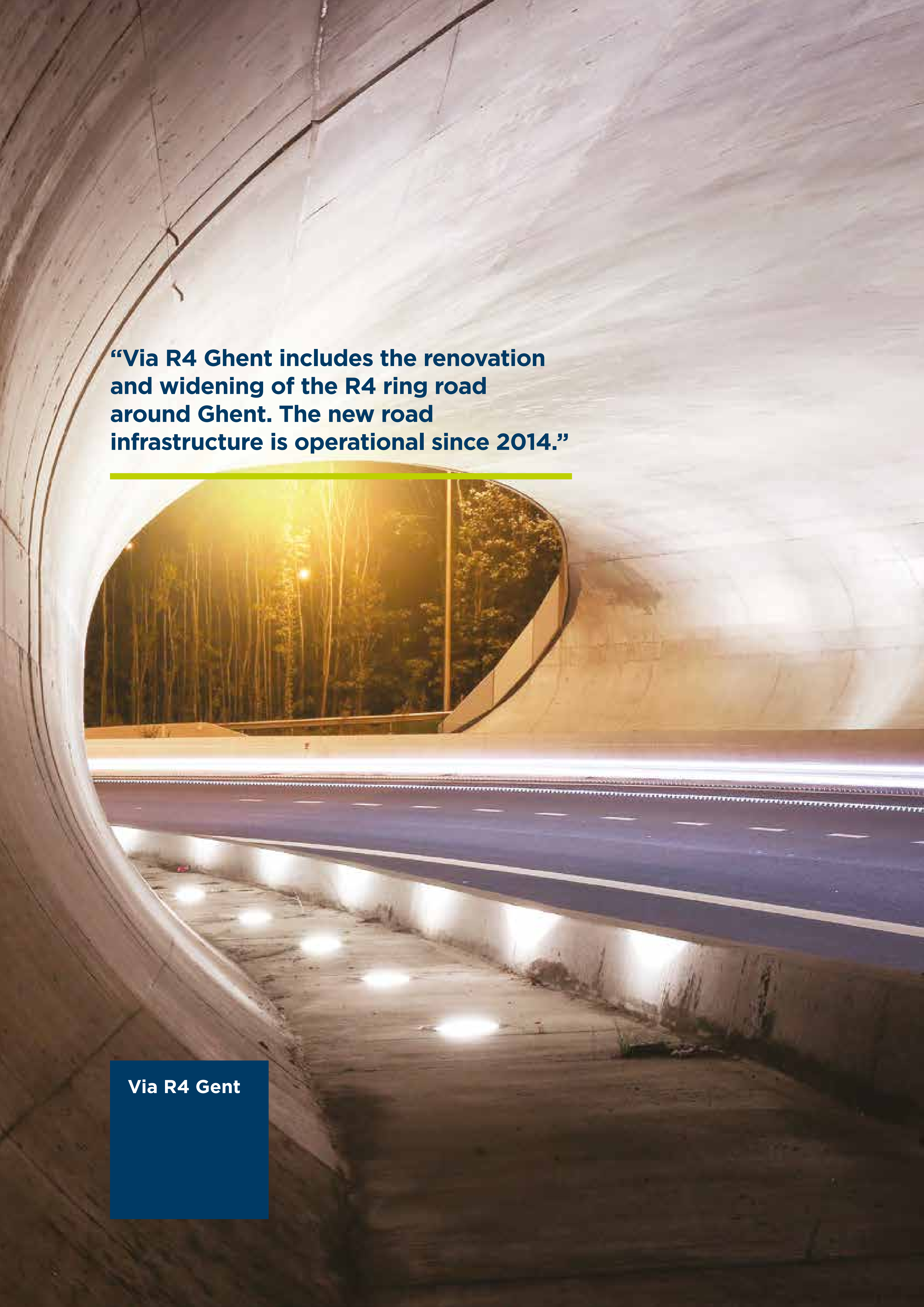
- The capacity to generate recurring cash flows based on a regulated framework, through long-term contractual arrangements or a strategic position as the basis for a sustainable income pattern.
- External long-term financing covering the expected life of the underlying activity, thereby restricting or excluding exposure to fluctuating market interest rates and/or illiquid debt markets.
- Expected cash flows over the life of the underlying activities sufficient to repay the invested capital and provide the projected revenues, resulting in limited or nil exposure to residual value at the end of the expected lifetime.
- Business risks distributed and allocated, through long-term contracts, to the most appropriate operational or industrial parties.

**€ 2,5 billion**

All together, the participations of TINC hold infrastructure representing a capex of € 2,5 billion

TINC is constantly looking for new, high quality companies to expand its portfolio, while being careful to ensure that new portfolio companies fit within the overall risk profile of the portfolio and do not affect the proposed sustainable dividend policy.

As a listed investment company, TINC has gained a platform for financing further growth. This platform is accessible to both private and institutional investors, enabling them to invest in a liquid, transparent and diversified manner in capital-intensive infrastructure.



**“Via R4 Ghent includes the renovation and widening of the R4 ring road around Ghent. The new road infrastructure is operational since 2014.”**

**Via R4 Gent**

### A SUSTAINABLE DIVIDEND POLICY

The quality and high degree of visibility of the cash flows received by the portfolio companies, allow for a sustainable flow of income to TINC and form the basis of TINC's dividend policy.

TINC seeks to distribute an annual dividend to its shareholders based on the cash flows received from its portfolio companies.

**12.05.2015**

IPO of TINC

### ACTIVELY PARTICIPATING AS A LONG-TERM PARTNER

TINC is an active investor, with the resources, capacity and expertise to be closely engaged with its portfolio companies. As such, TINC determines the strategy, business plan and the daily management of the portfolio companies.

For operational tasks such as general management, maintenance, repairs, administration and accounting, specialist operational or industrial partners are engaged who take responsibility for defined packages of tasks typically under long-term contracts. TINC carefully monitors the proper execution of these contracts. Occasionally, TINC will itself provide certain services or provide advice to its portfolio companies in support of its investment.

**Commitment**

TINC disposes of the resources, capacity and expertise to be closely involved with its portfolio companies

## 1.3 Financing

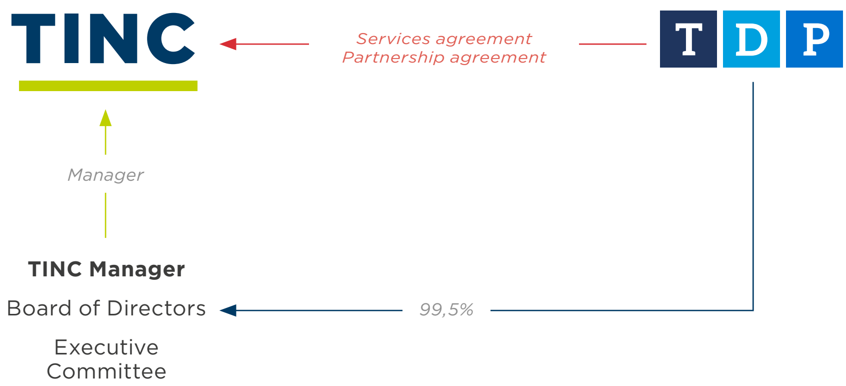
TINC is currently debt-free.

TINC tailors its financing requirements to its needs for funding investments in new participations and its ambition to pursue a sustainable dividend policy. The funding of investments can be through the issue of new shares and/or a credit facility (or a combination of both) that gives TINC the flexibility to respond promptly to investment opportunities.

## 1.4 Organizational structure

TINC is structured as a 'partnership limited by shares under Belgian law', managed by TINC Manager NV (with its own Board of Directors and Executive Committee). As general manager, TINC Manager is responsible for the administration and management of all activities of TINC and in particular for all decisions on the investment portfolio (see also Chapter 6. Corporate Governance for a further description of this organizational structure and its operation).

TINC is further assisted by TDP NV, the infrastructure joint venture of Belfius Bank and Gimv.. TDP supports TINC in the search for new participations, the investment process and the management of the investments and provides operational and administrative support. For this TINC has a service agreement and a cooperation agreement with TDP (see also Chapter 6. Corporate Governance).




TDP has a team of employees with extensive experience in various aspects of infrastructure investment. TDP has offices in Antwerp (Belgium) and The Hague (Netherlands).

# The past year

# 2. The past year

## 2.1 Evolution of the portfolio

At the end of the extended financial year, TINC's portfolio consisted of participations in 13 infrastructure companies, representing a total market value of €128,0 million.

During the financial year, the operational and financial performance of the portfolio companies developed in line with long-term expectations. The projected cash flows from portfolio companies to TINC were broadly achieved as planned and in some cases exceeded expectations.

During the financial year, the participations in public-private partnerships received availability fees from public authorities under the contractual agreements in return for making the infrastructure available.  Only limited penalties or reductions were applied to these fees because of nonavailability of the infrastructure.. In such cases, these penalties or reductions were contractually passed on to the respective subcontractors or operational partners who are responsible for the long-term (maintenance)obligations.

In terms of the energy participations, the performance and results are strongly influenced by the combination of energy production and the evolution of the electricity price. TINC's energy participations showed excellent production figures during the past year, both for wind and solar energy, in this way largely offsetting the low electricity price. TINC expects electricity prices to remain at a low level in the coming years, and takes this situation into account in its long-term cash flow projections.

TINC owns stakes in a number of portfolio companies whose business models are subject to the evolution of market demand or commercial developments, in particular the Eemplein car-park and the Bio-Accelerator business centre.

The development of sales, cash flows and results of these two participations is positive and in line with expectations.

TINC portfolio companies typically use debt financing that covers the life of the infrastructure, leaving only a limited exposure to refinancing risk and unfavourable interest rate movements. A number of portfolio companies took advantage of the current low interest rate environment to refinance and optimize their debt structures. These included Project Brabo I, L'Hourgnette, Via R4-Gent, Solar Finance and the Eemplein car-park. This had a positive effect on  the valuation  of these participations (see also Chapter 5. Results and key figures).

During the past financial year, TINC invested €18,6 million in existing portfolio companies. This includes inter alia a €7,6 million investment in Via R4-Gent NV to repay a bridge loan facility with an equity contribution. A further €4,8 million was invested in new windfarms developed by Storm. The balance was invested in Project Brabo 1 NV, Eemplein Car Park and Solar Finance. In terms of the latter, TINC increased its participation from 81% to 87%.

During the past financial year TINC has followed a policy on risk management aimed at creating and preserving shareholder value. Risks are inherent to TINC's activities. These are controlled, however, through a process of ongoing identification, assessment and monitoring.

## 2.2 New portfolio companies

### WINDFARM KREEKRAKSLUIS

In June 2015 TINC acquired the windfarm Kreekraksluis, in a co-investment with the unlisted infrastructure fund DG Infra Yield. Windfarm Kreekraksluis is an onshore windfarm located near the Kreekrak locks on the Scheldt-Rhine Canal in the municipality of Reimerswaal in the Dutch province of Zeeland. The wind farm, which has been operational since 2012, has a total capacity of 40MW and meets the annual energy requirements of over 28.000 households.

Windfarm Kreekraksluis is the first participation of TINC in wind energy in the Netherlands. The total purchase price was co-financed by ASN Bank and ASN Groenprojectenfonds (Green Project Fund).

### NOBELWIND

In October 2015 TINC co-invested in the realization of the new Nobelwind offshore wind farm off the coast of Zeebrugge, close to the existing Belwind offshore wind farm.

Nobelwind is a development by Parkwind, and will consist of 50 MHI Vestas turbines, each of 3,3 MW, giving a total capacity of 165 MW. TINC invested € 3 million in a subordinated loan issued by Nobelwind, the owner and operator of the offshore wind farm. Co-investors include the unlisted infrastructure fund DG Infra Yield and Nobelwind's shareholders.

This is the third investment by TINC in the Belgian offshore wind sector, following earlier investments in the Belwind and Northwind wind farms.

### PRINCESS BEATRIX LOCK

At the start of 2016, TINC invested in a public-private partnership for the renovation and expansion of the Princess Beatrix lock in Nieuwegein (Netherlands).

The investment covers the construction, financing and long-term maintenance of a third lock chamber, the renovation of two existing lock chambers, the widening of the Lekkanaal, the construction of lock approaches and additional berths in the Lekkanaal. The investment includes the maintenance of all this for a period of 27 years. The Lekkanaal, of which the Princess Beatrix lock is part, connects the Amsterdam-Rhine Canal with the de Lek river and is the main direct waterway connection between the ports of Rotterdam and Amsterdam, used by some 50.000 vessels every year. The third lock chamber enhances the advantages of inland navigation, as inland navigation vessels, which are becoming larger and larger (with drafts of up to 4 metres) can now also pass along the Lekkanaal, and vessels will be able to pass through the locks significantly faster. In addition, part of the Lekkanaal is being widened to make room for additional berths.

TINC is part of the Sas van Vreeswijk private consortium that will undertake this public-private partnership project. Construction parties include Besix Group, Jan De Nul and Heijmans. The bank financing is provided by BNG Bank, Deka Bank and KBC Bank. Construction starts later in 2016 and will last until 2019.

The investment by TINC is currently limited to a participation of under 5% and an amount of less than € 500.000, whilst TDP is responsible for most of the equity capital during the construction. As such, TINC is positioning itself to increase its participation once the Beatrix lock is completed, through a partial acquisition of the participation held by TDP. To this end, a forward purchase agreement is to be concluded between TINC and TDP NV.

## 2.3 Contracted participations

During the past year, TINC entered into agreements in respect of a motorway in the Netherlands (A15) and in Belgium (A11). TINC will acquire a participation in these public-private partnerships as soon as they are operational.

Construction work on the A11, a new motorway which provides an easy connection between the port of Zeebrugge and the hinterland, is scheduled to last until autumn 2017 and is on schedule. The acquisition by TINC is scheduled for 2018.

Construction work on the A15 in the Netherlands is nearly finished. The use of the motorway, which runs from the Maasvlakte to the Vaanplein via the Rotterdam port area, was started at the beginning of February 2016. Upon the fulfilment of a number of conditions, the participation can be transferred to TINC.

The acquisitions of the participation in the A11 and A15 represent an investment of approximately € 37 million. This amount may still change, and the acquisition is subject to a number of conditions.

## 2.4 Divestments

During the past financial year, TINC received the full repayment of the outstanding subordinated loans from portfolio companies Belwind NV and dcinex, for a total amount of approximately € 8,7 million.

Both participations do therefore not any longer belong to the portfolio of TINC.

## 2.5 Events after the balance sheet date

There are no events after the balance sheet date to be reported.

## 2.6 Principal risks and uncertainties

### AT THE LEVEL OF TINC

#### Strategic risk

TINC set outs to invest in infrastructure businesses that generate recurring and sustainable cash flows.

For the participations in the existing portfolio, TINC depends on their ability to realize the available cash flows and to pay them out to TINC. Macroeconomic and economic conditions, changing regulations and political developments can all restrict or obstruct this ability. TINC carefully monitors the general economic situation and market trends in order to assess the earnings impact in a timely fashion and take any preventive measures. A further geographical diversification of investments should prevent TINC's becoming over-dependent on the policy and legal framework in one particular region.

For new participations, TINC is dependent on the availability of investment opportunities in the market at sufficiently attractive conditions. The risk exists of an insufficient quantity of such opportunities or of existing opportunities being insufficiently diversified.

### Liquidity risk

TINC has entered into contractual financial commitments with a number of existing and future portfolio companies. These take the form of commitments to invest further in existing shareholdings, and also agreements to acquire new participations at a later date,for example through forward acquisition agreements.

TINC tailors its funding to its outstanding financial commitments. Future investments can be financed by issuing new shares and/or a credit facility (or a combination of both) giving TINC the ability to respond flexibly to investment opportunities in anticipation of the issuing of new shares.

### Legal disputes

During the past year TINC became involved in a dispute with respect to portfolio company Lowtide NV, that owns and operates solar energy installations. TINC acquired Lowtide in August 2014 from TDP NV, which had in turn in October 2013 acquired the interests from Electrawinds, the original developer of the solar installations portfolio. A dispute has arisen between Electrawinds and TDP NV over a number of supplementary payments, owing to the non-fulfilment of the agreed conditions. Electrawinds started legal proceedings against TDP NV. Electrawinds then expanded its claim, citing TINC as an intervening party, so as to hear declare the claimed judicial rescission of the transfer to TDP NV also enforceable against TINC. By judgment of 8 September 2016, the court rejected the legal claim of Electrawinds for judicial rescission in respect of TINC. The term for appeal is still open. TINC is, with respect to the claim for judicial rescission, covered by contractual guarantees from TDP NV. The court's decision on supplementary payments being due has no material negative impact for TINC.

## AT THE LEVEL OF THE PORTFOLIO COMPANIES

The participations in which TINC invests are susceptible to a greater or lesser extent to inter alia financial, operational, regulatory and commercial risks.

### Financial risks

With regard to financial risks, the portfolio companies are subject inter alia to credit risk in respect of the counterparties from whom they expect to receive their income. In many cases, the counterparty is the government or government-affiliated party (PPP, energy-subsidy schemes) or a company of considerable size (energy companies). This has the effect of limiting the risk. Liquidity risk and interest rate risk, with cash flows being affected by higher interest expense due to rising interest rates, are offset by recourse to longer-term financing as much as possible.

Foreign currency risk does not exist today in the portfolio companies since all revenue and financial liabilities are denominated in euros.

### Regulatory risks

Regulatory changes regarding support measures, or tax or legal treatment of (investments in) infrastructure may adversely affect the results of the portfolio companies, with a knock-on effect on the cash flows to TINC.

A significant portion of the portfolio companies operate in regulated environments (e.g. energy infrastructure, public - private partnerships and benefit from support measures (e.g. green certificates). Infrastructure is also subject to specific health, safety and other regulations and environmental rules.

The portfolio companies are subject to different tax laws. TINC structures and manages its business activities based on current tax legislation and accounting practices and standards.

An amendment, tightening or stricter enforcement of those regulations may have an impact on revenue, cause additional capital expenditure or operating costs, thereby affecting the results and return.

## Operational risks

The biggest operational risk is that of the infrastructure being unavailable / only partially available, or not (fully) produced. To prevent this, portfolio companies rely on suppliers and subcontractors that are carefully selected based on, inter alia, their experience, the quality of already delivered work, and solvency. TINC is also careful where possible to work with a sufficient number of different parties, to avoid risk concentration and over-reliance. Furthermore, where possible, the necessary insurance is taken out to cover, for example, business interruptions.

## Technical risks

It is not impossible that infrastructure, once operational, can become defective. Although this responsibility for this is placed largely on the parties that the portfolio companies have used for building and maintaining the infrastructure, it can happen that these parties fail to solve certain technical problems for technical, organizational or financial reasons. In this case the results of the portfolio companies can be adversely affected.

## Commercial risks

The investment portfolio contains participating interests whose earnings models are dependent on user demand for the infrastructure in question or which are subject to changes in pricing (e.g. electricity prices).

Should demand for (and therefore revenue from) these companies' services fall below current expectations, this would negatively affect the cash flows to TINC and the valuation of these investments.

# TINC The portfolio in figures

# 3. The portfolio in figures

## 3.1 Participations

On 30 June 2016, the investment portfolio of TINC includes 13 participations in infrastructure companies, with a total value of € 128,0 million.

| PORTFOLIO COMPANY | COUNTRY | TYPE | % INTEREST | STATUS |
|---|---|---|---|---|
| Berlare Wind | BE | Equity | 49% | Operational |
| Bio-Accelerator | BE | Equity | 50,002% | Operational |
| Brabo I | BE | Equity | 52% | Operational |
| Eemplein | NL | Equity | 100% | Operational |
| L'Hourgnette | BE | Equity | 81% | Operational |
| Lowtide | BE | Equity | 99,99% | Under construction |
| Nobelwind | BE | Loan | N/A | Operational |
| Northwind | BE | Loan | N/A | Operational |
| Princess Beatrix lock | NL | Equity | 3,75% | Under construction |
| Solar Finance | BE | Equity | 87,43% | Operational |
| Storm | BE | Equity | 39,47% | Operational |
| Via R4 Ghent | BE | Equity | 75% - 1 share | Operational |
| Windfarm Kreekraksluis | NL | Equity | 43,65% | Operational |

## 3.2 Contracted participations

TINC has entered into agreements for the future acquisition of the following participations.

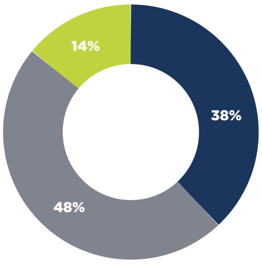
| PORTEFEUILLEBEDRIJF | LAND | TYPE | BELANG | STATUS |
|---|---|---|---|---|
| A11 | BE | Equity | 23,7% | Under construction |
| A15 | NL | Equity | 19,2% | Operational |

The actual acquisition depends on the fulfillment of conditions.

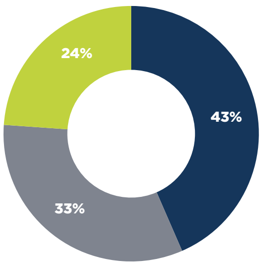
## 3.3 Investment portfolio broken down by various criteria

The investment portfolio is broken down below by a number of criteria and indicators: type, weight, geographical location and investment instrument. This breakdown is always based on the fair market value of the participations (FMV) at the end of the financial year.

