

ThomasLloyd SICAV

Société d'Investissement à Capital Variable

In the form of a Société Anonyme

RCS Luxembourg: B 190.155

Registered office: 6A, rue Gabriel Lippmann, L-5365 Munsbach,

Grand Duchy of Luxembourg

Share Capital: EUR 83 952 547

Interim Financial Statements As at and for the half year ended June 30, 2019 and Report of the Réviseur d'Entreprises Agréé

No subscription can be received on the basis of these financial statements. Subscriptions are only valid if made on the basis of the Offering Memorandum supplemented by the latest annual report.

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Management and administration

Registered office

6A, rue Gabriel Lippmann
L-5363 Munsbach
Grand Duchy of Luxembourg
(Current Registered office)

Directors of the Fund

Mr Luc Caytan, Chairman of the Board
Mr Michael Sieg
Mr Anthony Coveney
Mrs Elizabeth Backes (appointed 25.02.2019)
Mr Matthias Klein

Alternative Investment Fund Manager (“AIFM”)

MDO Management Company S.A.
19, Rue de Bitbourg
L-1273 Luxembourg
Grand Duchy of Luxembourg

Directors of the AIFM

Mr Géry Daeninck
Mr John Li
Mr Carlo Montagna
Mr Yves Wagner
Mr Martin Vogel

Investment Advisor

ThomasLloyd Global Asset Management (Schweiz) AG
Sihlstrasse 38
CH-8001 Zürich
Switzerland

Depositary, paying agent

KBL European Private Bankers S.A.
43, boulevard Royal
L-2955 Luxembourg
Grand Duchy of Luxembourg
(Current Depositary, paying agent)

Central administration, and domiciliary agent

Adepa Asset Management, S.A.
6A, rue Gabriel Lippmann
L-5365 Munsbach
Grand Duchy of Luxembourg

Réviseur d’entreprise agréé

Deloitte Audit S.à r.l.
20, Boulevard de Kockelscheuer
L-1821 Luxembourg
Grand Duchy of Luxembourg

Legal advisors

Elvinger Hoss Prussen
2, Place Winston Churchill
L-1340 Luxembourg
Grand Duchy of Luxembourg

External Valuer

Duff & Phelps Ltd
32 London Bridge Street
The Shard
London SE1 9SG
United Kingdom

Global distributor

ThomasLloyd Global Asset Management GmbH
Hanauer Landstraße 291b,
60314 Frankfurt am Main
Germany

Registrar and transfer agent

European Fund Administration, S.A.
2, rue d’Alsace
1122 Luxembourg
Grand Duchy of Luxembourg
(Current Registrar and transfer agent)

Statement of comprehensive income
For the half year ended June 30, 2019
(EUR)

	Note	For the half year ended June 30, 2019	For the half year ended June 30, 2018
Fees and expenses			
Performance fees	8.2	(289,401)	-
Management fees	8.2	(546,567)	(526,854)
Professional fees		(129,945)	(34,022)
Administration and custody fees		(131,986)	(229,090)
Total fees and expenses		(1,097,899)	(789,966)
Finance income			
Net foreign exchange gain		-	251
Other financial income	7	2,642,042	2,557,047
Total finance income		2,642,042	2,557,298
Provision for credit loss on financial assets	5	(139,156)	(1,377,649)
Unrealised foreign exchange gain on financial assets	5	236,704	1,634,757
Gain before tax		1,641,691	2,024,440
Subscription tax	2	(1,750)	(2,752)
Total comprehensive gain attributable to the shareholders		1,639,941	2,021,688
Attributable to EUR A shares		1,635,113	2,015,711
Attributable to USD A shares		4,828	5,977

The accompanying notes form an integral part of these financial statements.

Statement of financial position

As at June 30, 2019

(EUR)

	Note	As at Jun 30, 2019	As at Dec 31, 2018
Assets			
Current assets			
Loans and receivables	5	67,497,051	64,758,073
Cash and cash equivalents	4	217,726	33,747
Other receivables		22,590	-
Total assets		67,737,727	64,791,820
Liabilities			
Current liabilities			
Amounts payable to related parties	8	6,570,513	5,599,193
Other payables and accrued expenses	6	638,627	303,981
Total liabilities		7,209,140	5,903,174
Net assets attributable to the shareholders at the end of the half year		60,528,587	58,888,646

Represented by	As at Jun 30, 2019	As at Dec 31, 2018
Class EUR A Shares		
Number of shares	84,661.87	84,661.87
Net asset value per share	EUR 712.07	EUR 692.78
Class USD A Shares		
Number of shares	250.00	250.00
Net asset value per share	USD 1,107.20	USD 1,081.37

The accompanying notes form an integral part of these financial statements.

