ThomasLloyd

THOMASLLOYD SICAV-SIF

Société d'Investissement à Capital Variable – Fonds d'Investissement Spécialisé
In the form of a Société en Commandite Simple
RCS Luxembourg: B 190 155
Registered office : 5 Allée Scheffer, L-2520 Luxembourg
Share Capital : EUR 81 768 092

FINANCIAL STATEMENTS

As at and for the year ended December 31, 2015 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.

TABLE OF CONTENTS

MANAGEMENT AND ADMINISTRATION

Registered office
5, Allée Scheffer
L-2520 Luxembourg
Grand Duchy of Luxembourg

Alternative Investment Fund Manager ("AIFM")
MDO Management Company S.A.
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L-1273 Luxembourg
Grand Duchy of Luxembourg

Board of Directors of the AIFM
Mr Géry Daeninck
Mr John Li
Mr Garvan Rory Pieters
Mr Yves Wagner
Mr Martin Vogel

General Partner
ThomasLloyd Capital Partners S.à r.l.
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L-2520 Luxembourg
Grand Duchy of Luxembourg

Board of Managers of the General Partner
Mr Paul de Quant, Chairman of the Board
Mr Michael Sieg
Mr Anthony Coveney

Investment Advisor
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Switzerland

Depositary, paying agent
CACEIS Bank Luxembourg
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L-2520 Luxembourg
Grand-Duchy of Luxembourg

Central administration, registrar and transfer agent
CACEIS Bank Luxembourg
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L-2520 Luxembourg
Grand-Duchy of Luxembourg

Réviseur d'entreprise agréé
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L-1855 Luxembourg
Grand Duchy of Luxembourg
(until April 5, 2016)

Deloitte Audit S.à r.l.
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L - 2220 Luxembourg
Grand Duchy of Luxembourg
(since April 5, 2016)

Legal advisors
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10, boulevard G.D. Charlotte
L-1330 Luxembourg
Grand Duchy of Luxembourg
until January 22, 2016

Elvinger Hoss Prussen
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L-1340 Luxembourg
Grand Duchy of Luxembourg
(since February 3, 2016)

External Valuer
R. S. Bernaldo & Associates
18/F Cityland Condominium 10 Tower 1
156 H.V dela Costa Street, Ayala North,
Makati City, Philippines 1226
(until December 31, 2015)

Duff & Phelps Ltd
32 London Bridge Street
The Shard
London SE1 9SG
United Kingdom
(Since May 17, 2016)

MANAGEMENT REPORT OF THE FUND AS AT DECEMBER 31, 2015

ThomasLloyd SICAV-SIF ("The Fund") has been incorporated in the Grand Duchy of Luxembourg as a limited partnership, qualifying as an investment company with variable capital-specialized investment fund, governed by Part II of the Law of February 13, 2007, and qualifying as an Alternative Investment Fund ("AIF") under the Law of July 12, 2013, on September 3, 2014 for an unlimited duration. The Fund has an umbrella structure and may consist of several Sub-Funds, any of which may have a limited lifetime. The Fund's reference currency is EUR.

The Fund is an open-ended fund.

According to the Law of August 10, 1915, the Fund shall be managed by the General Partner in its capacity as General Partner of the Fund. The General Partner in its turn has appointed MDO Management Company S.A. as the Alternative Investment Fund Manager ("AIFM") to perform the portfolio management and risk management of the Fund in accordance with the Law of July 12, 2013.

The objective of ThomasLloyd SICAV-SIF - Cleantech Infrastructure Fund ("the Sub-Fund") is to achieve an attractive return from capital invested with a socially- and environmentally-responsible investment approach, which is geared towards sustainable business values, reducing investment risks through diversification across countries, sectors, technologies and investment styles. In seeking to achieve its invest¬ment objective, the Sub-Fund invests in a broad portfolio of infrastructure assets in the areas of renewable energy, utilities, transport, social infrastructure and communication across Asia and Australasia. The Sub-Fund reference currency is EUR and has been established for an unlimited duration. The Sub-Fund calculates the Net Asset Value (NAV) and the NAV per Interest of each Class in the relevant Class currency as at the last business day of each month.

During the reporting period, the solar portfolio in the Philippines was sold to the Philippine Investment Alliance for Infrastructure, which is a consortium of investors including the Government Service Insurance System of the Philippines, Langoer Investment Holdings BV and Macquarie Infrastructure Holdings (Philippines) Pte Ltd. This sale of assets included facilities in development, construction and operation, totaling an installed capacity of 125MW in San Carolos City, La Carlota City and the Province of Manapla, all on Negros Island in the Philippines.