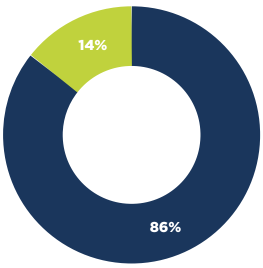
**FAIR MARKET VALUE**



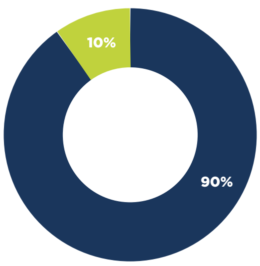

**BREAKDOWN BY TYPE**




**BREAKDOWN BY WEIGHT**




**BREAKDOWN BY GEOGRAPHY**



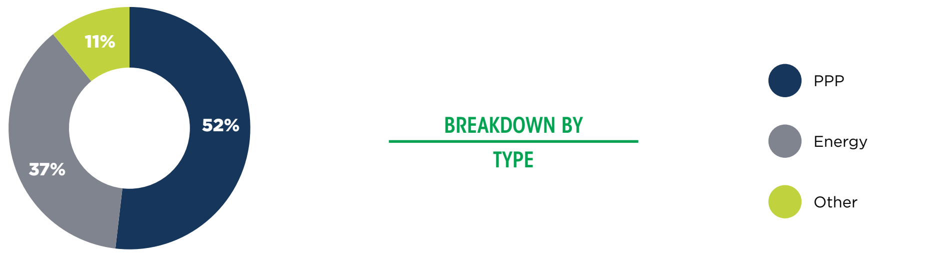

**BREAKDOWN BY INVESTMENT INSTRUMENT**

*Equity = Share capital + Shareholder loan

**“Solar Finance owns and operates 48 photovoltaic solar power production installations, located on rooftops of industrial customers.”**

## Solar Finance

Taking the contracted A11 and A15 investments as already belonging to the investment portfolio at year-end (based on a fair market value equal to the indicative investment costs of ca. € 37 million), the classification by type and geographic location would, on 30 June 2016, be as follows:





In this way the PPP share of the portfolio rises from 38% to 52%. The Dutch share of the participations also increases from 14% to 19%.

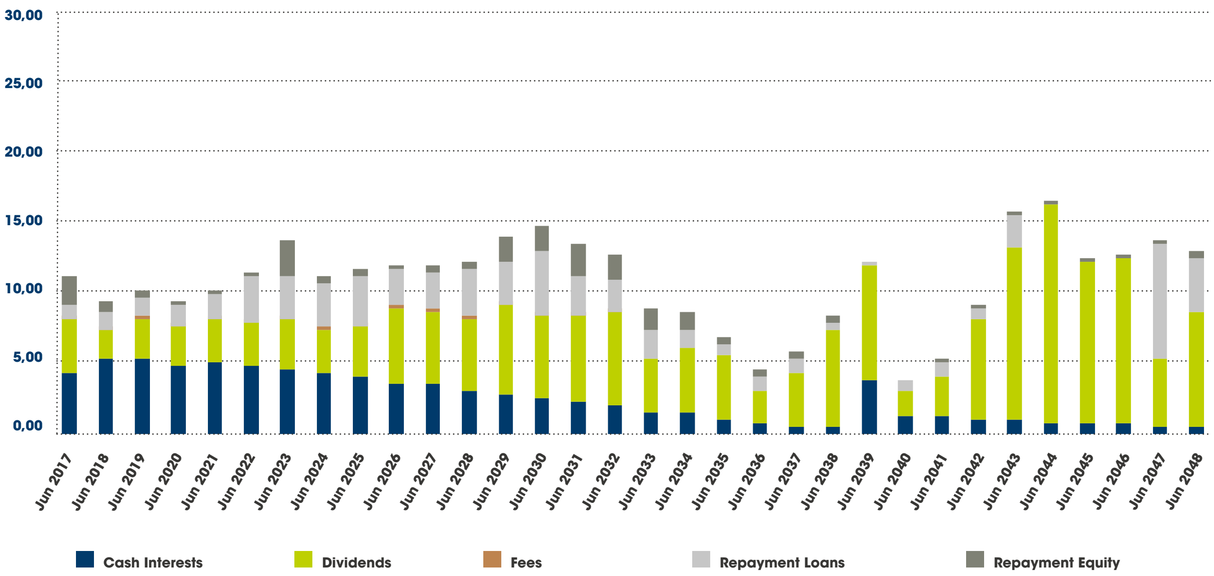
## 3.4 Long-term cash flow projection

TINC receives cash flows from its participations in the form of dividends, interest and fees. Additionally, TINC receives cash repayments of its investments in the form of capital reductions and loan repayments.

The chart on the next page provides an indicative list of expected cash flows for TINC over the life of the investment portfolio, as of 30 June 2016. It does not include the contracted participations nor any other potential investment in new participations.

Since publication of the prospectus, a number of refinancing measures in portfolio companies (including Project Brabo 1, Via R4 Gent, L'Hourgnette, …) have reduced interest charges and changed debt repayment profiles. Other changes relate to the impact of new additional participations acquired during the past financial year and the updating of general or specific assumptions.

## INDICATIVE ANNUAL CASH FLOW BY TYPE (IN EUR MILLION)



# TINC Portfolio overview

# Berlare Wind

**REVENUE MODEL**
Revenues are derived from the production and sale of electricity and green certificates.

**PARTNERS**
O&M contract with Enercon and a management contract with Elicio NV.

**STATUS**
Operational since 2012.

**REMAINING LIFE**
16 years.

**TYPE**
Energy

**COUNTRY**
Belgium

**INTEREST**
49%

Berlare Wind is an onshore wind farm in the municipality of Berlare in Belgium. The wind farm consists of four Enercon E-82 2.3 MW wind turbines with a total capacity of 9,2 MW.

# Bio-Accelerator

**REVENUE MODEL**
Revenues are derived from the fees for services paid by customers.

**PARTNERS**
Various maintenance and service contractors.

**STATUS**
Operational since 2010.

**REMAINING LIFE**
67 years .

**TYPE**
Other

**COUNTRY**
Belgium

**INTEREST**
50,002%

Bio-Accelerator is an initiative of TINC and was developed in close collaboration with the Flemish Institute for Biotechnology (VIB) and Ghent University. With a capacity of approximately 18.000 $m^2$, it is located in Zwijnaarde, Ghent, in the biotechnology science park, close to the E17 and E40 highways.
The premises were designed to meet the needs of life science and biotech companies for customized and tailor-made accommodation. Bio-Accelerator offers its customers fully equipped laboratories and offices and additional services and support.
www.bio-accelerator.com

# Brabo 1

**REVENUE MODEL**
DBFM (The government pays availability fees according to the availability of the infrastructure).

**PUBLIC PARTNER**
Public transport company De Lijn and the Flemish Roads and Traffic Agency .

**STATUS**
Operational since 2012.

**REMAINING LIFE**
31 years.

**TYPE**
PPP

**COUNTRY**
Belgium

**INTEREST**
52%

Project Brabo 1 is a public-private partnership established for providing a tram infrastructure in the eastern part of Antwerp (extensions out to Wijnegem and Mortsel/Boechout) and a tram maintenance depot at Wijnegem. Brabo 1 creates a better functioning tram connection between the city centre and the more outlying municipalities. The tram line runs for example to the Wijnegem shopping centre, making it easily accessible from downtown Antwerp.

# Eemplein


**REVENUE MODEL**
Revenues are derived from the sale of parking tickets (spot purchases and prepaid) and subscription fees.

**PARTNER**
ParkKing Beheer is responsible for the operational and financial management of the car park.

**STATUS**
Operational since 2012.

**REMAINING LIFE**
Indefinite .

**TYPE**
Other

**COUNTRY**
The Netherlands

**INTEREST**
100%

Car park Eemplein is a multi-storey car-park in the Dutch city of Amersfoort providing 625 parking spaces. It is situated in the middle of a neighbourhood with leisure facilities, shops and offices, including a Pathé cinema and several major stores (Albert Heijn, Saturn, Blokker,...).
www.parkeergarageeemplein.nl


**Project Brabo 1**

**"Project Brabo I provides a much smoother tram connection between the city centre of Antwerp and the more surrounding municipalities."**

# L'Hourgnette

**REVENUE MODEL**
DBFM (The government pays availability fees according to the availability of the infrastructure).

**PUBLIC PARTNER**
Belgian Public Buildings Agency and the Belgian Ministry of Justice.

**STATUS**
Operational since 2013.

**REMAINING LIFE**
22 years.

**TYPE**
PPP

**COUNTRY**
Belgium

**INTEREST**
81%

L'Hourgnette is a public-private partnership that is building a prison for 300 detainees at Marche-en-Famenne in Belgium. L'Hourgnette NV is responsible for the infrastructure and a number of support services.

# Lowtide

**REVENUE MODEL**
Revenues are derived from the production and sale of electricity and green certificates.

**PARTNER**
O&M agreement with ENGIE Fabricom.

**STATUS**
Operational since 2007-2012.

**REMAINING LIFE**
On average 13 years .

**TYPE**
Energy

**COUNTRY**
Belgium

**INTEREST**
99,99%

Lowtide owns and operates 23 photovoltaic solar power production installations in Flanders with a total capacity of 6.7 MWp.

# Nobelwind

**REVENUE MODEL**
Revenues are derived from the production and sale of electricity and green certificates.

**PARTNERS**
O&M agreement with Vestas.

**STATUS**
Under construction.

**REMAINING LIFE**
20 years (as of operational use).

**TYPE**
Energy

**COUNTRY**
Belgium

**INTEREST**
n/a

Northwind owns and operates an offshore wind farm 46 km off the Belgian coast. The Nobelwind wind farm will consist of 50 MHI Vestas turbines, each of 3,3 MW, giving a total capacity of 165 MW. Start of operational use is scheduled for the end of 2017.
www.nobelwind.eu

# Northwind

**REVENUE MODEL**
Revenues are derived from the production and sale of electricity and green certificates.

**PARTNERS**
O&M agreement with Vestas.

**STATUS**
Operational since 2014.

**REMAINING LIFE**
18 years.

**TYPE**
Energy

**COUNTRY**
Belgium

**INTEREST**
n/a

Northwind owns and operates an offshore wind farm located in the Belgian EEZ (exclusive economic zone), 37 km off the Belgian coast. The wind farm consists of 72 Vestas V112 3MW wind turbines with a total capacity of 216 MW.

# Princess Beatrix Lock

**REVENUE MODEL**
DBFM (the government pays availability fees according to the availability of the infrastructure).

**PUBLIC PARTNER**
Rijkswaterstaat (Dutch highways and waterways authority).

**STATUS**
Under construction.

**REMAINING LIFE**
30 years (as of operational use).

**TYPE**
PPP

**COUNTRY**
The Netherlands

**INTEREST**
3,75%

A third lock chamber is being built at the Princess Beatrix lock at Nieuwegein (Netherlands). In addition the two existing lock chambers are being refurbished, the Lekkanaal widened, and lock approaches and additional berths in the Lekkanaal constructed. In the long term, this will also be maintained by the public-private partnership  Sas van Vreeswijk BV. Start of operational use is scheduled for 2019.
www.prinsesbeatrixsluis.nl

# Solar Finance

**REVENUE MODEL**
Revenues are derived from the production and sale of electricity and green certificates.

**PARTNER**
Long-term O&M agreement with ENGIE Fabricom.

**STATUS**
Operational since 2011-2013.

**REMAINING LIFE**
On average 16 years.

**TYPE**
Energy

**COUNTRY**
Belgium

**INTEREST**
87,43%

Solar Finance owns and operates 48 solar power installations in Flanders with a total production capacity of 18.9 MWp, providing power to industrial customers.

# Storm

**REVENUE MODEL**
Revenues are derived from the production and sale of electricity and green certificates.

**PARTNERS**
Long-term O&M contacts with turbine suppliers GE Wind Energy, Senvion and Enercon.

**STATUS**
Partially Operational since 2012.

**REMAINING LIFE**
On average 18 years.

**TYPE**
Energy

**COUNTRY**
Belgium

**INTEREST**
39,47%

Storm is a portfolio of eleven wind farms in Flanders with a capacity of approximately 63.76 MW.
www.storm.be

# Via R4 Ghent

**REVENUE MODEL**
DBFM (The government pays availability fees according to the availability of the infrastructure).

**PUBLIC PARTNER**
Flemish Roads and Traffic Agency.

**STATUS**
Operational since 2014.

**REMAINING LIFE**
28 years.

**TYPE**
PPP

**COUNTRY**
Belgium

**INTEREST**
75% -1 SHARE

Via R4 Ghent involves the renovation and widening of the R4 ring road around Ghent. The public-private partnership (Via R4 Gent NV) is responsible for the long-term provision of infrastructure.

# Windfarm Kreekraksluis

**REVENUE MODEL**
Revenues are dervived from the production and sale of electricity, guarantees of origin and SDE (stimulation of sustainable energy) subsidies.

**PARTNERS**
O&M contract with Nordex Energy GmbH.

**STATUS**
Operational since 2012.

**REMAINING LIFE**
17 years.

**TYPE**
Energy

**COUNTRY**
The Netherlands

**INTEREST**
43,65%

The onshore wind farm Kreekraksluis is located on and near the Kreekrak locks on the Scheldt-Rhine Canal in the Zeeland municipality of Reimerswaal in the Netherlands. The wind farm has a capacity of 40 MW from 16 Nordex 2.5 MW turbines.
www.windparkkreekraksluis.nl

# A11

**REVENUE MODEL**
DBFM (The government pays availability fees according to the availability of the infrastructure).

**PUBLIC PARTNER**
Roads and Traffic Agency (Flemish Region).

**STATUS**
Under construction.

**REMAINING LIFE**
31 years.

**TYPE**
PPP

**COUNTRY**
Belgium

**% INTEREST (AFTER ACQUISITION)**
23,7%

Via A11 NV is a public-private partnership that is building a new highway between Bruges and Knokke. This new 2x2 lane motorway will provide the missing 13 km link in the TEN-T network from the port of Zeebrugge to the E40 and E34 motorways in the Flemish Region.
www.a11verbindt.be

# A15

**REVENUE MODEL**
DBFM (The government pays availability fees according to the availability of the infrastructure).

**PUBLIC PARTNER**
Rijkswaterstaat (Dutch highways and waterways authority).

**STATUS**
Operational.

**REMAINING LIFE**
20 years.

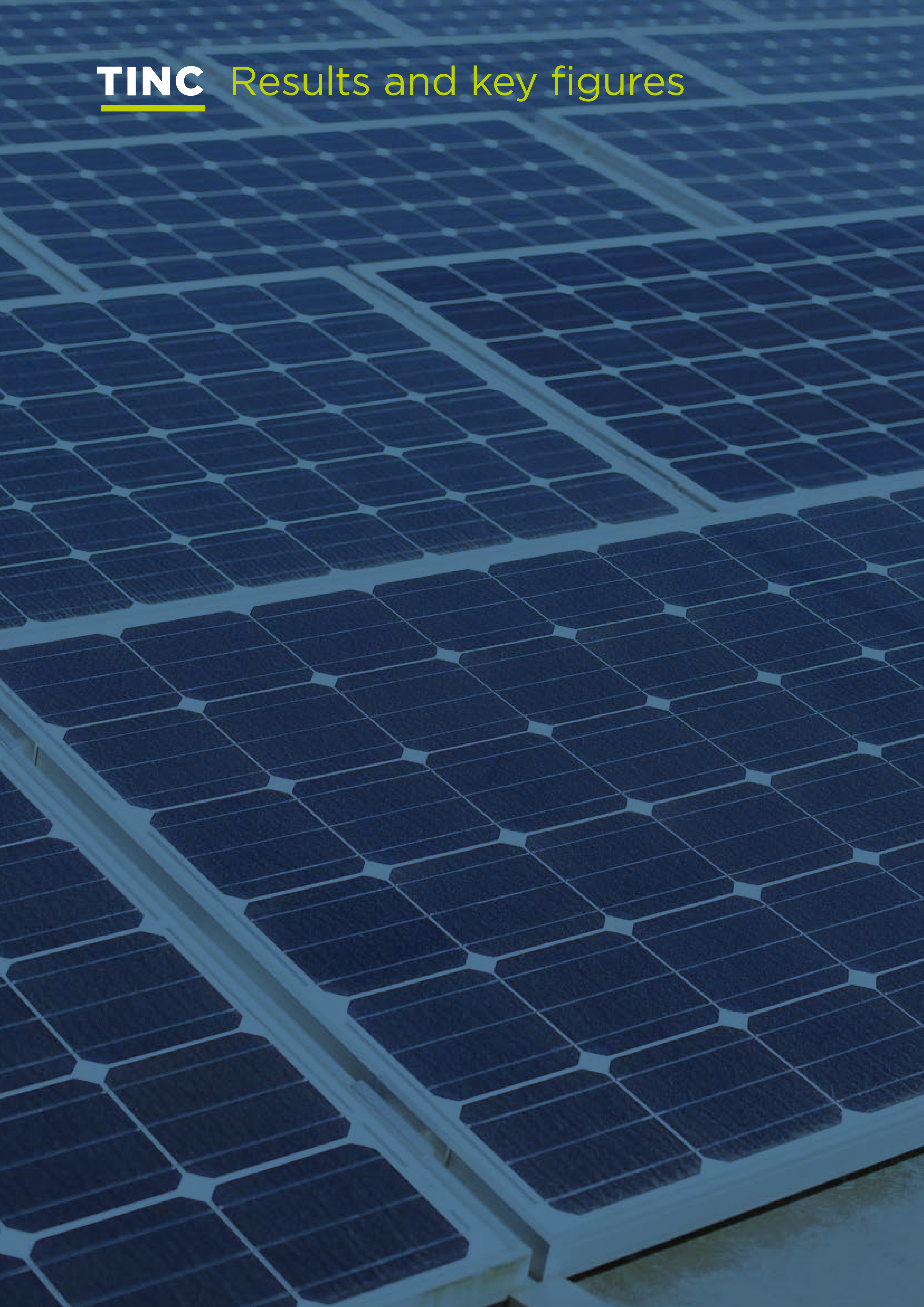
**TYPE**
PPP

**COUNTRY**
The Netherlands

**% INTEREST (AFTER ACQUISITION)**
19,2%

A-Lanes A15 BV is building, in a public-private partnership, a 37-km long highway to connect the Maasvlakte with the Vaanplein in the Netherlands. This connects the port of Rotterdam with the European hinterland. The A15 project is the largest PPP project ever awarded by the Rijkswaterstaat.
www.verbredinga15.nl

# TINC Results and key figures



# 5. Results and key figures

The information contained in this chapter is derived from the audited consolidated financial statements for the years ended 30 June 2016 and 31 December 2014 (see chapter 8). These financial statements have been prepared in accordance with IFRS as adopted by the European Union, and on the basis of fair market value (FMV). This means that all investments are measured at fair market value, with changes in value recognized in the income statement as unrealised gains/losses in accordance with IAS 39 (Financial Instruments: Recognition and Measurement).

## 5.1 Valuation of the portfolio

The valuation of all participations at fair market value is performed on a half-yearly basis. In addition to the valuation at the end of the financial year at June 30, 2016 this was done during the past financial year on December 31 and June 30 in accordance with the applicable accounting policies. These interim valuations were submitted to a limited review by the statutory auditor.

The basis for the valuations is the estimated future cash flows for each individual participation. These expected cash flows are periodically assessed on the basis of both general parameters and parameters specific to each participation. These parameters are updated as and when necessary. A substantial part of the cash flows can be fairly accurately estimated on the basis of long-term contracts, the applicable regulatory framework or the strategic position of the infrastructure. The fair market value of a participation is determined by discounting these expected future cash flows at a market discount rate.

As of 30 June 2016, the weighted average discount rate of the TINC portfolio was 8,25% compared with 8,45% at 31 December 2014. The individual discount rates vary between 7,19% and 9,25%.

The evolution of the weighted average discount rate between 31 December 2014 and 30 June 2016 is explained as follows:

- The reduction of the risk profile of a number of participations resulting from an optimized debt financing;
- A change in the composition of the portfolio as the result of investments in both existing and additional participations, and divestments and repayments. This has the effect of changing the weighting of individual participations in the portfolio.

The evolution of the fair market value (FMV) of the TINC investment portfolio over the past financial year (between the opening position on 1 January 2015 and the closing position at 30 June 2016) is as follows (in € K):

| Evolution FMV 31 December 2014 – 30 June 2016 | |
|---|---|
| **Balance at the beginning of the period** | **104.037,3** |
| + Investments | 31.576,6 |
| - Divestments | (10.777,0) |
| +/- Remeasurement of fair value (unrealised gains/losses) | 2.903,4 |
| +/- Other | 290,9 |
| **Balance at the end of the period** | **128.031,2** |

During the past year TINC invested a total of € 31,6 million in both new participations (Windfarm Kreekraksluis, Nobelwind and the Princess Beatrix Lock) and in existing participations (Solar Finance, Eemplein Car Park, Storm, Project Brabo 1, and Via R4 Gent).

TINC received € 10,8 million of repayments from its participations. This includes both regular repayments as the early repayment of outstanding loans (Belwind and dcinex).

In the past financial year, TINC booked unrealised gains and losses on its portfolio amounting to € 2,9 million. This amount comes on top of the € 13,8 million cash income (dividend income, interest income and turnover) received by TINC from its portfolio companies (see below), and is thus not included in the valuation of the portfolio.