Statement of changes in net assets
For the half year ended June 30, 2019
(EUR)

	Total	Net asset value per EUR R Share (formerly A Shares)	Net asset value per USD R Share (formerly A Shares)
Net assets attributable to the Partners as at December 31, 2017	53,460,950	634.69	1,040.23
Capital contribution	261,904		
Increase in assets attributable to shareholders	2,021,688		
Net assets attributable to the Shareholders as at June 30, 2018	55,744,542	658.58	1,049.89
Capital contribution	242,857		
Increase in assets attributable to shareholders	2,901,247		
Net assets attributable to the Shareholders as at December 31, 2018	58,888,646	692.78	1,081.37
Capital contributions from shareholders	-		
Increase in assets attributable to shareholders	1,639,941		
Net assets attributable to the Shareholders as at June 30, 2019	60,528,587	712.07	1,107.20

The accompanying notes form an integral part of these financial statements.

Statement of cash flows
For the half year ended June 30, 2019
(EUR)

	Note	For the half year ended June 30, 2019	For the half year ended June 30, 2018
<u>Cash flows from operating activities</u>			
Increase in net assets attributable to shareholders		1,639,941	2,021,688
Interest income accrued		(2,642,042)	(2,557,047)
Increase in expected credit loss on financial assets	5	139,156	1,377,649
Unrealised foreign exchange gain on financial assets		(236,704)	(1,634,757)
Net changes in operating assets and liabilities		(1,099,649)	(792,467)
Increase in trade and other payables	6,8	1,305,579	447,769
(Increase)/decrease in trade and other receivables		(22,951)	17,077
Net cash flow used in operating activities		183,979	(327,621)
Net cash flow generated by investing activities		-	-
<u>Cash flows from financing activities</u>			
Proceeds from issuance of shares		-	261,904
Net cash flow generated by financing activities		-	261,904
Net increase/(decrease) in cash and cash equivalents		183,979	(65,717)
Cash and cash equivalents at beginning of the year	4	33,747	87,082
Cash and cash equivalents at end of the half year		217,726	21,365

The accompanying notes form an integral part of these financial statement.

Notes to the financial statements for the half year ended June 30, 2018 (forming part of the financial statements)

1 General information

The Fund has been incorporated in the Grand Duchy of Luxembourg as a public company limited by shares (société anonyme) and qualifies as an open-ended investment company with variable capital (société d'investissement à capital variable) governed by Part II of the Law of December 17, 2010 and qualifying as an AIF under the Law of July 12, 2013. The Fund was first formed on September 3, 2014 as a common limited partnership (société en commandité simple) qualifying as a specialised investment fund under the Law of February 13, 2007 on specialised investment funds (as amended) and was converted into its current form on June 30, 2017 (the "Conversion").

The Fund is governed by an Offering Memorandum (the "Prospectus") dated August 9, 2018. The Fund will issue Shares in the following Classes which shall have the following reference currency and shall be available either as Accumulation Shares or Distribution Shares, as follows:

Class R Shares (formerly Class A) are offered to all investors. Class I Shares are reserved for institutional investors.

Class R (EUR)	Class R (GBP)	Class R (CZK)	Class R (USD)	Class R (CHF)
Class R (AUD)	Class R (JPY)	Class I (GBP)	Class R (RMB)	Class R (SGD)
Class R (NZD)	Class I (EUR)	Class I (USD)	Class I (CHF)	

The Fund was incorporated as an open-ended Fund for an unlimited duration. The Fund's financial year starts on January 1 and ends on December 31 of each calendar year. The first financial period started on September 3, 2014 date of incorporation, and ended on December 31, 2014.

The Fund's currency is the Euro ("EUR"). The Fund's registered office is located at: 6A, rue Gabriel Lippmann, L-5365 Munsbach, Grand-Duchy of Luxembourg.