The remaining € 0,3 million mainly relates to accrued portfolio income which is expected to be received shortly.

## 5.2 Key figures

The information presented below derives from the audited consolidated financial statements of TINC as included in Chapter 8. Where relevant, these key figures are compared with the forecasts for the past financial year set forth in the IPO prospectus.

### INCOME STATEMENT

The net profit for the past financial year amounts to €11,8 million. This is € 4,6 million more than forecast, and is explained by the performance of the investment portfolio. The net profit per share is € 0,86, on the basis of total outstanding shares at the end of the financial year. In addition to discussing the results, this section also looks closer at the underlying building blocks leading to them.

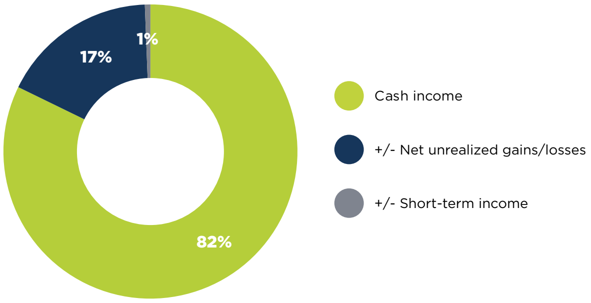
The table below contains the key figures (actual figures and forecasts) from the income statement for the extended financial year).

| RESULT (€ K) | 18 months ending 30/06/2016 | 18 months ending 30/06/2016 |
|---|---|---|
| | **Audited** | **Prospectus** |
| Operating income (+) | 19.273,8 | 12.375,1 |
| *Interest income, dividend income and turnover* | *13.997,3* | *10.167,2* |
| *Unrealised gains on financial assets* | *5.276,5* | *2.207,9* |
| Operating expenses (-) | (6.622,7) | (4.376,1) |
| *Unrealised losses on financial assets* | *(2.373,1)* | - |
| *Purchase of goods and services and other operating expenses* | *(4.249,6)* | *(4.376,1)* |
| **Operating result, profit (loss)** | **12.651,1** | **7.999,0** |
| Financial result | (730,1) | (676,1) |
| Tax expenses | (149,4) | (185,7) |
| **Total comprehensive income** | **11.771,6** | **7.137,2** |
| Earnings per share (€)* | 0,86 | 0,52 |

**On the basis of total outstanding shares at 30 June 2016*

The financial year's operating income of €19,3 million is derived fully from TINC's portfolio and consists of two components: €14,0 million of interest income, dividend income and turnover from portfolio companies, €13,8 of which has been received in cash, and €0,2 million is achieved and will be received in cash in the short term; and €5,3 million in unrealised gains. Also related to the portfolio are €2,4 million in unrealised losses, recognized under operating expenses. The portfolio result thus amounts to €16,9 million. The following diagram shows how this portfolio result is made up.

**PORTFOLIO RESULT**

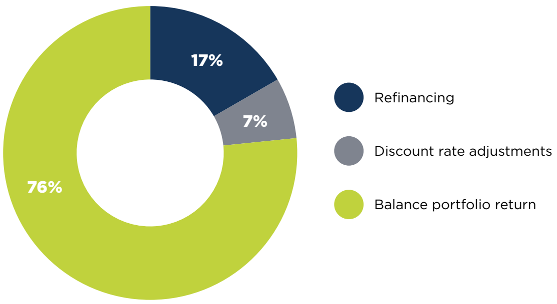



The €16,9 million portfolio result originates from the following Key Drivers:

- Non-recurring optimisation measures, mainly as a result of refinancing (the impact thereof is to be found in both the realised and unrealised result);
- The adjustment of the relevant discount rates, inter alia as a result of the change in the risk profile of portfolio companies (the impact thereof is to be found exclusively in the unrealised portfolio result).
- Balance portfolio result, primarily the time value, but also the value differences due to the updating of the general and specific parameters in the expected cash flows (this part of the portfolio result is reflected both in the realized and unrealised result);

The diagram below shows the relationship between the different key drivers which together constitute the portfolio result of over the past year.

**KEY DRIVERS**




The portfolio result is €4,5 million higher than forecast, explained mainly by non-recurring effects, i.e. the positive impact of refinancing measures in a number of participations and lower risk profiles in a number of participations as a result of the financing optimisation. The new additional participations also contributed to this difference.

Operating expenses consist of unrealised losses of €2,4 million (see above), expenses of €2,6 million related to normal company operations (management fees and other costs), and the share of the IPO expenses recognized in the income statement, i.e. € 1,6 million. General operating expenses and IPO expenses over the past year are slightly lower than forecast.

The net portfolio result, i.e. after deducting operating expenses and excluding IPO-related expenses, is €14,1 million. Calculated on the basis on the average market value of the portfolio over the past financial year, the net return on the portfolio is 7,97% per annum (calculated on a compound basis).

When only taking into account the received cash income from the portfolio of €13.8 million, the net cash result on the portfolio, after deducting operating expenses and excluding IPO-related expenses, is €11,1 million. The net cash return on the portfolio over the past financial year, calculated on the basis of the average market value of the portfolio over the past year, is 6,27% per annum (calculated on a compound basis).

The financial result related for the most part to interest paid on bridge loans in the run-up to the IPO. These were repaid following the IPO. The difference in financial result compared to expectations is related to lower than expected interest income on TINC's cash reserves due to the low interest rate environment.

## BALANCE SHEET

The following table shows the key figures (actual and forecast) on the balance sheet at 30 June 2016, the end of the financial year.

| BALANS (K EURO) | 18 months ending 30/06/2016 | 18 months ending 30/06/2016 |
|---|---|---|
| | **Audited** | **Prospectus** |
| Fair market value of portfolio companies (FMV) | 128.031,2 | 117.485,9 |
| Deferred taxes | 1.804,3 | 1.915,1 |
| Cash and deposits | 28.327,7 | 33.568,2 |
| Other working capital | (445,1) | (4.781,3) |
| **Net asset value (NAV)** | **157.718,1** | **148.187,9** |
| *Net asset value per share (€)** | *11,57* | *10,87* |

**On the basis of total outstanding shares at 30 June 2016*

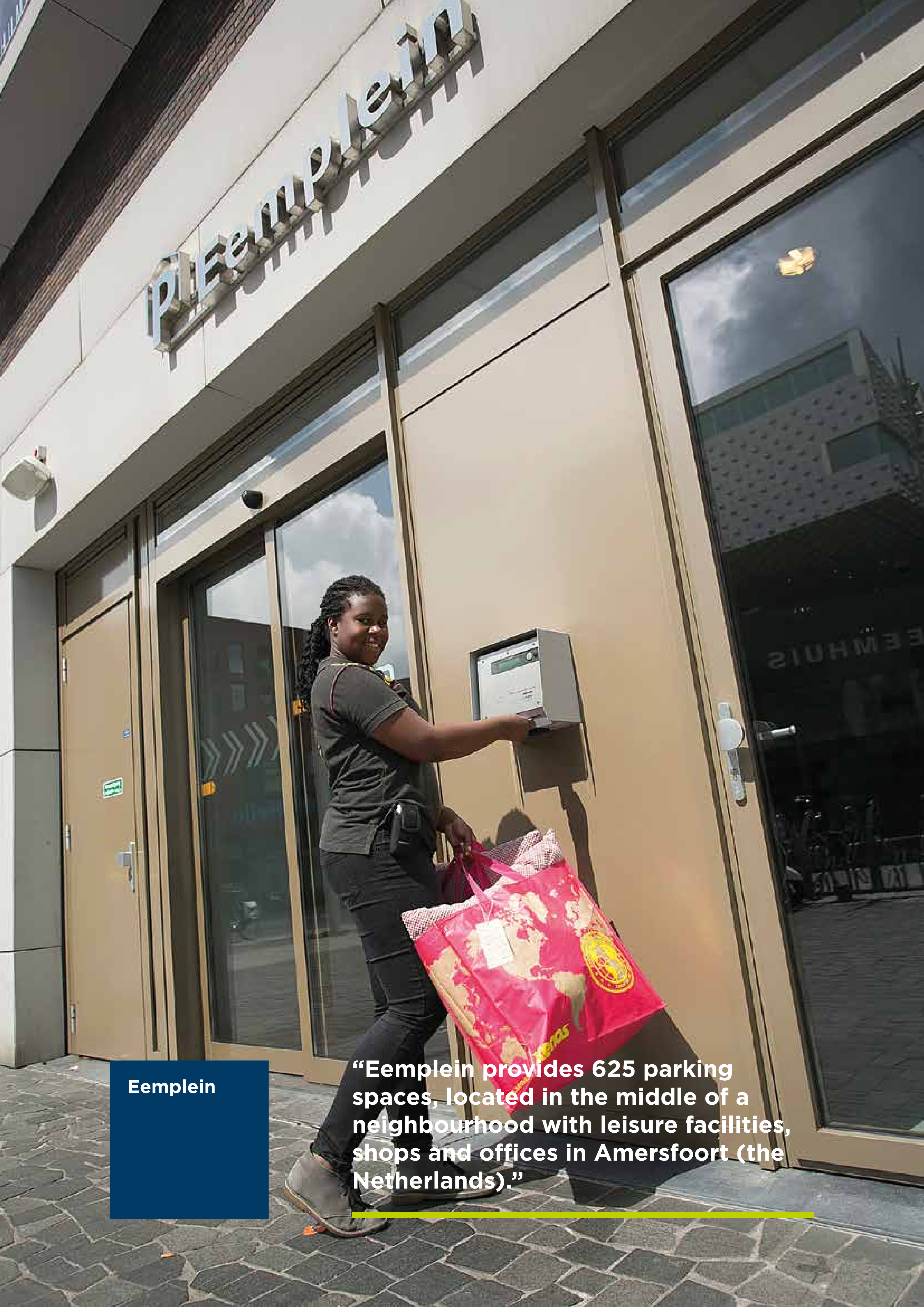
The fair market value of the portfolio amounted to €128,0 million at the end of the financial year, €10,5 million higher than forecast at the time of the IPO. The increase is mainly the result of investments in new participations in the course of the financial year.

Net cash amounted to €28,3 million at the end of the financial year. This item is discussed in detail under 'Cash flow statement'.

The item "other working capital" amounted to -€0,4 million at the end of the financial year. This amount is significantly lower than forecast and is discussed in the explanation of the evolution of NAV below.

At the end of the financial year, NAV amounted to €157,7 million or €11,57 per share. This is €9,5 million higher than forecast. The difference is explained in the following table showing the evolution of NAV between 31 December 2014 and 30 June 2016 (actual and forecast figures).

| EVOLUTION NAV (€ K) | 18 months ending 30/06/2016 | 18 months ending 30/06/2016 |
|---|---|---|
| | **Audited** | **Prospectus** |
| **NAV at the beginning of the period (1 January 2015)** | **72.211,0** | **72.211,0** |
| + Capital increase | 78.029,8 | 78.030,0 |
| - IPO expenses | (3.982,3) | (4.250,0) |
| + Increase in deferred taxes | 1.324,4 | 1.435,2 |
| + Total comprehensive income | 11.771,6 | 7.137,2 |
| - Interim dividend | (1.636,4) | (6.375,0) |
| **NAV at the end of the period (30 June 2016)** | **157.718,1** | **148.188,4** |




**Eemplein**

**“Eemplein provides 625 parking spaces, located in the middle of a neighbourhood with leisure facilities, shops and offices in Amersfoort (the Netherlands).”**

The € 78,0 million capital increase relates to the funds raised by TINC through the IPO, as anticipated IPO-related costs were slightly lower than budgeted, as a result of which the item "deferred taxes" is also slightly lower than budgeted.

NAV was positively influenced by the result of the financial year (€4,6 million higher than forecast). In the audited figures for the financial year, the interim dividend is deducted from the NAV, while the figures in the prospectus deducted the full dividend, including the proposed final dividend. This also explains the difference in “other working capital” in the table above, where the final dividend is already deducted from the NAV in the forecast figures and is recorded as short-term debt to shareholders.

## CASH FLOW STATEMENT

The following table shows the key cash flow figures (actual and forecast) for the extended financial year.

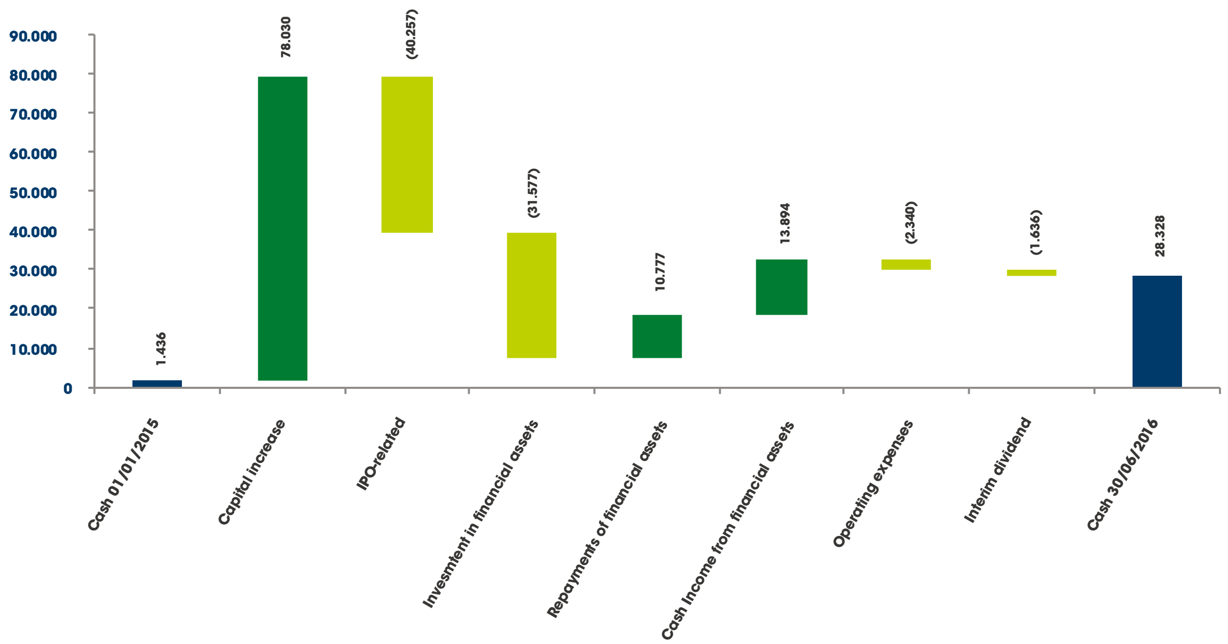
| CASH FLOW STATEMENT (€ K) | 18 months ending 30/06/2016 | 18 months ending 30/06/2016 |
|---|---|---|
| | **Audited** | **Prospectus** |
| Net cash at 1 January 2015 | 1.436,4 | 1.436,4 |
| Cash flows from financing activities | 36.136,1 | 35.885,1 |
| Cash flows from investment activities | (6.905,2) | (939,3) |
| *Investments in financial assets* | *(31.576,7)* | *(17.574,6)* |
| *Cash proceeds from financial assets* | *24.671,5* | *16.635,3* |
| Cash flows from operating activities | (2.339,6) | (2.814,0) |
| **Net cash at 30 June 2016** | **28.327,7** | **33.568,2** |

Cash flows from financing activities (€36,1 million) were more or less in line with forecasts. The figure consists of funds raised through the IPO after repayment of the bridge loans taken out in the context of the acquisition of a number of portfolio companies in 2014, and after payment of IPO-related costs.

Cash flows from investment activities (-€6,9 million) were much lower than the -€0,9 million forecast in the prospectus. The figures in the forecasts include only the investments known at the time of the IPO (€17,6 million), while total investment over the past year amounted to €31,6 million. Cash proceeds from the portfolio (€24,7 million) was also higher than the €16,6 million forecast in the prospectus. On the one hand, the €13,9 million cash income in the form of interest, dividends and fees (incl. 0,06 million VAT) was higher than forecast, mainly due to new investments and refinancing measures. On the other hand, total repayments (€10,8 million) were higher than forecast, partly due to the repayment of the loan to Belwind which was not included in the forecasts.

Cash flows from operating activities relate to €2,3 million in fees and expenses. These are €0,5 million lower than forecast and do not include IPO-related expenses, which are recognized in the cash flows from financing activities.

The following chart shows a more detailed picture of the evolution of cash flows over the past financial year.

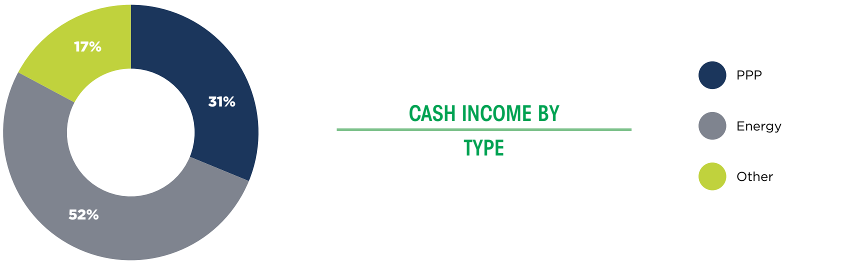


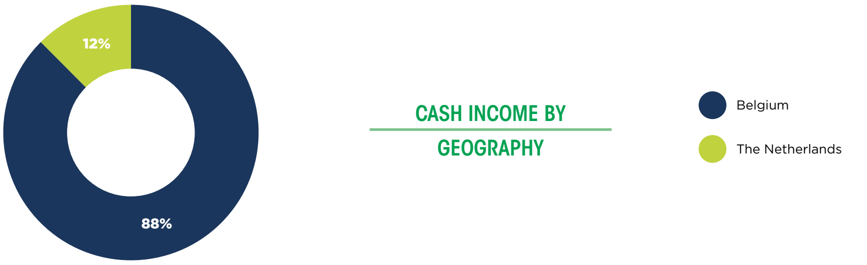

The funds raised by the IPO amounted to €78,0 million. €40,3 million thereof was used to repay a bridge loan taken out in 2014 in the context of acquiring a number of portfolio companies and for IPO-related costs. The remainder, i.e. €37,8 million, was available for investing. Of this, €31,6 million was used in past financial year to pay for investments in existing and new participations.

TINC received €24,7 million from its participations in cash, consisting of €13,9 million in cash income (incl. €0,06 million VAT) and €10,8 million in repayments. After deducting operating expenses and the interim dividend, the cash position at the end of the financial year amounted to €28,3 million.

After deduction of the still-to-be-paid proposed final dividend (€4,7 million), the remaining cash is available for new investments.

Breakdown of TINC's cash income (€13,9 million) by various criteria:






*Equity = Share capital + Shareholder loan

## OFF-BALANCE SHEET LIABILITIES

The following table shows TINC's off-balance sheet liabilities at 30 June 2016:

| OFF-BALANCE SHEET LIABILITIES (€ K) | 30/06/2016 |
|---|---|
| *1. Commitments vis-à-vis portfolio companies* | *6.448,2* |
| *2. Committed contractual participations* | *36.933,1* |

Commitments vis-à-vis portfolio companies  relate to investment funds which are already committed vis-à-vis portfolio companies and are to be invested in accordance with contractual provisions.

Committed contractual participations relate to already contracted amounts for the future acquisition of new portfolio companies (i.e. A11 and A15).

TINC

# Corporate governance statement

# 6. Corporate governance statement

## 6.1 General

TINC (hereinafter also 'the Company') is a holding company within the meaning of Article 3, 48° of the Belgian Act of 19 April 2014 on alternative collective investment institutions, and as such not subject to the provisions of this Act.

The present Statement relates to TINC's corporate governance policy and has been drawn up in accordance with Article 96 of the Belgian Companies Code.

TINC applies the Corporate Governance Code for listed companies (2009) (the "Corporate Governance Code") as its reference code for the organization of its corporate governance structure, as required by law. The Corporate Governance Code was published in the Belgian Official Gazette (BS, 28 June 2010) and can also be found on http://www.corporategovernancecommittee.be.

The Board of Directors of TINC's Statutory Manager has integrated the main aspects of its corporate governance policy in the Corporate Governance Charter. The Corporate Governance Charter can be found on its website (www.tincinvest.com) and is available free of charge at its registered office.

Belgian listed companies are required to comply with the Corporate Governance Code, but may, with the exception of the principles, deviate from the provisions and guidelines to the extent that this is disclosed, together with the reasons therefore, in the Corporate Governance Statement (the 'apply or explain' principle).

During the financial year ended on 30 June 2016, TINC's Statutory Manager applied the Corporate Governance Code, but given TINC's specific situation deviated from the following recommendations:

- Provision 2.2 of the Corporate Governance Code provides that that no individual director nor group of directors should dominate the board's decision-making. In this regard it is noted that four of the seven members of the Board of Directors are directors nominated by Gimv and Belfius Bank. By acting jointly, they could influence the decision-making, but this composition has been consciously opted for in order to safeguard and secure TINC's stability and future growth;
- Provision 5.3/4 of the Corporate Governance Code provides that the Nomination and Remuneration Committee should make recommendations to the Board with regard to the appointment of the directors, CEO and the other members of the Executive Committee. By way of departure from this the Nomination and Remuneration Committee advises only on the appointment of the directors and not of the CEO and the other Executive Committee members. This allows the entire Board of Directorsto assess more effectively the new management structure, drawing upon the specific experience of all of its non-executive directors.
- Provision 5.2/4 of the Corporate Governance Code stipulates that the majority of the members of the Audit Committee must be independent. By way of departure from this, the Audit Committee is composed of two independent directors and two non-executive directors, with a casting vote for the chairman of the Audit Committee, who is an independent director. This composition allows TINC to make efficient use of the specific experience of all of its non-executive directors. At the same time preponderance of voting power remains with the independent directors.

# 6.2 Capital and shareholders

## CAPITAL

At the end of the financial year the registered capital of TINC was € 81.748.316,99, represented by 13,636,364 shares. During the financial year a capital increase took place on the occasion of the IPO. The capital was increased by € 42.525.375,27 with the issuing of 7.093.620 million new shares. No other securities were issued that could impact the capital or the number of shares. All shares carry voting rights.

## SHAREHOLDING STRUCTURE

The following table shows TINC's shareholding structure, based on the transparency notifications received:

| SHAREHOLDER (30.06.2016) | Number of shares | % |
|---|---|---|
| Gimv NV | 1.455.599 | 10,67 |
| Belfius Insurance NV | 1.455.598 | 10,67 |
| Capfi Delen Asset Management NV | 886.363 | 6,50 |
| Remaining shares | 9.838.804 | 72,16 |
| Total | 13.636.364 | 100% |

Pursuant to the Belgian Act of May 2, 2007 (the "Transparency Act"), TINC's Articles of Association set the legal thresholds for transparency notifications at 5% and multiples of 5% of the total voting rights.

TINC has received transparency declarations from (i) Belfius Bank NV, Gimv NV and related parties, and (ii) Capfi Delen Asset Management NV. These declarations are available for consultation on the TINC website (www.tincinvest.com).

## ANNUAL GENERAL MEETING

The annual general meeting of shareholders takes place, in accordance with the Company's Articles of Association, on the third Wednesday of October at 10 a.m. In 2016, this will be on October 19.

The rules governing the convening of, admission to and course of the meeting, the exercise of voting rights and other details are found in the Articles of Association and the Corporate Governance Charter, which are both available on the Company's website (www .tincinvest.com).

## STATEMENTS CONCERNING ARTICLE 34 RD NOVEMBER 14, 2007

By decision of the Extraordinary General Meeting of April 21, 2015, the Manager was authorized to increase the share capital of TINC, during a period of 5 years from the date of publication of this authorization, by an amount of € 76.889.421,69 (the share capital at the IPO) by contribution in cash, in kind or by incorporation of reserves or issue premiums or by issue of convertible bonds and warrants. In so doing the Manager may limit or cancel the preferential subscription rights.

By decision of the same date the Manager was also authorized, during a period of three years from the publication of this authorization, to acquire shares of TINC without the prior approval of the general meeting, pursuant to article 620, §1 of the Companies Code, in the event of the threat of serious and imminent harm and also to dispose again of the acquired shares.

The Board of Directors is also authorized to proceed to a capital increase in the event of a takeover bid, under the legal conditions provided for such situations.

The Company's shares are freely transferable and all carry the same rights, with no restrictions in the articles of association on the exercise of voting rights.

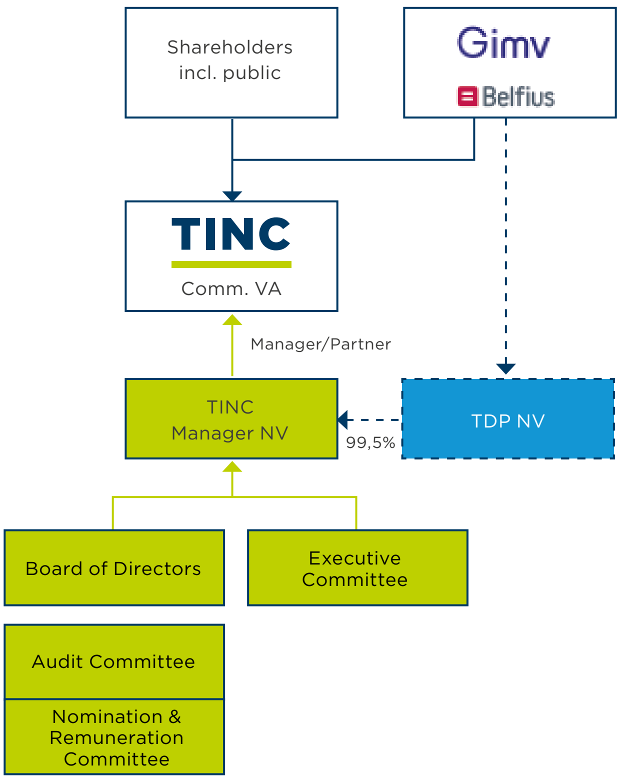
The Company is not a party to agreements containing specific consequences in the event of a change of control. Neither has it concluded agreements with its mandated agents that provide for compensation in the event of termination following a takeover bid.

## 6.3 Governing bodies of TINC

TINC is a partnership limited by shares under Belgian law with a statutory manager entrusted with the administration and management.

A partnership limited by shares has two types of partners. The first are the managing partners who carry unlimited joint and several liability for the obligations of the partnership limited by shares. There are also silent partners, who are shareholders and whose liability is limited to the sum of their total investment. TINC Manager is the managing partner of the company, while the other shareholders are silent partners.

The organizational structure is as follows:



## STATUTORY MANAGER

In the Articles of Association of TINC, TINC Manager is appointed as the sole Statutory Manager. TINC Manager is a limited liability company under Belgian law, the shares of which are held by Gimv and Belfius Bank.

Pursuant to Article 61 §2 of the Companies Code, the Statutory Manager has appointed Mr Manu Vandenbulcke, Chairman of the Executive Committee, as its permanent representative.

TINC Manager has a Board of Directors and an Executive Committee that exercise the mandate of Statutory Manager of TINC.

In executing their mandate, the TINC Board of Directors and the Executive Committee act in accordance with the corporate governance rules that apply to listed companies. Two committees have been set up within the TINC Manager Board of Directors: these are the Audit Committee and the Nomination and Remuneration Committee.

## BOARD OF DIRECTORS OF THE STATUTORY MANAGER

### Composition

The Board of Directors of TINC Manager, the Statutory Manager, is composed of seven directors, three of whom are independent and four of whom are non-executive directors.

The composition of the Statutory Manager's Board of Directors complies with Clause 2.3 of the Corporate Governance Code which reads as follows: *"At least half of the Board of Directors is composed of non-executive directors and at least three of them are independent under the criteria described in Appendix A"*. Appendix A of the Corporate Governance Code sets out the criteria in accordance with Article 526ter of the Companies Code. TINC's independent directors comply with these criteria.

Article 518bis of the Belgian Companies Code requires companies to have at least one third of Board representatives belonging to the other sex. Currently TINC does not meet this requirement but as the law only applies to TINC from the first day of the sixth financial year following the listing of its shares on Euronext, the company has time until 2021 to comply. As far as possible, TINC is already seeking to take account of this requirement. For instance, in the context of the IPO, a female director was appointed as an independent director.

According to the TINC Corporate Governance Charter, Gimv and Belfius Bank are each entitled to appoint half of the non-independent directors of the Board of Directors, as long as Gimv and Belfius Bank together hold at least 10% of the voting rights in TINC.

If the joint ownership of Gimv and Belfius Bank drops below 10% of the voting rights in the Company, they will each waive their respective rights to nominate one of the two directors. This will result in Gimv and Belfius Bank each nominating one director for election by the general meeting of shareholders of the Statutory Manager. In that case, the Nomination and Remuneration Committee, under the supervision of the Chairman of the Board, shall identify, recommend and present the nominees, from whom the general meeting of shareholders shall appoint two directors.

As recommended by the Corporate Governance Code, the mandates of the directors of the Statutory Manager shall last no more than four years.

## Members

At the close of the financial year, the Board of Directors was composed of:

| Name | Year of birth | Function | Mandate lasts until: | Committees |
|---|---|---|---|---|
| Jean-Pierre Blumberg | 1957 | Independent director - chair | 2019 | Chairman of the Nomination and Remuneration Committee<br>Member of the Audit Committee |
| Jean Pierre Dejaeghere | 1950 | Independent director | 2018 | Chairman of the Audit Committee<br>Member of the Nomination and Remuneration Committee |
| Els Blaton | 1963 | Independent director | 2018 | Member of the Nomination and Remuneration Committee |
| Dirk Beeusaert | 1964 | Director | 15/07/2016 | |
| Patrick Van den Eynde | 1962 | Director | 2018 | |
| Marc Vercruysse | 1959 | Director | 2018 | Member of the Audit Committee<br>Member of the Nomination and Remuneration Committee |
| Peter Vermeiren | 1965 | Director | 2018 | Member of the Audit Committee<br>Member of the Nomination and Remuneration Committee |

- Jean-Pierre Blumberg

Jean-Pierre Blumberg obtained a Master's degree in Law from the universities of KU Leuven and Cambridge. He is a partner at the law firm Linklaters where he was appointed as National Managing Partner (2002-2008), Managing Partner Europe and member of the Executive Committee (2008-2013). Currently he is Co-Head Global M&A and member of the Board of Directors of Linklaters. He holds different board mandates in listed companies. He also lectures at the law faculty of the University of Antwerp (UA).

- Jean Pierre Dejaeghere

Jean Pierre Dejaeghere obtained Master's degrees in Applied Economics at the University of Antwerp (1973), in Business Management at Vlerick Management School (1974) and in Accountancy at Vlekho (1978). He started his career as an auditor with various firms (including Deloitte Bedrijfsrevisoren) and was statutory auditor for several listed companies. From 2000 to 2009 he was a director and CFO of Roularta Media Group, before joining the executive committee of Koramic Investment Group (until 2010). He is currently a director of various (listed) companies.

- Els Blaton

Els Blaton has a Master's degree in Physics from the University of Antwerp and participated in training programmes in management, finance and leadership. She is CEO of the Belgian branch of Everis, a business and IT consulting company and is part of the NTT Data Group. Prior to that, she spent more than 20 years of her career in the financial sector in different senior management positions, most of them related to IT. She started her career in 1991 at Paribas Banque Belgium, after which she moved to AXA Belgium, where she was a member of the executive committee for Banking and Insurance from 2007 until 2012. Els Blaton is member of the ICT Committee of AGORIA, member of the advisory board of Passwerk (employing people with Autism Spectrum Disorder) and is involved with issues of diversity and gender balance in business companies.

From left to right: Marc Vercruysse, Els Blaton, Patrick Van den Eynde, Jean-Pierre Blumberg, Jean-Pierre Dejaeghere, Peter Vermeiren and Dirk Beeusaert.

- Dirk Beeusaert

Dirk Beeusaert obtained a Master's degree in Law at the University of Ghent in 1988 and a special degree in tax law and accounting at Vlerick Leuven Ghent Management School in 1989. Since 1996 he has worked for Gimv. He is responsible for business development and provides legal support to business transactions. Dirk Beeusaert has resigned as a director with effect from 15 July 2016. As yet, no replacement is foreseen.

- Marc Vercruysse

Marc Vercruysse has a Master's degree in Applied Economics from the University of Ghent. Marc has been working for Gimv since 1982 as, successively, Internal Auditor, Investment Manager and Head of the Structured Finance Department. At Gimv, Marc was Chief Financial Officer (1998-2012), head of the Funding Department (2012-2015) and is currently advisor to the CEO. As CFO of Gimv, Marc gained a lot of experience with listed companies and the way they operate.

- Peter Vermeiren

Peter Vermeiren holds a Master's degree in Commercial and Financial Science from the Lessius Hogeschool Antwerp (part of KU Leuven) (1992), a Certification Advanced Valuation from the Amsterdam Institute of Finance (2007 & 2009) and a 'Lead an Organization' MBA from the Dexia Corporate University at Vlerick Leuven Ghent Management School (2011). He has also taken various courses in corporate valuation (1992-present). Peter started his career in 1992 at Paribas Banque Belgium where he held various advisory and management positions. Subsequently Peter was successively Head of Structured Finance (1999-2000) and Head of Long Term Finance (2000-2001) at Artesia Bank. Since 2001, Peter has held various director and managing director positions at Dexia Bank. Till 2014, Peter was Managing Director of Corporate Finance & Belfius Private Equity. Peter has gained specific knowledge and experience from numerous strategic transactions. These include the integration of Corporate Banking departments with the merger of Crédit Communal and Artesia and the setting up of the joint DG Infra initiative with Gimv.

- Patrick Van den Eynde

Patrick Van den Eynde obtained in 1985 a Master's degree in Law from the University of Antwerp, a Master's degree in Finance (1987) and a Master in International Finance (1988), also from the University of Antwerp. He also has a diploma of the Belgian Pension Fund Academy (2014). Patrick started his career in 1985 at Bacob Bank, where he worked as a member of the Legal Department, Account Manager in the Social Sector and Senior Corporate Banker. After that Patrick held various director positions at Artesia Bank. At Belfius Bank, Patrick was successively Head of European Securitisation, Head of European Fixed Income, Director Asset Finance & Development and CEO of the Belfius Pension Fund.

## Powers

The Board of Directors has all powers necessary or useful for fulfilling the corporate purpose of Statutory Manager, except for those powers explicitly reserved by law or by the articles of association for the general meeting of shareholders of the Statutory Manager.

In particular the Board of Directors is responsible; with respect to TINC, for:

- determining the overall strategy of the Company;
- deciding on all important strategic, financial and operational affairs of the Company;
- deciding on all investments and divestments of the Company;
- overseeing management, in particular the Chief Executive Officer (the "CEO") and other members of the Executive Committee of the Statutory Manager; and
- any other matters that the Companies Code reserves for the Board of Directors.

The Board of Directors has delegated part of its powers to the Executive Committee pursuant to article 524bis of the Companies Code and the Statutory Manager's articles of association or to the shareholders of TINC itself.

## Activity Report

During the past 18-month financial year, the Manager's Board of Directors has met 15 times, of which eight times in the present composition, since the IPO.

In its original composition (four directors only) of the Board of Directors' activities consisted mainly of preparing the IPO.

After the IPO, the Board of Directors discussed mainly the following topics related to TINC:

- investment in new and existing portfolio companies;
- monitoring the financial situation
- payment of an interim dividend
- the semi-annual reports (2)
- introduction of a "Code of dealing"
- market review of contracts with related parties
- monitoring the liquidity position and future funding plans

For an overview of the attendance of individual directors, see chapter 6.7 in the remuneration report.

In the past financial year no decisions presented themselves giving rise to the application of the legislation on conflicts of interest, either in respect of individual directors (article 523 Companies Code) or in respect of affiliated companies (article 524 Companies Code).

## COMMITTEES WITHIN THE BOARD OF DIRECTORS

At the time of the IPO, two committees were set up within the Board of Directors, an Audit Committee and a Nomination and Remuneration Committee.

### Audit Committee

The Audit Committee consists of two independent directors, one with accounting and auditing experience, and two other non-executive directors of the Statutory Manager, each for a term which shall not exceed their membership in the Board of Directors. The chairman is an independent director but not the chairman of the Board of Directors. During the past financial year, the Audit Committee consisted of directors Jean-Pierre Dejaeghere (chairman), Jean-Pierre Blumberg, Marc Vercruysse and Peter Vermeiren.

Audit Committee members have full access at all times, upon simple request, to the Executive Committee for carrying out their duties.

In the past financial year, the Audit Committee met twice. Each time all members were present. The company's statutory auditor was also present each time and reported to the committee its findings on the audit of the interim figures.

The Audit Committee examined the financial reporting process, the valuation of the investment portfolio, the semestrial results, the internal control and risk management systems, the mandate of the statutory auditor and IFRS developments.

### Nomination and Remuneration Committee

The Nomination and Remuneration Committee is composed of all independent directors and two non-executive directors. From the IPO onwards the Nomination and Remuneration Committee has consisted of Jean-Pierre Blumberg (Chairman), Jean-Pierre Dejaeghere, Els Blaton, Marc Vercruysse and Peter Vermeiren.

In the past financial year the Nomination and Remuneration Committee met twice. Each time all members were present.

The Nomination and Remuneration Committee established the remuneration of the Statutory Manager and the independent directors (see chapter 6.7) and prepared the Remuneration Report for the annual report.

### Evaluation

At the initiative and under the direction of its chairman, the Board of Directors will for the first time after the end of the second financial year after the IPO (i.e. after June 30, 2017) undertake an evaluation of its modus operandi and effectiveness.

Attention points will include the size, composition and performance of the Board and of the special committees and the interaction between the Board and the Executive Committee.

The evaluation will be based on questionnaires and individual interviews with the chairman.

Based on the evaluation, the chairman may submit proposals for possible improvements.

## EXECUTIVE COMMITTEE OF THE STATUTORY MANAGER

### Composition

Pursuant to the relevant provisions of the TINC Manager articles of association, the Board of Directors has established an Executive Committee within the meaning of Article 524bis of the Companies Code, in order to take charge of the management of TINC via the Statutory Manager. The CEO and other members of the Executive Committee are appointed and dismissed by the Board of Directors. They are appointed for indefinite periods. The CEO reports directly to the Board of Directors.

### Powers and responsibilities

The Executive Committee has direct operational responsibility for TINC and is responsible for implementing and managing the consequences of all decisions of the Board of Directors.

The Executive Committee has therefore been authorized by the Board to act and to represent TINC with respect to:

- day-to-day management
- management of the investment portfolio;
- sourcing, investigating, analysing, structuring, negotiating and preparing the contracts for all potential new investments and divestments;
- execution of the decisions of the Board of Directors; and
- urgent decisions.

The other tasks for which the Executive Committee is responsible are described in the terms of reference of the Executive Committee contained in the Company's Corporate Governance Charter.

The CEO heads the Executive Committee and ensures that it is properly organized and correctly functioning. Notwithstanding the fact that the Executive Committee is a collegial body and has collective responsibility, each Executive Committee member has specific tasks and responsibilities.

### Members

The Executive Committee is composed of:

- Manu Vandenbulcke (CEO and Chairman)

Manu Vandenbulcke (°03/01/1972) obtained a Master's degree in Law at the KU Leuven in 1995, an LLM degree at the University of Stellenbosch (South-Africa) in 1997 and a postgraduate degree in real estate (1999) and economics (2000) at the KU Leuven. He started his career in 1998 at Petercam Securities in Brussels. In 2000, he joined Macquarie Bank Ltd. In London where he worked first in the structured finance and then the corporate finance team. In 2007 Manu Vandenbulcke joined TDP as CEO.

Manu Vandenbulcke is chairman of the Executive Committee of the Statutory Manager and responsible for the general management.

- Bruno Laforce

Bruno Laforce (°29/01/1969) obtained a Masters' degree in Law at the KU Leuven in 1992 and an LLM degree at the University of California, Los Angeles (USA) in 1997. He started his career as an attorney specializing in corporate, M&A and capital market transactions. He also held the position of corporate counsel at Telenet. Prior to joining TDP, he worked at Gimv successively in the legal transactions team and the investment partnerships team.

From left to right: Bruno Laforce, Chrisbert Van Kooten, Manu Vandenbulcke (Chairman) en Filip Audenaert

Bruno Laforce is secretary general of the Statutory Manager, with responsibility for risk and compliance, legal affairs and investor relations.

- Filip Audenaert

Filip Audenaert (°07/11/1968) obtained a diploma in Computer Sciences and a diploma in Commercial Engineering from the KU Leuven. He started his career at KBC Group in 1994 in the Corporate Banking department. Prior to joining TDP in 2010, he also worked in the Corporate Finance department of KBC Securities.

Filip Audenaert is responsible for the financial management of the company.

- Chrisbert Van Kooten

Chrisbert van Kooten (° 27/05/1969) holds an MSc. in Economics from the Free University of Amsterdam (1996). He began his career at KPMG Corporate Finance in 1996, working in both Amsterdam and London. Prior to joining TDP in 2009, he was a director with KPMG Corporate Finance where he was responsible for the industrial markets sector.

Chrisbert van Kooten is responsible for TINC's activities and operations in the Netherlands, and heads up the portfolio management.

- As of April 1, 2016 Karoy Hornyák is no longer a member of the Executive Committee.

## 6.4 Policy to avoid conflicts of interest in respect of investment opportunities

In the context of the IPO, TINC concluded a Partnership agreement with TDP NV. TDP NV is active in developing, managing and investing in infrastructure. Its shareholders are Belfius and Gimv.

The Partnership agreement provides that TDP will act as a central platform for investment opportunities and contains principles regarding the allocation of investment opportunities. TINC has the option to invest 50% in any investment opportunity that is centralized at TDP. The remaining 50% of any such investment opportunity is available for investment by TDP (and TDP-associated companies).

The Partnership agreement aims to create synergies resulting in a stronger market position for infrastructure investments. This makes it possible, among other things, to seize larger investment opportunities through co-investment.

To the extent that investment opportunities for TINC are offered directly by TDP or affiliated parties, the conflict of interests procedure in accordance with Article 524 Companies Code applies, as outlined in the Corporate Governance Charter.

## 6.5 External audit

TINC has appointed Ernst & Young Bedrijfsrevisoren BV CVBA, represented by Mr Ömer Turna, as its statutory auditor. Its mandate expires immediately after the ordinary general meeting of shareholders in 2017. Total fees paid to EY for the past financial year amounted to €800.036. These included the fee associated with the execution of its mandate as statutory auditor (€28.000), fees for exceptional of special tasks associated with the interim dividend (€1.500), and IPO-related work (€770.536, of which €242.991 were non-audit services).