The Fund is registered in the Luxembourg Register of Commerce under number B 190 155. The articles of incorporation have been registered with the Registre de Commerce et des Sociétés de Luxembourg on September 9, 2014 and have been published in the Mémorial, Recueil des Sociétés et Associations (the "Memorial") on September 15, 2014.

The Fund has appointed MDO Management Company S.A. ("the AIFM") under the terms and conditions of an AIFM Agreement entered into on June 30, 2017, and in accordance with the AIFM Law, to perform the portfolio management and risk management of the Fund.

The AIFM manages the Fund in accordance with the Offering Memorandum (the "Prospectus") and Luxembourg laws and regulations in the exclusive interest of the shareholders. It is empowered, subject to the rules as further set out hereafter, to exercise all the rights attached directly or indirectly to the assets of the Sub-Funds. In accordance with the terms of the AIFM Agreement, the AIFM takes the investment and divestment decisions for the Sub-Funds, in accordance with the terms of the Offering Memorandum and subject to a prior favourable recommendation by the Investment Committee.

The Fund has an umbrella structure and may consist of several Sub-Funds, which may have a limited lifetime. In accordance with Article 181 of the Law of December 17, 2010, a separate portfolio of assets is maintained for each Sub-Fund and is invested in accordance with the Investment Objective, Investment Policy and Investment Restrictions applicable to that Sub-Fund. Each Sub-Fund is solely liable vis-à-vis creditors for the debts, commitments and liabilities relating to that Sub-Fund. Between Shareholders, each Sub-Fund is regarded as being separate from the other Sub-Funds.

Notes to the financial statements (*continued*)

1 General information (*continued*)

To this date, the Fund has created only one Sub-Fund: ThomasLloyd SICAV – Sustainable Infrastructure Income Fund (the “Sub-Fund”), formerly ThomasLloyd SICAV – Cleantech Infrastructure Fund).

2 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below:

Basis of preparation

The financial statements of the Fund have been prepared in accordance with International Financial Reporting Standards as adopted in the European Union (“IFRS”).

The financial statements have been prepared on a going concern basis, applying the historical cost convention, except for the measurement of financial assets that have been measured at fair value through profit or loss.

The Board of Directors of the Fund is of the opinion that the Fund will continue in operation as a going concern and that the Fund’s liquidity is sufficient for it to be able to meet its obligations as and when they fall due, in the normal course of business, for at least twelve months from the date of approval of the financial statements.

Critical accounting judgements and estimation uncertainty

The preparation of financial statements in compliance with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Fund’s accounting policies. The areas, involving a higher degree of judgment or complexity and where assumptions and estimates are significant to the financial statements, are described in note 3.

Adoption of new and revised standards

The Fund has applied IFRS 9 “Financial Instruments” (as revised in July 2014) and the related consequential amendments to other IFRSs. IFRS 9 introduces new requirements for 1) the classification and measurement of financial assets and financial liabilities, 2) impairment for financial assets and 3) general hedge accounting. In relation to the impairment of financial assets, IFRS 9 requires an expected credit loss model as opposed to an incurred credit loss model under IAS 39. The expected credit loss model requires the Group to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition of the financial assets. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised. As at January 1, 2018, the directors of the Fund reviewed and assessed the Group’s existing loans and receivables for impairment using reasonable and supportable information that is available without undue cost or effort in accordance with the requirements of IFRS 9 to determine the credit risk of the respective items at the date they were initially recognised. The effect of applying this standard included an initial credit loss provision of EUR 1,194,869 at the date of the assessment.

IFRS 15 “Revenue from Contracts with Customers” and the amendments to IFRS 2 “Share-based Payment”, IFRS 4 “Insurance Contracts”, and IFRIC 22 “Foreign Currency Transactions and Advance Consideration”, effective as of January 1, 2018, did not have a material effect on the Fund’s interim financial information.

New and revised IFRSs in issue but not effective:

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after January 1, 2018, and have not been applied in preparing these financial statements. None of these are expected to have a significant effect on the financial statements of the Fund.

Notes to the financial statements (*continued*)

2 Summary of significant accounting policies (*continued*)

Functional and presentation currency

The Fund's investors are mainly from the European Economic Area, with the capital contributions denominated in the applicable currency of each Ordinary Share Class R (formerly Class A), as disclosed above. The performance of the Fund is measured and reported to the investors in EUR and USD.