## 6.6 Internal control and risk management

The Board of Directors has decided not to create an internal audit function for the time being, since the size of the business does not justify a full-time position, but will annually evaluate the possible need thereto.

This does not prevent TINC, as a listed company, being attentive to business risk management. This is a process in which all levels of the company are involved in identifying potential events that could affect the company. TINC takes care to manage these, so that they fall within the risk appetite and so that reasonable assurance can be offered that the company will achieve its business objectives (cfr. the definition used by COSO, Committee of Sponsoring Organizations of the Treadway Commission).

In line with the COSO enterprise risk management framework, TINC operates as follows with respect, among other things, to the following categories of business objectives:

- Strategically: the ultimate responsibility for making investment/divestment decisions lies with the Board of Directors. This allows the Board of Directors to assess at all times the investment/divestment proposals submitted to it by the Executive Committee and to balance them against TINC's strategic objectives;
- Operational: a Portfolio Status Report (containing a matrix of controls and action and attention points) is gone through and discussed on a regular basis in the Executive Committee. This Portfolio Status Report is established on the basis of interviews with the staff responsible for monitoring and managing the various investments in portfolio companies.
- Reporting: TINC has developed strict systems to optimize the timely processing and accuracy of available data, and to interconnect the operating and financial data, and the accounting treatment and subsequent

reporting thereof. A summary of key operating and financial data is periodically reported to and discussed with the Board of Directors and its advisory committees:

- Supervision: in line with the Corporate Governance Code, the Board of Directors has appointed a compliance officer (Bruno Laforce) charged with supervising the trading rules (Dealing Code) relating to securities issued by TINC.

An overview of the main risks to which TINC is subject is described in Chapter 2.6.

## 6.7 Remuneration report

### STATUTORY MANAGER

The Statutory Manager is entitled, under the articles of association, to an annual fee consisting of:

a) a variable amount equal to 4% of the net profit of the Company before the Statutory Manager's fee, before taxes, and excluding changes in the fair market value of financial assets and liabilities (to be increased with VAT, if applicable) ; and

b) a variable amount depending on exceeding certain dividend yield objectives: whenever the shareholder realizes a dividend yield, calculated as the gross dividend per share paid in a given year divided by the issue price at the initial public offering (IPO),

i. that is higher than 4,5%, the Statutory Manager will be entitled to a fee equal 7,5% of the amount between 4,5% and 5,0%;

ii. above 5%, the Statutory Manager will be entitled to a fee equal to (10,0%) of the amount between 5,0% and 5,5%;

iii. above 5,5%, the Statutory Manager will be entitled to a fee equal to 12,5% of the amount between 5,5% and 6,0%; and

iv. above 6,0%, the statutory manager will be entitled to a fee equal to 15% of the amount exceeding 6,0%.

This fee is inclusive of VAT (if applicable) and will be cumulative, i.e. in the case of a dividend yield of 5,5%, the Statutory Manager will be entitled to 7,5% of the amount between 4,5% and 5,0% plus 10,0% of the amount between 5,0% and 5,5%.

In respect of the past financial year the Statutory Manager is entitled to a fee of €375.870 (excluding VAT) as provided for in a) above. No fee was paid in accordance with b) as the conditions were not fulfilled.

### BOARD OF DIRECTORS - TINC MANAGER

The general meeting of shareholders of the Statutory Manager decides whether the mandates as director are remunerated. Following a decision of the shareholders by written consent of 24 April 2015, the remuneration for the members of the Board of Directors was set as follows:

i. An independent director receives a fixed annual fee of € 9.000 plus € 1.000 for each board meeting attended. The chairman of an advisory committee also receives an additional fee of € 500 per meeting attended.

ii. The chairman of the Board of Directors receives a fixed annual fee of € 15.000 and an additional fee of € 1.000 for each board meeting attended.

iii. No director's fees are awarded to the non-independent directors.

For the past financial year the following fees were paid:

| Director | Fixed remuneration | Board of Directors | | Committees | | Total remuneration |
|---|---|---|---|---|---|---|
| | | Attendance | Attendance fee | Attendance | Attendance fee | |
| Jean-Pierre Blumberg | 15.000 | 8/8 | 8.000 | 4/4 | 1.000 | 24.000 |
| Jean-Pierre Dejaeghere | 9.000 | 8/8 | 8.000 | 4/4 | 1.000 | 18.000 |
| Els Blaton | 9.000 | 8/8 | 8.000 | 2/2 | - | 17.000 |
| Dirk Beeusaert | - | 13/15 | - | - | - | - |
| Patrick Van den Eynde | - | 14/15 | - | - | - | - |
| Marc Vercruysse | - | 15/15 | - | 4/4 | - | - |
| Peter Vermeiren | - | 15/15 | - | 4/4 | - | - |
| | | | | | | **59.000** |

## EXECUTIVE COMMITTEE - TINC MANAGER

Executive Committee members are not remunerated for their mandates at TINC Manager.

# TINC Shareholder information

# 7. Shareholder information

## 7.1 TINC on the stock market

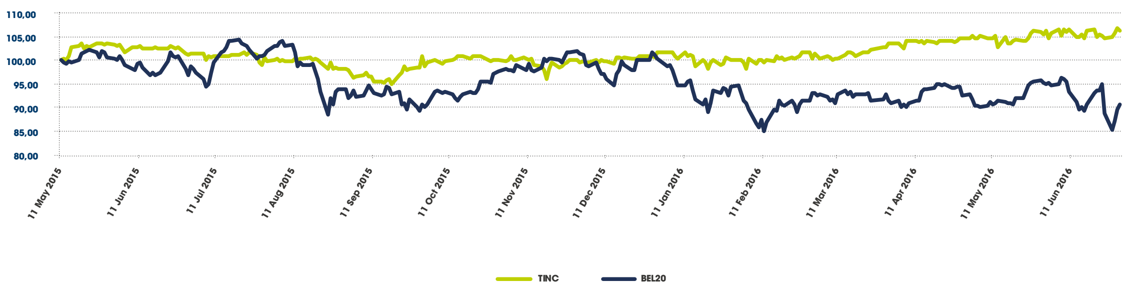
The TINC shares have been listed since 12 May 2015 on the continuous market of Euronext Brussels (ISIN code BE0974282148).

Financial services are provided by Belfius Bank.

TINC seeks to maintain the share's liquidity by taking part in roadshows and investor events with both institutional and private investors. TINC also maintains proper communication with the analysts who follow the stock. During the past financial year these were KBC Securities, Degroof Petercam and Belfius (Alpha Value). Additionally TINC has appointed KBC Securities as liquidity provider in order to ensure a sufficiently active market in the TINC share by maintaining adequate liquidity in normal market conditions.

The TINC website contains a separate section with information for investors and shareholders (www.tincinvest.com).

The chart below shows the evolution of the TINC share price from the time of the IPO until the end of the financial year.




Between the time of the IPO (12 May 2015) and the end of the past financial year, the TINC share price has developed positively, moving up 6,3% from €11 to €11,69. In the same period the BEL20 index fell 8,9%. Both charts have not been corrected for dividend pay-outs.

| TINC share | |
|---|---|
| Highest price since IPO | 11,74 |
| Lowest price since IPO | 10,45 |
| Price at 30 June 2016 | 11,69 |
| Average price | 11,14 |
| Market capitalization | 159.409.095 |
| Number of shares at 30 June 2016 | 13.636.364 |
| Average volume | 9.041 |

## 7.2 Dividend

An interim dividend of € 0,12 per share was paid on 30 September 2015 as part of the dividend for the current extended financial year ending 30 June 2016. The interim dividend totalled € 1.636.363,68.

A proposal will be made to the general meeting on 19 October 2016 to declare a dividend of € 0,4675 per share for the full financial year ending on 30 June 2016. This includes the already distributed interim dividend, leaving a gross final dividend of € 0,3475 per share to be paid. This represents a 4,25% gross dividend yield calculated at the IPO price of € 11 per share, and a total dividend amount of € 6.375.000.

| Dividend vs Net Profit | Total | Per share |
|---|---|---|
| Net result | 11.771.588 | 0,86 |
| Dividend (total) | 6.375.000 | 0,4675 |
| Interim dividend | 1.636.364 | 0,12 |
| Final dividend | 4.738.636 | 0,3475 |
| **Payout ratio** | **54,16%** | |

The proposed dividend (including the already distributed interim dividend) amounts to 54% of the net profit for the year.

From January 1, 2016, the standard withholding tax rate on dividends is 27%. Belgian tax law provides for exceptions in certain cases.

## 7.3 Yield for shareholders

The table below provides an overview of the return for TINC shareholders from the time of the IPO until 30 June 2016.

| Shareholder return since IPO | |
|---|---|
| **IPO issue price** | **11,0000** |
| **Total dividend** | |
| *Interim dividend* | *0,1200* |
| *Final dividend* | *0,3475* |
| Total Dividend | 0,4675 |
| ***% return*** | ***4,25%*** |
| | |
| **Net asset value (NAV) after final dividend compared to IPO price** | |
| *Net asset value per share at 30/06/16* | *11,5660* |
| *Net asset value per share after final dividend compared to IPO price* | *11,2185* |
| Net asset value growth after final dividend | 0,2185 |
| ***% return*** | ***1,99%*** |

| **Market premium** | |
|---|---|
| *Price per share at 30/06/16* | *11,6900* |
| *Net asset value per share at 30/06/16* | *11,5660* |
| Market premium | 0,1240 |
| ***% return*** | ***1,13%*** |

| **Shareholder return since IPO** | **0,81000** |
|---|---|
| ***% return*** | ***7,36%*** |
| ***% annualised return*** | ***6,45%*** |

Total return consists of three components: the dividend return including the proposed final dividend, the increase in the NAV after deducting the proposed final dividend, and the premium to the share price on 30 June 2016 compared to the NAV.

Total Dividend amounts to € 0,4675 per share or 4,25% at the IPO price of € 11 subject to the final dividend being approved.

At 30 June 2016, NAV per share amounted to € 11,5660. After deducting the proposed final dividend, this leaves a NAV per share of € 11,2185 , i.e. € 0,2185 higher than the IPO price of € 11 per share and representing an additional return of 1,99%.

At 30 June 2016, the share price was € 11,69, representing a premium of € 0,1240 per share above the NAV of 30 June 2016 of € 11,5660 per share. This contribution provides an additional yield of 1,13% compared to the IPO price of € 11.

Total yield for shareholders from the time of the IPO until 30 June 2016 thus amounts to 7,36%, equivalent to 6,45% per annum.

## 7.4 Financial calendar

| Date | Event |
|---|---|
| September 19, 2016 | Publication of the annual report and annual results |
| October 19, 2016 | General Shareholders' Meeting |
| October 24, 2016 | Ex-dividend date |
| October 25, 2016 | Dividend registration date |
| October 26, 2016 | Dividend payment date |
| March 8, 2017 | Publication of the half-yearly interim report (as of December 31, 2016) |
| September 18, 2017 | Publication of the annual report and annual results for FY 2016-2017 |

# TINC Financial Statements

# 8. Financial Statements

## 8.1 Consolidated Financial statements as per 30 June 2016

### 1. AUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

| PERIOD ENDING AT | | 30/06/2016 18 Months | 31/12/2014 12 Months |
|---|---|---|---|
| **Operating income** | | **19.273.835** | **19.776.061** |
| Dividend income | 11 | 5.202.704 | 418.427 |
| Interest income | 11 | 7.866.075 | 3.539.666 |
| Realised gain on financial assets | 11 | - | 987.756 |
| Unrealised gains on financial assets | 11 | 5.276.525 | 14.199.676 |
| Turnover | 11 | 928.531 | 630.536 |
| **Operating expenses (-)** | | **(6.622.735)** | **(2.600.560)** |
| Unrealised losses on financial assets | 11 | (2.373.117) | (563.169) |
| Purchase of goods and services | 11 | (4.247.497) | (2.036.142) |
| Other operating expenses | 11 | (2.121) | (1.249) |
| **Operating result, profit (loss)** | | **12.651.100** | **17.175.501** |
| **Finance income** | 12 | **47.949** | **508.053** |
| **Finance costs (-)** | 12 | **(778.096)** | **(849.036)** |
| **Result before tax, profit (loss)** | | **11.920.953** | **16.834.518** |
| **Income tax expenses (-)** | 13 | **(149.364)** | **(1.503)** |
| **Total comprehensive income** | 14 | **11.771.588** | **16.833.015** |

| EARNINGS PER SHARE (in EUR) | | 2016 | 2014 |
|---|---|---|---|
| **Basic earnings per share** | 14 | **0,99** | **2,60** |
| **Diluted earnings per share (*)** | 14 | **0,99** | **2,60** |
| **Weighted average number of ordinary shares** | 14 | **11.896.405** | **6.470.389** |

(*) Assumed that all stock options/warrants which were in the money as at the end of the period would be exercised. TINC has no outstanding options/warrants during the reported periods.

Over the past year the number of shares increased from 6.542.744 to 13.636.364 due to the capital increase at IPO through which 7.093.620 ordinary share were issued.

## 2. AUDITED CONSOLIDATED BALANCE SHEET

| ASSETS | | 30/06/2016 | 31/12/2014 |
|---|---|---|---|
| **I. NON -CURRENT ASSETS** | | **128.459.475** | **102.658.295** |
| Financial assets - equity participations | 16 | 60.144.828 | 48.524.271 |
| Financial assets - subordinated loans | 16 | 66.510.328 | 53.654.087 |
| Deferred taxes | 13 | 1.804.319 | 479.937 |
| **II. CURRENT ASSETS** | | **29.781.922** | **3.697.233** |
| Trade and other receivables | 17 | 78.169 | 401.933 |
| Financial assets - subordinated loans - ST | 16 | 1.376.088 | 1.858.940 |
| Cash and deposits | 4,18 | 28.327.665 | 1.436.360 |
| **TOTAL ASSETS** | | **158.241.396** | **106.355.528** |

| LIABILITIES | | 30/06/2016 | 31/12/2014 |
|---|---|---|---|
| **I. EQUITY** | | **157.718.091** | **72.211.011** |
| Issued capital | 3,19 | 81.748.317 | 39.222.942 |
| Share premium | 3 | 35.504.445 | - |
| Reserves | 3 | 2.994.415 | 5.508.750 |
| Retained earnings | 3 | 37.470.914 | 27.479.320 |
| **II. Liabilities** | | **523.305** | **34.144.516** |
| **A. Non-current liabilities** | | **-** | **-** |
| **B. Current liabilities** | | **523.305** | **34.144.516** |
| Financial liabilities | 20 | - | 33.113.241 |
| Trade and other payables | 20 | 385.106 | 1.029.850 |
| Income tax payables | | 137.113 | 300 |
| Other liabilities | | 1.086 | 1.125 |
| **TOTAL EQUITY AND LIABILITIES** | | **158.241.396** | **106.355.528** |

## 3. AUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

| FISCAL YEAR 2015-2016 | | Issued Capital | Share Premium | Reserves | Retained Earnings | TOTAL |
|---|---|---|---|---|---|---|
| **As per 1 January 2015** | **2** | **39.222.942** | **-** | **5.508.750** | **27.479.320** | **72.211.011** |
| Total comprehensive income | 1 | - | - | - | 11.771.588 | **11.771.588** |
| Capital increase | 4,19 | 42.525.375 | 35.504.445 | - | - | **78.029.820** |
| Capital decrease | 4,19 | - | - | - | - | **-** |
| Acquisition of subsidiaries | 4 | - | - | - | - | **-** |
| Dividends to shareholders | - | - | - | - | (1.636.364) | **(1.636.364)** |
| Other changes | - | - | - | (2.514.335) | (143.631) | **(2.657.965)** |
| **As per 30 June 2016** | **2** | **81.748.317** | **35.504.445** | **2.994.415** | **37.470.914** | **157.718.091** |

The item 'Other changes' relating to the reserves decreases with an amount of -2.514.335 euro. This amount consists of the incorporation in the equity IPO related costs (-3.982.347 euro), the addition of the amount of deferred taxes (1.324.382 euro) and the addition to the statutory reserve (143.631 euro), deducted from Retained Earnings.

| FISCAL YEAR 2014 | | Issued Capital | Share Premium | Reserves | Retained Earnings | TOTAL |
|---|---|---|---|---|---|---|
| **As per 1 January 2014** | **2** | **78.434.957** | **-** | **1.180.328** | **(9.104.270)** | **70.511.015** |
| Total comprehensive income | 1 | - | - | - | 16.833.016 | **16.833.016** |
| Capital increase | 4,19 | 21.180.327 | - | (1.180.328) | | **19.999.999** |
| Capital decrease | 4,19 | (60.392.343) | - | 6.500.000 | 19.750.574 | **(34.141.769)** |
| Acquisition of subsidiaries | 4 | - | - | - | - | **-** |
| Dividends to shareholders | - | - | - | - | - | **-** |
| Other changes | - | - | - | (991.250) | - | **(991.250)** |
| **As per 31 December 2014** | **2** | **39.222.942** | **-** | **5.508.750** | **27.479.320** | **72.211.011** |

## 4. GEAUDITEERDE GECONSOLIDEERDE KASSTROMENTABEL

| PERIOD ENDING AT | | 30/06/2016 | 31/12/2014 |
|---|---|---|---|
| **Cash at beginning of period** | | **1.436.360** | **2.356.397** |
| **Cash Flow from Financing Activities** | | **36.136.127** | **27.071.603** |
| Proceeds from capital increase | | 78.029.820 | 20.000.000 |
| Capital repayment / decrease | | - | - |
| Proceeds from borrowings | | - | 8.600.000 |
| Repayment of borrowings | | (34.585.800) | - |
| Interest paid | | (50.710) | (57.210) |
| Interim dividend | | (1.636.368) | - |
| Other cash flow from financing activities | | (5.620.815) | (1.471.187) |
| **Cash Flow from Investment Activities** | | **(6.905.243)** | **(25.934.579)** |
| Investments in financial assets – equity participations | | (9.435.196) | (4.450.861) |
| Investments in financial assets – subordinated loans | | (22.141.542) | (26.287.317) |
| Proceeds from disposal financial assets – equity participations | | - | 62 |
| Proceeds from repayment of loans granted – subordinated loans | | 10.777.132 | 1.417.234 |
| Interest Received | | 7.844.132 | 2.304.777 |
| Dividend Received | | 5.065.189 | 418.427 |
| Other cash flow from investing activities | | 985.042 | 663.099 |
| **Cash Flow from Operational Activities** | | **(2.339.579)** | **(2.057.061)** |
| Management compensation | | (2.138.747) | (1.647.963) |
| Other Expenses | | (200.832) | (409.098) |
| **Cash at end of period** | 2,18 | **28.327.665** | **1.436.360** |

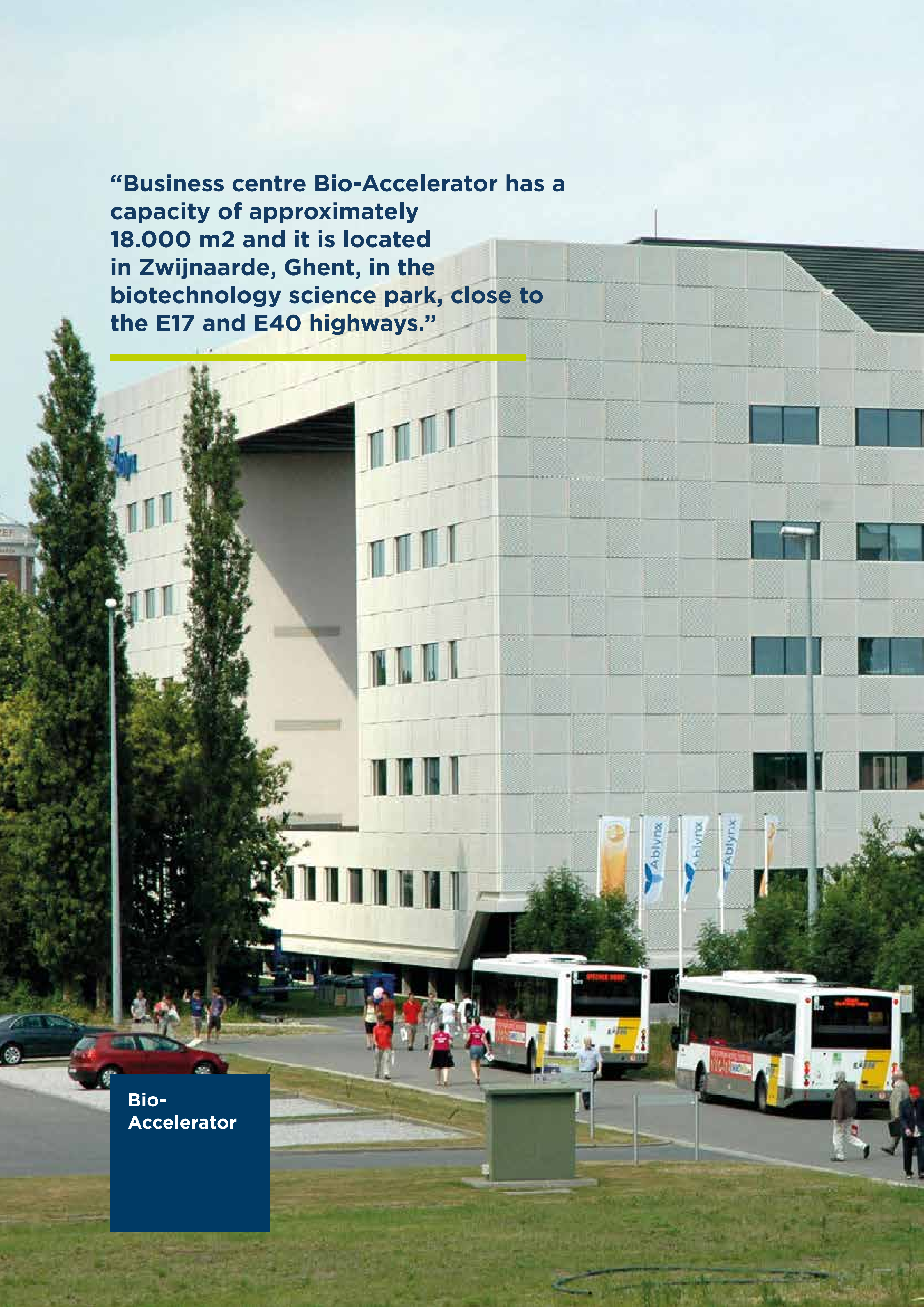
## 5. CORPORATE INFORMATION

The consolidated financial statements of TINC Comm.VA for the year ended June 30, 2016 were authorized for issue in accordance with the resolution of the Statutory Manager dated September 15, 2016. The Company is a partnership limited by shares incorporated and domiciled in Belgium. The registered office is located at Karel Oomsstraat 37, 2018 Antwerp (Belgium).