The Board of Directors considers the Euro ("EUR") as the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions. The financial statements are presented in EUR, which is the Fund's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of any individual transaction. Foreign currency assets and liabilities are translated into the functional currency using the exchange rate prevailing on the relevant reporting date.

Foreign exchange gains and losses arising from translation are included in the statement of comprehensive income. Foreign exchange gains and losses relating to cash and cash equivalents are presented in the statement of comprehensive income within "net foreign exchange gains or losses on cash and cash equivalents". Foreign exchange gains and losses relating to the financial assets carried at fair value through profit or loss are presented in the statement of comprehensive income within "other net changes in fair value of financial assets at fair value through profit or loss".

As at June 30, 2019, the following exchange rate has been used: 1 EUR = 1.1389 USD.

Cash and cash equivalents

Cash and cash equivalents include cash held in demand deposits. As at June 30, 2019, the carrying amount of cash and cash equivalents approximate their fair value.

Financial instruments

Financial assets and financial liabilities are recognised on the Fund's statement of financial position when the Fund becomes a party to the contractual provisions of the instrument.

(i) Financial assets

Financial assets including loans and other receivables, are initially recognised at transaction price and are subsequently carried at amortised cost using the effective interest rate method.

At the end of each reporting date these assets are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value. The impairment loss is recognised in the profit or loss. If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in the profit or loss.

Other financial assets including investments are initially recognised at fair value which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in the profit or loss.

Notes to the financial statements (*continued*)

2 Summary of significant accounting policies (*continued*)

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

(ii) Financial liabilities

Basic financial liabilities, including other payables, and amounts due to group companies, are initially recognised at fair value, net of transaction costs. These are subsequently carried at amortised cost, using the effective interest rate method and the impact recognised in the profit or loss.

Other payables and accrued expenses

Other payables and accrued expenses are not interest bearing and are stated at their nominal value. This approximates their fair value, because of their short term to cash payment.

Taxation

The Fund is not liable to any Luxembourg income tax, nor are dividends (if any) paid by the Fund liable to any Luxembourg withholding tax. The Fund is liable in Luxembourg to a subscription tax (*taxe d'abonnement*) of 0.01% per annum of its assets. Such tax is payable quarterly and calculated on the Net Asset Value at the end of the relevant quarter. No stamp duty or other tax is payable in Luxembourg on the issue of shares in the Fund.

Net assets attributable to the shareholders

The net asset value per share of each share class is determined in the reference currency of the relevant share class as at each valuation day by dividing the net assets properly allocated to each share class by the total number of shares of such share class then outstanding. The net assets of a share class consist of the value of the total assets properly allocated to such share class less the total liabilities properly allocated to such share class, calculated as of each valuation day.

Distributions

Distributions of net assets attributable to the shareholders and repayment of funded committed capital, if any, are shown in the statement of changes in net assets attributable to the shareholders.

Income and expenses

Income and expenses are accounted on an accrual basis and are recognised in the statement of comprehensive income.

3 Significant accounting judgements and estimates

Critical accounting estimates and judgements

The Fund makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Notes to the financial statements *(continued)*

3 Significant accounting judgements and estimates *(continued)*

The Fund has provided short term loans at rates comparable to the average commercial rate of interest. See note 5 for details. These redeemable short-term loans are held by the Fund with the objective to collect their contractual cash flows of principal and interest on the principal amount outstanding. Hence all of these financial assets are classified as at amortised cost.

For the purpose of impairment assessment for these financial assets, the loss allowance is measured at an amount equal to twelve month expected credit loss (ECL). ECL has been provided for them upon initial application of IFRS 9 until these financial assets are derecognised. It was determined on initial application of IFRS 9 that it would require undue cost and effort to determine whether their credit risk had increased significantly since initial recognition to the date of initial application of IFRS 9.

In determining the ECL for these assets, the directors of the Fund have taken into account the historical default experience, the financial position of the counterparties, as well as the future prospects of the industries in which the issuers of the redeemable notes operate. In addition the directors have obtained economic reports and considered various external sources of actual and forecast economic information in estimating the probability of default of each of these financial assets occurring within their respective loss assessment time horizons, as well as the loss upon default.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period in assessing the loss allowance for these financial assets since this is the first year of application of IFRS 9.