The last financial year was extended until June 30, 2016. This should allow a faster distribution of dividends received from  the portfolio companies, given that these companies predominantly have financial years ending December 31. As a result, the last two reporting periods are not fully comparable.

TINC is an investment company focusing on participations in capital-intensive infrastructure assets. The participations are characterized by a strong visibility on long term sustainable cash flows mainly achieved through long-term contractual arrangements, on the basis of a regulatory framework or by the strategic position of the infrastructure .

**“Business centre Bio-Accelerator has a capacity of approximately 18.000 m2 and it is located in Zwijnaarde, Ghent, in the biotechnology science park, close to the E17 and E40 highways.”**




**Bio-**
**Accelerator**

## 6. BASIS OF PREPARATION

The consolidated financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and as adopted by the European Union.

The consolidated financial statements have been prepared on a fair value basis, meaning that all investments are valued at Fair Value through the Profit and Loss statement. The consolidated financial statements are presented in euros, which is the functional currency of the Company, and all values are rounded to the nearest euro, except when otherwise indicated. The Company presents its balance sheet in order of liquidity. The consolidated financial statements provide comparative information in respect of the previous period.

## 7. VALUATION RULES (IFRS)

### 1. Consolidation principles

**Investment entities (Amendments to IFRS 10, IFRS 12 and IAS 27)**

In adopting the standards of IFRS as adopted by the European Union, TINC considered the application of the amendments to IFRS 10 (Consolidated Financial Statements), IFRS 12 (Disclosure of Interests in Other Entities) and IAS 27 (Consolidated and Separate Financial Statements) regarding investment entities (the "Amendments") and concluded that the TINC meets the definition of an investment entity as set out within IFRS 10. This is still applicable as per June 30, 2016

Under IFRS 10 an investment entity is an entity which:

- obtains funds from one or more investors for the purpose of providing those investor(s) with investment management services;
- commits to its investor(s) that its business purpose is to invest funds solely for returns from capital appreciation, investment income, or both;
- measures and evaluates the performance of substantially all of its participations on a fair value basis.

In assessing whether it meets the definition of an investment entity, an entity must consider whether it has the following typical characteristics of an investment entity :

- it has more than one investment;
- it has more than one investor;
- it has investors that are not related parties of the entity;
- it has ownership interests in the form of equities or similar interests.

TINC will adopt the Amendments as from the financial year ended December 31, 2014 further to an assessment by TINC taking into account that:

- TINC holds an Investment Portfolio, consisting of multiple participations;
- it is the strategy  of TINC to invest in companies active in infrastructure to earn income and not returns stemming from a development, production or marketing activity). Returns from providing management services and/or strategic advice to the Infrastructure Asset Companies do not represent a separate substantial business activity and will constitute only a small portion of the TINC's overall returns;
- TINC does not plan to hold its investments indefinitely; most of TINC's participation have a self-liquidating character whereby the cash flows from participations are received over the lifetime of the underlying participations and cover not only the return on the participation but also the repayment of the participation itself, resulting in the participations having low or no residual value.

This is the case with respect to all DBFM/PPP participations (where the infrastructure will revert to the public authority at the end of the project life) as well as for the energy participations (where the infrastructure will revert to the owner of the plot of land or will be removed at the end of the project life) and to a large respect for other participations (where, in the case of Bio-Versneller, the infrastructure also will revert to the land owner upon expiry of the project life).

Once an investment program has been completed, TINC will not add additional Infrastructure Assets to such participations unless inextricably connected to the underlying Infrastructure Asset (e.g. the maintenance, modifications, renovations or pre-agreed upon / scheduled expansion of the existing Infrastructure Asset). Upon final expiry of all rights in relation to the underlying Infrastructure Assets and/or removal of the Infrastructure Assets from the plot of land, the company holding such Infrastructure Assets will be wound up and liquidated.

As a consequence TINC, as an investment company, measures all investments in participations (including subsidiaries thereof which it controls and joint ventures and associates) at fair value through profit or loss in accordance with IAS 39 Financial Instruments: Recognition and Measurement (to be replaced by IFRS 9 Financial Instruments when it becomes effective).

The fair value is calculated by discounting the future cash flows generated by the participations at an appropriate discount rate. The discount rates used are based on market discount rates for similar assets adjusted with an appropriate premium to reflect specific risks or the phase of the underlying Infrastructure Assets.

See below ('determination of fair value') for more information about the measurement procedure.

## 2. Associates

Associates are undertakings in which TINC has significant influence over the financial and operating policies, but which it does not control. Given that TINC is an investment company, these investments are measured at fair value, in accordance with IAS 28, par. 18, and are presented as financial assets – equity participations and measured at fair value through profit and loss. Changes in fair value are included in profit or loss in the period of the change.

## 3. Financing costs

Financing costs are recorded in the income statement as soon as incurred.

## 4. Financial assets

TINC applies the International Private Equity and Venture Capital Valuation Guidelines (IPEV Guidelines) as discussed below. A new version of the guidelines was published in December 2012, replacing the previous version of the 2009/2010 valuation guidelines.

On the TINC balance sheet, the financial instruments in which TINC invests are subdivided into three items: 'financial assets – equity participations', 'financial assets – subordinated loans' and 'financial assets – subordinated loans – ST'.

When TINC invests in a company's share capital, this regards an equity participation recognized on the balance sheet as 'financial assets – equity participations'. In most cases, such participations goes together with a participation in the company's shareholder loan, recognized on the balance sheet as 'financial assets – subordinated loans'. Shareholder loans offer a certain flexibility when transferring available funds from the company to its shareholders; in the form of interest payments and principal repayments. When no interest is paid within 12 months, the interest amount is added to the principal amount of the shareholder loan. Accrued but unpaid interest on shareholder loans which is due to be paid within 12 months is recognized on the 'Current Assets' section of the balance sheet as 'financial assets - subordinated loans - ST'.

When TINC grants a (subordinated) loan to a company without participating in its share capital, this investment is recognized as ‘financial assets - subordinated loans’. Here as well, any interest not paid within the first 12 months is added to the principal amount of the loan. Accrued but unpaid interest on shareholder loans which is due to be paid within 12 months is recognized on the ‘Current Assets’ section of the balance sheet as ‘financial assets - subordinated loans - ST’.

Realised gains and losses on investments are calculated as the difference between the selling price and the carrying amount of the investment at the date of disposal. All regular way purchases and sales of financial assets are recognised on the trade date.

Regular way purchases or sales are contractual purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the marketplace.

**Fair value measurement under IFRS 13**

In accordance with IFRS 13, fair value is determined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In the absence of an active market for a financial instrument, TINC uses valuation models. Here, TINC follows the International Private Equity and Venture Capital Valuation Guidelines. The valuation methodologies are applied consistently from period to period, except where a change would result in a better estimate of fair value.

Participations in infrastructure companies are often characterized by a high degree of long-term visibility on expected future cash flows. This visibility is the result of long-term contracts, a regulated framework, and/or the strategic position of the infrastructure. At each valuation exercise the expected long-term future cash flows of the underlying company are first updated based on its recent financial figures and updated assumptions, TINC’s cash flows are calculated based on its participation in the company. Please note that any interest on (shareholder) loans that has already been accrued and is to be paid to TINC within 12 months is not included in the expected future cash flows, but is nominally recognized on the ‘Current Assets’ section of the balance sheet as ‘financial assets - subordinated loans - ST’.

The updated expected future long-term cash flows related to TINC’s participation are discounted at a market discount rate. This discount rate is reflective of the participation’s risk rating, which is subject to the company’s profile and to the investment instrument itself (an equity participation or a loan). The profile of an infrastructure company is determined by potential fluctuations in revenues and expenses, the presence and robustness of long-term contracts and the quality of the counterparties thereto, the refinancing risk of the debt, etc. Recent transactions between market participants can provide an indication of a market discount rate. The implicit discount rate of a recent transaction resulting from transaction price and expected long-term future cash flows is often used by TINC as a market discount rate, unless there are indications that it would be better to use a different discount rate.

When an equity participation is accompanied by a shareholder loan, all expected future cash flows related to both investment instruments are discounted together at a market discount rate. The resulting fair value is first assigned to the principal of the shareholder loan, provided that the total fair value is higher than the nominal value of that principal. The balance is assigned to the equity. When the fair value is lower than the nominal value of the principal of the shareholder loan, this fair value is assigned to the shareholder loan, while the equity is left unvalued.

The fair value of a participation or of (part of) the investment portfolio is the sum of the fair values of the items ‘financial assets – equity participations’, ‘financial assets – subordinated loans’ and ‘financial assets – subordinated loans – ST’ related to the participation or to (part of) the investment portfolio, and is referred to as the ‘Fair Market Value’ or ‘FMV’ of the respective participation or of (part of) the investment portfolio.

Changes in fair value are recognized in the income statement as unrealised gains or losses.

On the divestment of a participation, the capital gain or loss, calculated as the difference between the sale price and the fair value on the balance sheet at the time of the sale, is recognized as a realised gain or loss in the income statement.

### 5. Criteria for derecognition of financial assets and liabilities.

Financial assets and liabilities are derecognized from the accounting records whenever TINC no longer manages the contractual rights attached to them. It does this whenever the financial assets or liabilities are sold or whenever the cash flows attributable to these assets are transferred to an independent third party.

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

### 6. Regular purchases and sales of financial assets

Regular purchases and sales of financial assets are recorded at transaction date.

### 7. Other non-current and current assets

Other non-current and current assets are measured at amortized cost.

### 8. Income tax

Current taxes are based on the results of TINC and are calculated according to the local tax rules.

Deferred income tax is provided, based on the liability method, on all temporary differences between the tax basis of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax assets are recognized for all deductible temporary differences between the taxable base for assets and liabilities and their carrying amounts for financial reporting purposes at reporting date.

Deferred tax assets are recognized for all deductible temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with participations in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

Deferred taxes are recognized for all deductible temporary differences. TINC does not recognize deferred tax assets on any unused tax credits and any unused tax losses.

### 9. Liquid assets

Cash and cash equivalents are cash, bank deposits and liquid assets. These are all treasury resources held in cash or on a bank deposit. These products are therefore reported at nominal value.

### 10. Provisions

Provisions are recognized when TINC has a present legal or constructive obligation as a result of past events, and it is probable that an outflow of resources will be required to settle the obligations and a reliable estimate of the amounts can be made. Where TINC expects an amount which has been provided for to be reimbursed, the reimbursement is recognized as an asset only when the reimbursement is virtually certain.

## 11. Revenue recognition

Revenue is recognized whenever it is probable TINC will receive economic benefits which revenue can be reliably measured.

Dividend revenue is recognised on the date on which TINC's right to receive the payment is established. Dividend revenue is presented gross of any non-recoverable withholding taxes, which are disclosed separately in the statement of comprehensive income.

## 12. Financial liabilities

Interest-bearing loans and borrowings are initially valued at fair value. Subsequently, the loans and borrowings are measured at amortised cost using the effective interest rate method.

## 13. Dividends

Dividends proposed by the Statutory Manager are not recorded in the financial statements until they have been approved by the shareholders at the annual General Meeting.

## 14. Earnings per share

TINC calculates both basic and diluted earnings per share in accordance with IAS 33. Basic earnings per share are computed using the weighted average number of shares outstanding during the period. Diluted earnings per share are computed using the weighted average number of shares outstanding during the period plus the dilutive effect of warrants and stock options (if any) outstanding during the period.

## 15. Costs related to issuing or acquiring its own equity instruments

TINC typically incurs various costs in issuing or acquiring its own equity instruments. Those costs might include registration and other regulatory fees, amounts paid to legal, accounting and other professional advisers, printing costs and stamp duties. The transaction costs of an equity transaction are accounted for as a deduction from equity (net of any related income tax benefit) to the extent they are incremental costs directly attributable to the equity transaction that otherwise would have been avoided. Other costs related to public offerings of equity instruments (such as road shows and other marketing initiatives) are recognized as an expense.

## 16. Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker who is identified as the Board of Directors which is responsible for allocating resources, assessing performance of the operating segments. Currently the Company operates as a single segment.

## 8. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

### Financial assets of the Company

TINC is an investment company, and has participations in 13 companies.

| PORTFOLIO COMPANY | GEOGRAPHY | TYPE | STAKE |
|---|---|---|---|
| Berlare Wind | BE | Equity | 49% |
| Bio-Accelerator | BE | Equity | 50,002% |
| Brabo I | BE | Equity | 52% |
| Eemplein | NL | Equity | 100% |
| L'Hourgnette | BE | Equity | 81% |
| Lowtide | BE | Equity | 99,99% |
| Nobelwind | BE | Loan | N/A |
| Northwind | BE | Loan | N/A |
| Princess Beatrix lock | NL | Equity | 3,75% |
| Solar Finance | BE | Equity | 87,43% |
| Storm | BE | Equity | 39,47% |
| Via R4 Ghent | BE | Equity | 75% - 1 share |
| Windfarm Kreekraksluis | NL | Equity | 43,65% |

## 9. NEW STANDARDS, INTERPRETATIONS AND ADJUSTMENTS BY TINC ON JUNE 30, 2016

TINC has taken into consideration the new, altered or improved standards listed below. Certain standards and amendments have been applied for the first time during the accounting year ended 30 June 2016.

The nature and the impact of each of the following new standards, amendments and/or interpretations are described below:

- Amendments to IFRS 10, IFRS 12 and IAS 28 – Investment Entities: Applying the Consolidation Exception, effective 1 January 2016
- Amendments to IFRS 11 Joint Arrangements – Accounting for Acquisitions of Interests in Joint Operations, effective 1 January 2016
- Amendments to IAS 1 Presentation of Financial Statements – Disclosure Initiative, effective 1 January 2016
- Amendments to IAS 16 Property, Plant and Equipment and IAS 38 Intangible Assets – Clarification of Acceptable Methods of Depreciation and Amortisation, effective 1 January 2016
- Amendments to IAS 16 Property, Plant and Equipment and IAS 41 Agriculture – Bearer Plants, effective 1 January 2016
- Amendments to IAS 19 Employee Benefits – Defined Benefit Plans: Employee Contributions, effective 1 February 2015
- Amendments to IAS 27 Separate Financial Statements – Equity Method in Separate Financial Statements, effective 1 January 2016
- Annual Improvements to IFRSs - 2010-2012 Cycle (Issued December 2013), effective 1 February 2015
- Annual Improvements to IFRSs - 2012-2014 Cycle (Issued September 2014), effective 1 January 2016

The initial application of these new, altered or improved standards did not result in changes being required to the consolidated balance sheet, the consolidated results, the consolidated cashflows and/or the notes to the consolidated financial statements of TINC.

The nature and the impact of the new, altered or improved standards is described below:

**Amendments to IFRS 10, IFRS 12 and IAS 28 - Investment Entities: Applying the Consolidation Exception**

The amendments to IFRS 10 clarify that the exemption from presenting consolidated financial statements applies to a parent entity that is a subsidiary of an investment entity, when the investment entity measures all of its subsidiaries at fair value.

Furthermore, the amendments to IFRS 10 clarify that only a subsidiary of an investment entity that is not an investment entity itself and that provides support services to the investment entity is consolidated. All other subsidiaries of an investment entity are measured at fair value.

The amendments to IAS 28 allow the investor, when applying the equity method, to retain the fair value measurement applied by the investment entity associate or joint venture to its interests in subsidiaries. These amendments became effective for financial years beginning on or after 1 January 2016. Early adoption permitted.

These amendments did not result in significant changes to the presentation and the notes to the consolidated financial statements of the Group as the Group has already consistently applied these amendments in past years.

**Amendments to IAS 1 Presentation of Financial Statements – Disclosure Initiative**

The amendments to IAS 1 clarify, rather than significantly change, existing IAS 1 requirements. The amendments clarify:

- The materiality requirements in IAS 1;
- That specific line items in the statement(s) of profit or loss and other comprehensive income and the statement of financial position may be disaggregated;
- That entities have flexibility as to the order in which they present the notes to financial statements;
- That the share of other comprehensive income of associates and joint ventures accounted for using the equity method must be presented in aggregate as a single line item, and classified between those items that will or will not be subsequently reclassified to profit or loss.

Furthermore, the amendments clarify the requirements that apply when additional subtotals are presented in the statement of financial position and the statement(s) of profit or loss and other comprehensive income. These amendments became effective for financial years beginning on or after 1 January 2016.

These amendments did not have any impact on the presentation and disclosures in the Group's consolidated financial statements, as it has applied these items consistent with the clarifications to IAS 1 in prior years.

**New and amended standards and Interpretations, effective for financial years starting after 1 January 2016**

New and amended standards and interpretations issued but not yet effective up to the date of issuance of the TINC's financial statements are listed below. The listing of standards and interpretations issued are those that the company reasonably expects to have an impact on disclosures, financial position or performance when applied at a future date. TINC intends to adopt these standards and interpretations when they become effective.

- IFRS 9 Financial Instruments, effective 1 January 2018
- IFRS 15 Revenue from Contracts with Customers, including amendments to IFRS 15: Effective date of IFRS 15 and Clarifications to IFRS 15 Revenue from Contracts with Customers, effective 1 January 2018
- IFRS 16 Leases, effective 1 January 2019
- Amendments to IAS 7 Statement of Cash Flows – Disclosure Initiative, effective 1 January 2017
- Amendments to IAS 12 Income Taxes – Recognition of Deferred Tax Assets for Unrealised Losses, effective 1 January 2017

TINC is currently assessing the impact of these amendments on the consolidated financial statements.

The listing of standards and interpretations issued are those that the Group reasonably expects to have an impact on disclosures, financial position or performance when applied at a future date.

**IFRS 9 Financial Instruments**

The final version of IFRS 9 Financial Instruments replaces IAS 39 Financial Instruments: Recognition and Measurement and all previous versions of IFRS 9. IFRS 9 brings together all three aspects of the accounting for financial instruments project: classification and measurement, impairment and hedge accounting. IFRS 9 is effective for financial years beginning on or after 1 January 2018, with early application permitted. Except for hedge accounting, retrospective application is required but providing comparative information is not compulsory. For hedge accounting, the requirements are generally applied prospectively, with some limited exceptions.

**Amendments to IAS 7 Statement of Cash Flows – Disclosure Initiative**

The amendments require a reconciliation of the amounts in the opening and closing statements of financial position for each item classified as financing in the statement of cash flows. The amendments are effective for financial years beginning on or after 1 January 2017.

**Amendments to IAS 12 Income Taxes – Recognition of Deferred Tax Assets for Unrealised Losses**

The narrow-scope amendments to IAS 12 clarify how to account for deferred tax assets related to debt instruments measured at fair value. These amendments are effective for financial years beginning on or after 1 January 2017.

## 10. SUBSIDIARIES AND ASSOCIATES

| Subsidiaries | Project Name | City / Country | Company number | % voting rights | Change to previous year | Reason why > 50% does not lead to consolidation |
|---|---|---|---|---|---|---|
| Bio-Versneller NV | Bioversneller | Antwerpen, België | 0807.734.044 | 50,002% | 0,00% | IFRS 10 |
| Silvius NV | Project Brabo I | Antwerpen, België | 0817.542.229 | 99,99% | 0,00% | IFRS 10 |
| Solar Finance NV | Solar Finance | Antwerpen, België | 0829.649.116 | 87,43% | 6,43% | IFRS 10 |
| DG Infra+ Parkinvest BV | Eemplein | s-Gravenhaege, Nederland | 27374495 | 100,00% | 0,00% | IFRS 10 |
| L'Hourgnette NV | L'Hourgnette | Sint-Gillis, België | 0835.960.054 | 81,00% | 0,00% | IFRS 10 |
| Via R4-Gent NV | Via R4-Gent | Brussel, België | 0843.425.886 | 74,99% | 0,00% | IFRS 10 |
| Lowtide NV | High/Lowtide | Antwerpen, België | 0883.744.927 | 99,99% | 0,00% | IFRS 10 |

| Associates | Project Name | City / Country | Company number | % voting rights | Change to previous year |
|---|---|---|---|---|---|
| Elicio Berlare NV | Berlare Wind | Oostende, België | 0811.412.621 | 49,00% | 0,00% |
| Storm Holding NV | Storm | Antwerpen, België | 0841.641.086 | 39,47% | 0,00% |
| Storm Holding 2 NV | Storm | Antwerpen, België | 0627.685.789 | 39,47% | 0,00% |
| SAS Invest BV | Prinses Beatrixsluis | s-Gravenhaege, Nederland | 64761479 | 5,00% | 5,00% |
| Windpark Kreekraksluis Holding BV | Kreekraksluis | s-Gravenhaege, Nederland | 63129337 | 43,65% | 43,65% |

During the reporting period the percentages have remained unchanged except for Solar Finance. Kreekraksluis en SAS Invest are new participations.