4 Cash and cash equivalents

As at June 30, 2019 and December 31, 2018, the caption “cash and cash equivalents” amounts to EUR 217,726 (2018: EUR 33,747) and comprises cash accounts at KBL European Private Bankers S.A.

5 Loans and receivables

As at June 30, 2019 this item consists of a USD loan note, \$69,867,128 (EUR 61,346,148), to ThomasLloyd CTI Asia Holdings Pte Ltd (“CTI Asia”), a company incorporated in Singapore.

The loan has a maturity of twelve months and an interest rate of 8.5% p.a.

	As at June 30, 2019 EUR	As at December 31, 2018 EUR
Loan principle	58,198,358	58,198,358
Loan revaluation	3,147,791	2,911,700
Accrued interest	7,908,541	5,266,498
IFRS 9 transition impact	(1,194,869)	(1,194,869)
Additional provision for ECL	(562,769)	(423,614)
Total	67,497,051	64,758,073

Assumptions and estimates used in the calculation of the expected credit loss provision are described in note 3, Significant accounting judgements and estimates

Notes to the financial statements (continued)

6 Other payables and accrued expenses

As at June 30, 2019 and December 31, 2018 this caption comprises:

	As at June 30, 2019 EUR	As at December 31, 2018 EUR
Administrative, domiciliation and transfer agent fees	188,761	141,433
Subscription in advance	250,000	-
Legal and professional fees	148,935	100,818
VAT payable	41,792	32,953
Custody fees	6,011	24,502
Subscription tax	3,128	4,275
Total	638,627	303,981

7 Other financial income

As at June 30, 2019 this caption amounts to EUR 2,642,042 (2018: EUR 2,557,047) and comprises mainly interest income from loans.

8 Amounts payable to related parties

As at June 30, 2019 the related parties are as follows:

- MDO Management Company S.A., as the AIFM (note 8.1 and 8.2),
- ThomasLloyd Global Asset Management GmbH, as the Global Distributor,
- ThomasLloyd Cleantech Infrastructure Holding GmbH, as a shareholder,
- ThomasLloyd Global Asset Management (Schweiz) AG, as the Investment Advisor (note 8.1 and 8.2),
- The Board of Directors of the Fund.

	As at June 30, 2019 EUR	As at December 31, 2018 EUR
Management fees (note 8.2)	5,029,763	4,569,658
Performance fees (note 8.1)	289,401	-
Other amounts payable to related parties	1,251,348	1,029,535
Total	6,570,513	5,599,193

8.1 - Performance fees

The AIFM is entitled to a monthly Performance Fee paid from the net assets of the Sub-Fund and calculated on each Valuation Day. The Investment Advisor is entitled to a Performance Fee which will be paid by the AIFM out of its own Performance Fee. This amounted to EUR nil as of December 31, 2017 (2016: nil)

The return is calculated on the basis of the Sub-Fund's Net Asset Value of the current month less the Sub-Fund's Net Asset Value of the previous month before deduction of the current month's Performance Fee (the "Return"). The annual Performance Fee will be fifteen per cent (15%) of the corresponding Return. As at June 30, 2019 the Performance Fee is EUR 289,401 (2018: nil).

Notes to the financial statements (*continued*)

8.2 Management fees

The AIFM is entitled to a monthly management fee, and the AIFM will remunerate the Investment Advisor out of the Management Fee in accordance with the terms and provisions of the AIFM Agreement and the Investment Advisory Agreement respectively. During the half year these fees totalled EUR 546,567 (2018: EUR 526,854). The management fee is to be paid monthly in arrears and equal to a twelfth part of 1.8% (2% prior to August 2018) of the Sub-Fund's total monthly NAV in respect of Class R Shares (formerly Class A) and 1.2% of the monthly NAV of Class I Shares.

9 Distributions

No dividend distributions have been made during half year ended June 30, 2019 (2018: nil).

10 Off balance sheet items

As at June 30, 2019 there are no off balance sheet commitments.

11 Post balance sheet events

It is envisaged that during the course of 2019 the Fund's AIFM will change from MDO Management Company S.A. to Adepa Asset Management S.A.