An overview of the contractual commitments or current intentions to provide financial or other support to its unconsolidated subsidiaries is provided in Note 21: Off balance sheet items.

### Restrictions

TINC receives income from its participations in the form of dividends and interest from its investments in unconsolidated subsidiaries, and there are no significant restrictions on the ability to transfer funds from these subsidiaries.

Certain of the Infrastructure Asset Companies may be subject to restrictions on their ability to make payments or distributions to TINC, including as a result of restrictive covenants contained in loan agreements (such as for example subordination agreements), tax and company law restrictions on the payment of distributions or other payments may also be contained in agreements with such other parties. In addition to any change in the accounting policies, practices or guidelines relevant to TINC, its participations or the Infrastructure Asset Companies may reduce or delay distributions to TINC.

## 11. OPERATING RESULT

### Dividends, interest and turnover

| PERIOD ENDING AT | | 30/06/2016 | 31/12/2014 |
|---|---|---|---|
| Dividend Income | 1 | 5.202.704 | 418.427 |
| Interest Income | 1 | 7.866.075 | 3.539.666 |
| Turnover | 1 | 928.531 | 630.536 |
| **TOTAL** | | **13.997.309** | **4.588.630** |

This heading shows an increase of 9.408.679 euro compared to 2014. The composition of the portfolio has changed in comparison to last year which makes the figures not entirely comparable. In addition, most of TINC's portfolio companies have been fully operational during the last reporting period, generating more distributable cash flows to their shareholders.

Dividend Income increased with an amount of 4.784.277 euro as a result of:

- the extension of the accounting period explaining a double dividend income received from some participations over the accounting period;
- dividends from new participations;
- increased dividends due to senior debt refinancing of some portfolio companies;
- maturing of the investment portfolio resulting in higher cash generation with increased dividend distributions.

The interest income comprises (i) all capitalised interest included in the fair value of the granted loan and (ii) all cash interest, either received in cash or accrued to be received in cash shortly after reporting date. The interest income increased with 4.326.409 euro. This increase is the positive balance of additional interest income from new investments in loans and the depart of interest income due to the repayments of the loans to dcinex and Belwind.

The turnover increased with 297.995 euro. The turnover income consists of non-recurring fees following a successful closing of new transactions and of recurring fees from the portfolio companies such as remuneration fees and mandate fees.

### Realised gains and losses

| PERIOD ENDING AT | | 30/06/2016 | 31/12/2014 |
|---|---|---|---|
| Realised gains on financial assets | 1 | - | 987.756 |
| Realised losses on financial assets | | - | - |
| **TOTAL** | | **-** | **987.756** |

In comparison to previous year, where the transfer of portfolio companies to DG Infra+ Bis resulted in a realised gain of 987.756 euro, no financial assets were sold during the reporting period.

### Unrealised gains and losses on financial assets at fair value, and on loans in investee companies

| PERIOD ENDING AT | | 30/06/2016 | 31/12/2014 |
|---|---|---|---|
| Unrealised gains on financial assets | 1 | 5.276.525 | 14.199.676 |
| Unrealised losses on financial assets | 1 | (2.373.117) | (563.169) |
| **TOTAL** | | **2.903.408** | **13.636.507** |

The net unrealised result (unrealised gains minus unrealised losses) amounted to 2.903.408 euro for the period ending at June 30, 2016.

During the current period the fair market value of the investment portfolio increased with 2.903.408 after incorporation of investments and divestments. This value increase comes on top of the income that TINC has received from its portfolio and is the result of adjustment of discount rates, one-off added value due to refinancing of some portfolio companies, time value and the update of the expected cash flows from the participations. The high amount for net unrealised gains on financial assets for the period ending December 2014 is explained by the fact that some participations moved into the operational phase which means that future cash flows are discounted at a lower rate reflecting the lower risk premium on projects in the operational phase.

### Selling, General and Administrative Expenses

| PERIOD ENDING AT | | 30 juni 2016 | 31 december 2014 |
|---|---|---|---|
| Management compensation | | (2.445.772) | (1.647.963) |
| Other Selling, General and Administrative Expenses | | (1.801.724) | (388.179) |
| **TOTAL** | 1 | **(4.247.497)** | **(2.036.142)** |

The Selling, General and Administrative expenses increased with 2.211.354 euro compared to 2014. These expenses comprise the following:

- Management compensation of 2.445.772 euro comprising of:
  - Remuneration to TDP for an amount of 2.069.902 euro which is composed of an amount of 367.086 euro which has been calculated according to the fee structure before IPO (equal to FY 2014) and an amount of 1.702.816 calculated according to the fee structure since IPO. On a yearly basis this amounts to 1.517.622 euro.
  - Remuneration of the Statutory Manager 'TINC Manager' for an amount of 375.870 euro. This compensation is initiated at IPO and amounts to 4% of the net result before remuneration of the Statutory Manager, before taxes and excluding any fair value change in financial assets and liabilities.
- Other operating expenses amount to 1.801.724 euro and is mainly comprised of IPO related costs recorded in the income statement for an amount of 1.638.468 euro. Other operating expenses include lawyer, marketing and consultancy expenses.

### Operating expenses :

| PERIOD ENDING AT | | 30/06/2016 | 31/12/2014 |
|---|---|---|---|
| Valuation adjustments of current assets | | - | - |
| Taxes and operating expenses | 1 | (2.121) | (1.249) |
| Other operating expenses | | - | - |
| **TOTAL OPERATING EXPENSES** | | **(2.121)** | **(1.249)** |

Total other operating expenses are limited to some minor tax items.

## 12. FINANCIAL RESULT

| PERIOD ENDING AT | | 30/06/2016 | 31/12/2014 |
|---|---|---|---|
| Finance income | 1 | 47.949 | 508.053 |
| Finance costs | 1 | (778.096) | (849.036) |
| **TOTAL** | | **(730.147)** | **(340.984)** |

The financial result has decreased with 389.163 euro for the year ended June 30 2016, in comparison to 2014.

Finance income concerns interest income on investments and interest on cash raised at IPO. The finance income decreased with an amount of 460.104 euro compared to 2014. The increased amount of financial income during 2014 is related to the structuring of the portfolio in preparation to the IPO.

Finance costs decreased with 70.941 euro and consist primarily of interest payments on bridge loans with regard to the pre-financing of the IPO proceeds. These were mainly recorded in the period before IPO.

## 13. INCOME TAXES

| PERIOD ENDING AT | | 30/06/2016 | 31/12/2014 |
|---|---|---|---|
| **Resultatenrekening** | | | |
| Winstbelastingen | | - | - |
| Current income tax charge | | 149.364 | 1.503 |
| Withholding tax paid | | 12.252 | 1.203 |
| Reclaim withholding tax | | (12.252) | (1.203) |
| Adjustment in respect of current income tax of previous periods | | - | - |
| **Statement of changes in equity** | | | |
| Current income tax | | - | - |
| Income tax expense/benefit reported in equity | | - | - |
| **Result before tax** | **1** | **11.920.953** | **16.834.518** |
| At Local statutory income tax rate (33,99%) | | 4.051.932 | 5.722.053 |
| Adjustments in respect of current income tax of previous periods | | - | - |
| Expenses non-deductible for tax purposes | | 806.622 | 172.943 |
| Unrealised loss on revaluation of financial assets | | 806.622 | 172.943 |
| Tax exempt profits | | (3.473.459) | (4.961.582) |
| Unrealised gains on revaluation of financial assets | | (1.793.491) | (4.826.470) |
| Definitively taxed income deduction | | (1.679.968) | (135.112) |
| Portion definitively taxed income deduction unused | | - | - |
| Notional Intrest deduction | | (616.867) | (357.867) |
| Possible NID deduction | | (616.867) | (357.867) |
| Portion NID deduction unused | | (1) | - |
| Utilisation of previously unrecognized tax losses | | (759.494) | (525.251) |
| Other | | 140.630 | (48.794) |
| Taxes at effective income tax rate | | 149.364 | 1.503 |
| Effective income tax rate | | 1,3% | 0,0% |
| **Reconciliation of fiscal losses carried forward** | | | |
| Fiscal loss as per January 1, 2015 | | 15.824.709 | 17.370.019 |
| Movement in tax free reserves | | - | - |
| Movement of the year | | (2.234.464) | (1.545.310) |
| **Fiscal loss as per June 30, 2016** | | **13.590.245** | **15.824.709** |

Currently, the main sources of income for TINC are exempt of taxation:

- Unrealised gains and losses on the revaluation of the financial assets at fair value:
  Both the gains and losses on the revaluation of these assets are exempt from taxation as long as the underlying asset remains unrealised. Upon realisation of the asset, a minimum tax of 0,412% will apply to the realised gain;
- Deduction of definitely taxed income (‘DTI’) relating to received dividend income.

The line "Other" consists mainly of fairness tax.

Deferred tax assets: in respect of these tax losses, no deferred tax assets have been recognized.

A deferred tax asset has been increased for the temporary difference related to the IPO costs following a difference of 3.896.387 euro between the tax base of this asset compared to its accounting base on the balance sheet.

Temporary differences associated with investments in subsidiaries, associates are subject to a minimum tax of 0,412% as of fiscal year 2012. The Company has not recognised a deferred tax liability as the impact of this minimum tax on the taxable basis is considered insignificant.

There are no income tax consequences attached to the payment of distributions by TINC to its shareholders.

## 14. EARNINGS PER SHARE

| PERIOD ENDING AT | | 30/06/201 | 31/12/201 |
|---|---|---|---|
| Net profit attributable to ordinary shares | 1 | 11.771.588 | 16.833.015 |
| **Weighted average number of ordinary shares (excluding treasury shares) for basic earnings per share** | | **11.896.405** | **6.470.389** |
| Effect of dilution | | - | - |
| Share options | | - | - |
| Redeemable preference shares | | - | - |
| **Weighted average number of ordinary shares (excluding treasury shares) adjusted for the effect of dilution** | | **11.896.405** | **6.470.389** |
| Earnings per share | | 0,99 | 2,60 |
| Earnings per share with effect of dilution | | 0,99 | 2,60 |

## 15. PAID AND PROPOSED DIVIDENDS

| | 30/06/2016 | 31/12/2014 |
|---|---|---|
| **Paid Dividends** | | |
| Closing dividend : (total value) | - | - |
| Closing dividend : (value per share) | - | - |
| Interim dividend : (total value) | 1.636.364 | - |
| Interim dividend : (value per share) | 0,1200 | - |
| **Total Closing and Interim dividend** | **1.636.364** | **-** |
| **Proposed Dividend** | | |
| Closing dividend (total value) | 4.738.636 | - |
| Closing dividend (value per share) | 0.3475 | - |
| **Number of shares** | **13.636.364** | **6.542.744** |

During the reporting period, the number of shares increased from 6.542.744 to 13.636.364 due to the issuance of 7.093.620 new ordinary shares under the capital increase at IPO.

## 16. FINANCIAL ASSETS

### Intrinsic value or Fair Market Value

The intrinsic value or Fair Market Value ('FMV') of the investment portfolio is the sum of the intrinsic values of the following categories: 'financial assets – equity participations', 'financial assets – subordinated loans' and 'financial assets- subordinated loans – Short Term'. The fair value of each of these categories is the sum of the value of each investment, allocated according to its corresponding category and as described in the valuation rules.

| | | 30-06-2016 | 31-12-2014 |
|---|---|---|---|
| Financial assets - equity participations | 2 | 60.144.828 | 48.524.271 |
| Financial assets - subordinated loans | 2 | 66.510.328 | 53.654.087 |
| Financial assets - subordinated loans - ST | 2 | 1.376.088 | 1.858.940 |
| **Total** | | **128.031.244** | **104.037.297** |

The evolution of the FMV of the investment portfolio over the financial year is explained as follows:

| FMV | | 30 juni 2016 (in EUR) | 31 december 2014 (in EUR) |
|---|---|---|---|
| **Opening Balance** | 2 | **104.037.297** | **64.438.105** |
| Investments | | 31.576.638 | 49.241.561 |
| Divestments ( - ) | | (10.777.032) | (25.238.888) |
| remeasurement of fair value (unrealised gains/losses) | | 2.903.408 | 13.636.506 |
| Other (increase (+), decrease(-) ) | | 290.933 | 1.960.013 |
| **Closing Balance** | 2 | **128.031.244** | **104.037.297** |
| **Net unrealised gains/losses recorded trough P&L over the period** | | **2.903.408** | **13.636.506** |

As at June 30, 2016 the FMV of the investment portfolio amounted 128.031.244 euro.

During the financial year 31.576.638 euro was invested in new and existing participations: Windfarm Kreekraksluis, Princess Beatrixlock, Project Brabo I, Solar Finance, Storm, Eemplein car-park, Nobelwind and Via R4 Gent.

The divestments with an amount of 10.777.032 euro include both share capital-and principal repayments of loans.

The loans to Belwind and dcinex were fully repaid.

The net-unrealised increase in fair value of 2.903.408 euro over the financial year consists of 5.276.525 euro unrealised gains and 2.373.117 euro unrealised losses

## Portfolio overview as per June 30, 2016:

| **Portfolio** | **Voting rights** | **Activity** |
|---|---|---|
| Bioversneller | 50,002% | Business service center |
| Eemplein | 100,00% | Car park facility |
| Berlare Wind | 49,00% | Onshore wind |
| Kreekraksluis | 43,65% | Onshore wind |
| L'Hourgnette | 81,00% | Prison facility |
| Lowtide/Hightide | 99,99% | Solar Energy |
| Project Brabo I | 52,00% | Light rail infrastructure |
| Solar Finance | 87,43% | Solar Energy |
| Storm | 39,47% | Onshore wind |
| Via R4-Gent | 74,99% | Roadway infrastructure |
| Northwind | 0,00% | Offshore wind |
| Nobelwind | 0,00% | Offshore wind |
| Prinses Beatrixsluis | 3,75% | Lock complex |

## Fair Value Hierarchy

The company applies the following hierarchy for determining and disclosing the fair value of financial instruments, by valuation technique.

Level 1: listed (unadjusted) prices in active markets for identical assets or liabilities;

Level 2: other methods in which all variables have a significant effect on the calculated fair value and are observable, either directly or indirectly;

Level 3: techniques using variables which have a significant effect on the recorded fair value, but are not based on observable market data.

## Assets valued at Fair Value

| **Portfolio** | **30 juni 2016** | | | |
|---|---|---|---|---|
| | Level 1 | Level 2 | Level 3 | **Total** |
| investment portfolio | - | - | 128.031.244 | **128.031.244** |

| | **31 december 2014** | | | |
|---|---|---|---|---|
| | Level 1 | Level 2 | Level 3 | **Total** |
| investment portfolio | - | - | 104.037.297 | **104.037.297** |

Projected future cash flows for each participation are generated through detailed project-specific financial models. The expected cash flows are often sustainable and based on long term contracts, a regulated environment or a strategic position of the infrastructure. The expected cash flows are partially based on management estimation, relating to both general assumptions applied across all participations as to specific assumptions applicable for a single participation or a limited group of participations.

## General assumptions

General assumptions relate to assumptions which are generally applied in the individual financial models of the participations of the investment portfolio. These assumptions mostly relate to parameters which are beyond the influence or control of the Company, more specifically:

**Inflation**

Inflation taken into account for the evolution of the inflation-related income and costs of TINC and in the projections of the investment portfolio, where relevant, is assumed to be equal to 1,5%.

**Tax**

The financial models are based on estimates and assumptions regarding a number of legal, tax and accounting related rules and factors, including, holding periods, manner of financing, debt equity ratios, deductibility rules, withholding tax rules and rates, tax loss carried forward rules, corporate income tax rules and rates, Belgian notional interest deduction rules and rates, Belgian "fairness tax" rules or rates and the VAT qualification of certain transactions or arrangements entered into by TINC or the participations in which it invests. Changes in the applicable legal, tax or accounting rules, their interpretation or their enforcement may impact the expected cash flows in the financial models. The anticipated taxation in each of the companies in which TINC invests, and the expected cash flows between these companies and TINC is based on TINC's current understanding and interpretation of the currently applicable legal, tax and accounting rules. Any change in these rules, their interpretation and their enforcement may adversely affect TINC and the companies in which it invests. Any change or incorrect estimate or assumption in the legal, tax or accounting treatment of the participations, of the dividends, interest or other receipts received from the participations by TINC or of TINC itself may for instance reduce TINC's ability to pay dividends.

## Specific assumptions

The expected cash flows of each participation are based on long term contracts connected to the portfolio companies in which TINC invests, taking thereby into account the general assumptions. Each participation has also several specific characteristics, for which the management applies several assumptions.

## Discount rate

All participations categorized within Level 3 are valued using a discounted cash flow methodology where future cash flows of each participation, which are projected to be received by TINC, are discounted at appropriate discount rates. The valuation techniques have been consistently applied since the launch of TINC's activities.

As at June 30, 2016 the weighted average discount rate of TINC's portfolio amounted to 8,25% in comparison with 8,45% at December 31, 2014. The individual discount rates vary from 7,19% up to 9,25%.

The evolution of the weighted average discount rate between December 31, 2014 and June 30, 2016 can be explained as follows:

- The decrease in the risk profile of several participations as a result of an optimisation of the financing;
- A shift in the portfolio composition as a result of investments in both existing and additional participations and repayments. This changes the weight of the individual participations in the portfolio.

## Sensitivity on discount rate and inflation

An analysis of the sensitivity on the intrinsic value or FMV of the portfolio at June 30, 2016 to changes in the weighted average discount rate and the inflation is depicted in the table below:

| **Sensitivity weighted average discount rate** | **-0,50%** | **8,25% (basis)** | **0,50%** |
|---|---|---|---|
| FMV portfolio (euro) | 134.059.690 | 128.031.244 | 122.392.749 |
| Effect (euro) | + 6.028.446 | | - 5.638.495 |
| Effect on NAV (euro) | + 0,44 | **11,57** | - 0,41 |
| **Sensitivity inflation** | **-0,50%** | **1,5% (basis)** | **0,50%** |
| FMV portfolio (euro) | 127.356.795 | **128.031.244** | 128.791.574 |
| Effectt (euro) | - 674.449 | | + 760.329 |
| Effect on NAV (euro) | -0,05 | **11,57** | 0,06 |

## Portfolio valuation

TINC participates in portfolio companies through equity investments (investments in the share capital and in the shareholder loan) and/or loans (without equity participation). The table below sets out the intrinsic value or the FMV of the portfolio companies together with the cash proceeds (cash income and repayments), categorized by type, weight, geography and investment instrument.

| | **Fair Market Value** | **Cash proceeds (1/1/2015 – 30/06/2016)** | | |
|---|---|---|---|---|
| | **30/06/2016** | **Cash income** | **Repayments** | **Total** |
| **PPP** | | | | |
| Energy | 48.601.709 | 4.317.137 | 17.313 | 4.334.450 |
| Other | 61.468.083 | 7.141.066 | 5.902.750 | 13.043.816 |
| Total | 17.961.451 | 2.377.586 | 4.856.969 | 7.234.555 |
| **Totaal** | **128.031.244** | **13.835.789** | **10.777.031** | **24.612.820** |
| | | | | |
| **Weight:** | | | | |
| top 1 - 3 | 55.648.487 | 4.163.973 | 440.751 | 4.604.724 |
| top 4 - 7 | 41.789.756 | 5.219.051 | 1.654.696 | 6.873.747 |
| top 8 - 13 | 30.593.001 | 4.452.765 | 8.681.584 | 13.134.349 |
| **Total** | **128.031.244** | **13.835.789** | **10.777.031** | **24.612.820** |
| | | | | |
| **Geography:** | | | | |
| Belgium | 109.634.389 | 12.109.892 | 10.122.281 | 22.232.174 |
| The Netherlands | 18.396.855 | 1.725.896 | 654.750 | 2.380.646 |
| **Total** | **128.031.244** | **13.835.789** | **10.777.031** | **24.612.820** |
| | | | | |
| **Investment instrument** | | | | |
| Equity | 115.452.472 | 11.842.305 | 1.112.861 | 12.955.166 |
| Loans | 12.578.772 | 1.993.484 | 9.664.171 | 11.657.655 |
| **Total** | **128.031.244** | **13.835.789** | **10.777.031** | **24.612.820** |

### Additional information regarding shareholder loans in the investment portfolio

| **Additional information regarding shareholder loans as at 30 June 2016** | | | | |
|---|---|---|---|---|
| Duration | | 1 – 5 Year | > 5 Year | **TOTAL** |
| | 2 | 8.830.122 | 57.680.206 | **66.510.328** |
| Applied interest rate | | Variable interest | Fixed interest | **TOTAL** |
| | | - | 66.510.328 | **66.510.328** |
| Average interest rate | | - | 8,61% | **8.61%** |

| **Additional information regarding shareholder loans as at 31 December 2014** | | | | |
|---|---|---|---|---|
| Duration | | 1 t/m 5 jaar | > 5 jaar | **TOTAAL** |
| | 2 | 29.350.831 | 24.303.256 | **53.654.087** |
| Applied interest rate | | Variabele rente (Euribor + Marge) | Vaste rente | **TOTAAL** |
| | | 3.770.967 | 49.883.120 | **53.654.087** |
| Average interest rate | | 7,31% | 9,32% | **-** |

The subordinated loans outstanding at June 30, 2016 have fixed interest rates and consist of a combination of shareholder loans and loans (not linked to equity).

The interest payments and principal repayments of the subordinated loans are subject to restrictions in the senior loan contracts. Interests are paid periodically. If the available cash flows from the portfolio companies are not sufficient, then the agreements foresee a payment in kind (roll up).

Shareholder loans are typically flexible with respect to the principal repayments, but all shareholder loans must be repaid before the expected end of the operational life of the infrastructure.

The loans, which are no shareholder loans, are repaid by applying a fixed repayment schedule. If the available cash flows from the portfolio companies are not sufficient, then overdue repayments need to be repaid as soon as possible. The agreed maturity date of a loan is typically several years prior to the expected operational life of the infrastructure in the company that has issued the loan.

## 17. TRADE RECEIVABLES

| **Current trade and other receivables** | | **30/06/2016** | **31/12/2014** |
|---|---|---|---|
| Trade receivables | | - | - |
| Tax receivable, other than income tax | | 18.969 | 365 |
| Other receivables | | 59.199 | 401.569 |
| **Closing Balance** | **2** | **78.169** | **401.933** |

## 18. CASH AND DEPOSITS

| | | 30-06-2016 | 31-12-2014 |
|---|---|---|---|
| Short term bank deposits | | 24.937.762 | - |
| Cash | | 3.389.903 | 1.436.360 |
| **Gross carrying amount** | **2,4** | **28.327.665** | **1.436.360** |

Cash and bank deposits cover all treasury resources held in cash or on a bank deposit.

During the reporting period the cash position increased with 26.891.305 euro as a result of 36.136.127 euro cash in from financing activities, 6.905.243 euro cash out from investing activities and 2.339.579 euro cash out from operating activities.

## 19. STATUTORY CAPITAL & RESERVES

| | Number | | Amount | |
|---|---|---|---|---|
| | 30-06-2016 | 31-12-2014 | 30-06-2016 | 31-12-2014 |
| Shares authorised | 13.636.364 | 6.542.744 | 81.748.317 | 39.222.942 |
| Shares issued and fully paid at the beginning of the period | 6.542.744 | 4.023.250 | 39.222.942 | 78.434.957 |
| Change | 7.093.620 | 2.519.494 | 42.525.375 | -39.212.015 |
| Shares issued and fully paid at the end of the period | 13.636.364 | 6.542.744 | 81.748.317 | 39.222.942 |

As at December 31, 2014 the number of fully paid shares was 6.542.744. With the IPO, the number of shares has been increased with 7.093.620 shares. This results in a total of 13.636.364 fully paid shares at June 30, 2016.

## 20. FINANCIAL LIABILITIES

| | 30/06/2016 | 31/12/2014 |
|---|---|---|
| **Interest bearing loans and borrowings** | | |
| Other loans | - | 33.113.241 |
| **Total** | **-** | **33.113.241** |
| **Trade and other payables** | | |
| Trade payables | 385.106 | 1.850 |
| Received advances | - | - |
| Other Payables | - | 1.028.000 |
| of which due to employees | - | - |
| **Total** | **385.106** | **1.029.850** |

As at June 30, 2016 the financial liabilities amounted to 385.106 euro. The main contributor is the remuneration to TINC Manager of 375.870 euro.

## 21. OFF BALANCE ITEMS

| | 30/6/2016 | 31/12/2014 |
|---|---|---|
| **1. Cash commitments to portfolio companies** | 6.448.244 | 17.063.994 |
| **2. Cash commitments to contracted participations** | 36.933.085 | 36.933.085 |

Cash commitments to portfolio companies are the funds which remain to be called by the portfolio company with respect to the contractual engagement TINC has entered into.

Cash commitments to contracted participations are the funds committed to investments relating to investment opportunities for which an agreement is in place (A11, A15).

## 22. PRINCIPAL RISKS AND UNCERTAINTIES

### Intro

TINC's objective in managing risk is the creation and protection of shareholder value. Risk is inherent in TINC's activities, but it is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. The process of risk management is critical to TINC's continuing profitability. TINC is exposed to market risk, credit risk and liquidity risk arising from the financial instruments it holds.

TINC's financial liabilities are limited. Its principal financial assets are 'financial fixed assets - subordinated loans', 'financial fixed assets - share participations' and cash.

### At the level of TINC

**Strategic risk**

TINC set outs to invest in infrastructure businesses that generate recurring and sustainable cash flows.

For the participations in the existing portfolio, TINC depends on their ability to realize the available cash flows and to pay them out to TINC. Macroeconomic and economic conditions, changing regulations and political developments can all restrict or obstruct this ability. TINC carefully monitors the general economic situation and market trends in order to assess the earnings impact in a timely fashion and take any preventive measures. A further geographical diversification of investments should prevent TINC's becoming over-dependent on the policy and legal framework in one particular region.

For new participations, TINC is dependent on the availability of investment opportunities in the market at sufficiently attractive conditions. The risk exists of an insufficient quantity of such opportunities or of existing opportunities being insufficiently diversified.

**Liquidity risk**

TINC has entered into contractual financial commitments with a number of existing and future portfolio companies. These take the form of commitments to invest further in existing shareholdings, and also agreements to acquire new participations at a later date, for example through forward acquisition agreements.

TINC tailors its funding to its outstanding financial commitments. Future investments can be financed by issuing new shares and/or a credit facility (or a combination of both) giving TINC the ability to respond flexibly to investment opportunities in anticipation of the issuing of new shares.

**Legal disputes**

During the past year TINC became involved in a dispute with respect to portfolio company Lowtide NV, that owns and operates solar energy installations. TINC acquired Lowtide in August 2014 from TDP NV, which had in turn in October 2013 acquired the interests from Electrawinds, the original developer of the solar installations portfolio. A dispute has arisen between Electrawinds and TDP NV over a number of supplementary payments, owing to the non-fulfilment of the agreed conditions. Electrawinds started legal proceedings against TDP NV. Electrawinds then expanded its claim, citing TINC as an intervening party, so as to hear declare the claimed judicial rescission of the transfer to TDP NV also enforceable against TINC. By judgment of 8 September 2016, the court rejected the legal claim of Electrawinds for judicial rescission in respect of TINC. The term for appeal is still open. TINC is, with respect to the claim for judicial rescission, covered by contractual guarantees from TDP NV. The court's decision on supplementary payments being due has no material negative impact for TINC.

## At the level of the portfolio companies

The participations in which TINC invests are susceptible to a greater or lesser extent to inter alia financial, operational, regulatory and commercial risks.

**Financial risks**

With regard to financial risks, the portfolio companies are subject inter alia to credit risk in respect of the counterparties from whom they expect to receive their income. In many cases, the counterparty is the government or government-affiliated party (PPP, energy-subsidy schemes) or a company of considerable size (energy companies). This has the effect of limiting the risk. Liquidity risk and interest rate risk, with cash flows being affected by higher interest expense due to rising interest rates, are offset by recourse to longer-term financing as much as possible.

Foreign currency risk does not exist today in the portfolio companies since all revenue and financial liabilities are denominated in euros.

**Regulatory risks**

Regulatory changes regarding support measures, or tax or legal treatment of (investments in) infrastructure may adversely affect the results of the portfolio companies, with a knock-on effect on the cash flows to TINC.

A significant portion of the portfolio companies operate in regulated environments (e.g. energy infrastructure, public - private partnerships and benefit from support measures (e.g. green certificates). Infrastructure is also subject to specific health, safety and other regulations and environmental rules.

The portfolio companies are subject to different tax laws. TINC structures and manages its business activities based on current tax legislation and accounting practices and standards.

An amendment, tightening or stricter enforcement of those regulations may have an impact on revenue, cause additional capital expenditure or operating costs, thereby affecting the results and return.

**Operational risks**

The biggest operational risk is that of the infrastructure being unavailable / only partially available, or not (fully) produced. To prevent this, portfolio companies rely on suppliers and subcontractors that are carefully selected based on, inter alia, their experience, the quality of already delivered work, and solvency. TINC is also careful where possible to work with a sufficient number of different parties, to avoid risk concentration and over-reliance. Furthermore, where possible, the necessary insurance is taken out to cover, for example, business interruptions.

**Technical risks**

It is not impossible that infrastructure, once operational, can become defective. Although this responsibility for this is placed largely on the parties that the portfolio companies have used for building and maintaining the infrastructure, it can happen that these parties fail to solve certain technical problems for technical, organizational or financial reasons. In this case the results of the portfolio companies can be adversely affected.

**Commercial risks**

The investment portfolio contains participating interests whose earnings models are dependent on user demand for the infrastructure in question or which are subject to changes in pricing (e.g. electricity prices).

Should demand for (and therefore revenue from) these companies' services fall below current expectations, this would negatively affect the cash flows to TINC and the valuation of these investments.

## 23. RELATED PARTIES

| | Subsidiaries | Associates | Other related parties | Total |
|---|---|---|---|---|
| **I. Amounts owed by related parties** | | | | |
| 1. Financial assets - subordinated loans | 39.842.660 | 14.618.395 | 12.049.273 | 66.510.328 |
| 2. Financial assets - subordinated loans - ST | 796.034 | 50.556 | 529.499 | 1.376.088 |
| **I. Amounts owed to related parties** | | | **-** | **-** |
| 1. Financial Liabilities | | | - | - |
| 2. Trade and Other Payables | | | 375.870 | 375.870 |
| **III. Transactions with related parties** | **9.514.865** | **2.338.041** | **4.540.176** | **16.443.081** |
| 1. Management Compensation TDP | | | 2.069.902 | 2.069.902 |
| 2. Management Compensation Tinc Manager | | | 375.870 | 375.870 |
| 3. Dividends, Interests and Fees | 9.514.865 | 2.338.041 | 2.094.404 | 13.997.309 |

## 24. EVENTS AFTER REPORTING DATE

No significant subsequent events happened after the balance sheet date.

# 8.2 Statutory auditor’s report to the general meeting of TINC Comm. VA for the 18 months period ended 30 June 2016

In accordance with the legal requirements, we report to you in the context of our statutory auditor’s mandate. This report includes our opinion on the consolidated statement of the financial position as at 30 June 2016, the consolidated statement of the realized and non-realized results, the consolidated statement of changes in equity and the consolidated statement of cash flows for the 18 months period ended 30 June 2016 and the notes ( all elements together the “Consolidated Financial Statements”), and includes as well our report on other legal and regulatory requirements.

## REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS - UNQUALIFIED OPINION

We have audited the Consolidated Financial Statements of TINC Comm. VA (the “Company”) and its subsidiaries (together the “Group”) as of and for the 18 months period ended 30 June 2016, prepared in accordance with the International Financial Reporting Standards as adopted by the European Union, which show a consolidated balance sheet total of € 158.241.396 and of which the consolidated income statement shows a profit for the 18 months period of € 11.771.588.

### Responsibility of the Board of Directors for the preparation of the Consolidated Financial Statements

The Board of Directors is responsible for the preparation of Consolidated Financial Statements that give a true and fair view in accordance with the International Financial Reporting Standards as adopted by the European Union. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation of Consolidated Financial Statements that give a true and fair view and that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the given circumstances.

### Responsibility of the statutory auditor

Our responsibility is to express an opinion on these Consolidated Financial Statements based on our audit. We conducted our audit in accordance with International Standards on Auditing (“ISAs”). Those standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Consolidated Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Consolidated Financial Statements. The procedures selected depend on the statutory auditor’s judgment, including the assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error. In making those risk assessments, the statutory auditor considers internal control relevant to the Group’s preparation and presentation of the Consolidated Financial Statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group’s internal control. An audit also includes evaluating the appropriateness of accounting policies used, the reasonableness of accounting estimates made by the Board of Directors, as well as evaluating the overall presentation of the Consolidated Financial Statements.

We have obtained from the Board of Directors and the Company's officials the explanations and information necessary for performing our audit and we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Unqualified opinion

In our opinion, the Consolidated Financial Statements of the Group as at 30 June 2016 give a true and fair view of the consolidated net equity and financial position, as well as its consolidated results and its consolidated cash flows for the 18 months period then ended in accordance with the International Financial Reporting Standards as adopted by the European Union.

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

The Board of Directors is responsible for the preparation and the content of the Board of Director’s report on the Consolidated Financial Statements, in accordance with article 119 of the Belgian Company Code.

In the context of our mandate and in accordance with the additional standard issued by the ‘Instituut van de Bedrijfsrevisoren/Institut des Réviseurs d’Entreprises’ as published in the Belgian Gazette on 28 August 2013 (the “Additional Standard”), it is our responsibility to perform certain procedures to verify, in all material respects, compliance with certain legal and regulatory requirements, as defined in the Additional Standard. On this basis, we make the following additional statement, which does not modify the scope of our opinion on the Consolidated Financial Statements.

- The Board of Director’s report to the Consolidated Financial Statements includes the information required by law, is consistent with the Consolidated Financial Statements and does not present any material inconsistencies with the information that we became aware of during the performance of our mandate.

15 September 2016, Antwerp

Ernst & Young Bedrijfsrevisoren BCVBA
Statutory auditor
represented by

Ömer Turna
Partner*
* Acting on behalf of a BVBA/SPRL

# Abridged statutory annual accounts

# 9. Abridged statutory annual accounts

This chapter contains an abridged version of the statutory annual accounts and the statutory annual report of TINC Comm.VA.

The statutory auditor issued an unqualified opinion on the statutory annual accounts for the financial year ended on 30 June 2016.

The full version of the statutory annual accounts as well as the annual report and the statutory auditor's report are available at the company's head office and on its website (www.tincinvest.com).

## 9.1 Income statement

| Profit & Loss Statement | 30/06/2016<br>18 months | 31/12/2014<br>12 months |
|---|---|---|
| **INCOME** | **14.615.291** | **6.382.913** |
| Income from financial fixed assets | 13.074.433 | 3.958.094 |
| Dividend income | 5.202.704 | 418.427 |
| Interest income | 7.871.730 | 3.539.666 |
| Income form current assets | 47.949 | 172.357 |
| Other financial income | - | - |
| Turnover | 928.531 | 630.536 |
| Other operating income | - | 335.696 |
| Write-back of write-downs on | 564.378 | - |
| Financial fixed assets | 564.378 | - |
| Capital gains on the disposal of | - | 1.286.230 |
| Financial fixed assets | - | 1.286.230 |
| | | |
| **EXPENSES** | **(5.263.037)** | **(3.510.292)** |
| Other financial expenses | (778.096) | (849.036) |
| Services and other goods | (2.609.029) | (2.001.229) |
| Other operating expenses | (2.121) | (1.249) |
| Depreciation and write-downs on formation expenses, IFA en TFA | (1.724.427) | (94.106) |
| Write downs on | - | (563.169) |
| Financial fixed assets | - | (563.169) |
| Tax Expense | (149.364) | (1.503) |
| **Profit/loss fort he financial year** | **9.352.254** | **2.872.621** |

# 9.2 Balance sheet

| Balance sheet | 30/06/2016 | 31/12/2016 |
|---|---|---|
| **FIXED ASSETS** | **105.082.656** | **79.042.846** |
| Intangible assets | 5.308.381 | 1.411.995 |
| Affiliated enterprises | 62.461.236 | 48.226.595 |
| Shares | 22.618.576 | 19.995.861 |
| Amounts receivable | 39.842.660 | 28.230.734 |
| Enterprises linked by participating interests | 25.818.967 | 11.413.173 |
| Shares | 11.200.572 | 4.533.076 |
| Amounts receivable | 14.618.395 | 6.880.097 |
| Other financial fixed assets | 11.494.072 | 17.991.084 |
| Shares | 103 | - |
| Amounts receivable | 11.493.969 | 17.991.084 |
| **CURRENT ASSETS** | **29.781.922** | **3.697.233** |
| Amounts receivable within one year | 1.262.256 | 1.462.956 |
| Trade debtors | 1.105.781 | 598.735 |
| Other amounts receivable | 156.475 | 864.221 |
| Cash investments | 24.937.762 | - |
| Cash at bank and in hand | 3.389.903 | 1.436.360 |
| Deferred charges and accrued income | 192.001 | 797.917 |
| **Total assets** | **134.864.578** | **82.740.079** |
| **EQUITY** | **129.602.637** | **48.595.563** |
| Capital | 81.748.317 | 39.222.942 |
| Share premium account | 35.504.445 | - |
| Reserves | 7.111.244 | 6.643.631 |
| Profit carried forward | 5.238.631 | 2.728.990 |
| **LIABILITIES** | **5.260.855** | **34.143.391** |
| Financial debts | - | 33.113.241 |
| Other loans | - | 33.113.241 |
| Trade debtors | 385.106 | 1.850 |
| Suppliers | 385.106 | 1.850 |
| Taxes, payroll and related obligations | 137.113 | 300 |
| Taxes | 137.113 | 300 |
| Other amounts payable | 4.738.636 | 1.028.000 |
| **Accrued charges and deferred income** | **1.086** | **1.125** |
| **Total liabilities** | **134.864.578** | **82.740.079** |

# 9.3 Annual report concerning the statutory annual accounts

The statutory manager, TINC Manager NV, hereby reports on the activities of TINC Comm. VA with regards to the statutory annual accounts of the financial year (1 January 2015 – 30 June 2016).

### CAPITAL

The subscribed capital at the end of the financial year amounts to € 81.748.316,99 and has been fully paid up.

### PRINCIPAL RISKS AND UNCERTAINTIES

We refer to the consolidated annual report of the statutory manager.

### SUBSEQUENT EVENTS

We refer to the consolidated annual report of the statutory manager.

### INFORMATION REGARDING CIRCUMSTANCES WHICH COULD INFLUENCE THE DEVELOPMENT OF THE COMPANY

On the day of writing there are no specific circumstances which could impact the development of the company in a meaningfull way.

### INFORMATION ON RESEARCH AND DEVELOPMENT

The Company is not involved in any research nor development activities.

### BRANCH OFFICES

The Company does not have any branch offices.

### INFORMATION REGARDING THE USE OF FINANCIAL INSTRUMENTS TO BY THE COMPANY THE EXTENT MEANINGFUL FOR JUDGING ITS ASSETS, LIABILITIES, FINANCIAL POSITION AND RESULTS

The company does not utilize any financial instruments for the purpose of controlling risks (hedging) in any way which could impact its actives, passives, financial position and result.

### INDEPENDENCE AND EXPERTISE IN THE FIELDS OF ACCOUNTING AND AUDIT OF AT LEAST ONE MEMBER OF THE AUDIT COMMITTEE

We refer to the consolidated annual report of the statutory manager.

### CORPORATE GOVERNANCE STATEMENT AND REMUNERATION REPORT

We refer to the consolidated annual report of the statutory manager.

### INFORMATION REQUIRED PURSUANT TO ARTICLE 34 OF THE BELGIAN ROYAL DECREE OF NOVEMBER 14, 2007 AND THE LAW OF APRIL 6, 2010

We refer to the consolidated annual report of the statutory manager.

### ARTICLE 523, §1 AND ARTICLE 524TER, §1 COMPANIES CODE

Over the course of the past financial year no decisions or transactions were made in which board members and/or members of the executive committee had a direct, conflicting financial interest as stated in article 523 or 524 of the Companies Code.

### DISCHARGE

According to the law and the articles of association the shareholders will be requested to grant discharge to the statutory manager and the statutory auditor for the performance of their duties during the financial year 2015-2016.

This report shall be filed in accordance with the relevant legal provisions and is available at the registered office of the Company.

# 10. Glossary

| | | |
|---|---|---|
| 1 | BGAAP | Belgian Generally Accepted Accounting Principles. |
| 2 | DBFM | Design Build Finance and Maintain. |
| 3 | FMV | Fair Market Value. |
| 4 | IFRS | Internationale Financial Reporting Standards. |
| 5 | MW | Megawatt. |
| 7 | MWp | Megawatt peak. |
| 8 | NAV | Net Asset Value. Defines the revalued NAV of the entire Company or (where the context requires) per share. |
| 9 | PPP | Public-Private Partnership. |

# 11. Statement of the statutory manager

We declare that, to our knowledge:

1) The Annual Financial Statements, prepared in accordance with the applicable accounting standards, give a true and fair view of the equity, financial situation and results of TINC;

2) The Annual Report gives a true and far view of the development and the results of TINC and of its position, as well as a description of the main risks and uncertainties to which TINC is exposed.

On behalf of the Company

Board of Directors

**Colophon**

Publisher
TINC Comm.VA

Karel Oomsstraat 37
2018 Antwerp
Belgium

T +32 3 290 21 73
Investor.relations@tincinvest.com
www.tincinvest.com

Concept, editing and coordination
www.cantilis.be