At the year-end, the remaining assets in the Sub-Fund consisted of cash accounts held back as part of the sale of the solar portfolio and a biomass portfolio. This consists of the three following projects:

- San Carlos Biopower Inc. is in late stage construction and anticipates connection to the grid in the first quarter 2017.
- South Negros Biopower Inc. started construction in Quarter 2 2016, with ground being broken on 6th April,and
- North Negros Biopower Inc. is in development and currently anticipates the start of construction in Quarter 1 2017 for grid connection in Quarter 3 2018.

San Carlos Solar Energy Inc.

ThomasLloyd CTI Asia Holdings Pte Ltd – a subsidiary of ThomasLloyd SICAV-SIF - Cleantech Infrastructure Fund – sold its 90% economic rights in operating company, San Carlos Solar Energy Inc. (SaCaSol) to the Philippine Investment Alliance for Infrastructure (PINAI) on June 15, 2015. The sale included the grid-connected 13 and 9 MWp first phases (A & B) and the substantially completed 13 and 10 MWp second phases (C & D) of the utility-scale solar power plant SaCaSol I in San Carlos City, Negros Occidental, Philippines.

Overview of SaCaSol

- Output: 45 MWp
- Project site: 660,000 m²
- Solar irradiation at project site: 1,871 kWh/m²/year (PV Syst)
- Reach of Electricity Supply: 103,000 people
- Workers on the construction site: 1,600
- Tonnes of CO_2 saved annually: more than 30,000
- Supplier/Manufacturer: Solar Panels: Conergy, Mounting Systems: Mounting Systems, Inverters: SMA Solar Technology, Monitoring System: Hensel, Cables and Wires: General Cable, Philflex, Spaced Aerial Cables: Bangkok Cable, Junction Boxes, Optical Cables, Connectors and Tool, Boxes: Huber+Suhner, Transformers: Schneider Electric
- General Contractor (EPC): Conergy Asia & ME, SJR Industrial Construction, Schema Konsult, Inc.
- Operations & Maintenance: Conergy Asia & ME
- Electricity Offtake Counterparty:
- Interconnection Agreement with National Grid Corporation
- Renewable Energy Purchase Agreement with National Transmission Corporation (Administrator of the government backed Feed-in Tariff Fund)
- Credit Rating Electricity Offtake Counterparty: Standard & Poor´s: BBB with stable outlook, Moody's: Baa2 with positive outlook, Fitch: BBB- with stable outlook
- Specifications of the Power Purchase Agreement: Statutorily guaranteed feed-in-tariff rate of PHP 9.68 (USD 0.23) per kWh plus an annual escalation in electricity prices to account for inflation and exchange rate fluctuations. The rate has been set and approved for 20 years by the Government's Energy Regulatory Commission.

Financial result (In EUR)

	Amount (in EUR)	Exit	Cash on Cash ROI	Multiple	IRR
Project development financing	2,426,732	3,270,253	843,521	1.35 x	119.80%
Construction financing	22,597,096	30,197,445	7,600,349	1.34 x	23.13%
Equity investment	7,945,466	12,186,852	4,241,386	1.53 x	34.01%
Total investment/ financing	**32,969,294**	**45,654,550**	**12,685,256**	**1.38 x**	**27.89%**

MANAGEMENT REPORT OF THE FUND AS AT DECEMBER 31, 2015 (CONTINUED)

Purchaser

The purchaser of SaCaSol, Philippine Investment Alliance for Infrastructure (PINAI), is a closed-end fund, which was established jointly by the institutional investors GSIS, APG and Macquarie, in order to invest in the rapidly-expanding infrastructure market of the Philippines. The fund had its first and final close in July 2012, raising PHP 26 billion (USD 633,605,458) of commitments. The manager of the fund is Macquarie Infrastructure Management (Asia) Pty Limited Singapore Branch (MIMAL), a member of Macquarie Infrastructure and Real Assets (MIRA).

Social Impact

The sale of the first solar power plants is a benchmark transaction for finance, social responsibility, and energy sustainability in the region. It is therefore also a benchmark for the vertical integration of infrastructure projects.

Firstly, the plants produce necessary required sustainably- and locally-generated electricity on Negros Island, not only for its major regional cities, but rural areas too. They allow the emergence of industrial and commercial centres, power machines in the factories and workshops thus make a vital contribution to economic development on Negros. They also bring light into schools and hospitals, provide the option to store food and keep it cool, and enable modern communication, thus opening up access to knowledge and education.

Secondly, the construction and operation of the plants has brought work into a region previously dominated by agriculture, with the exponential effect that, due to the additional purchasing power, further jobs have been created in the regional economy, in manual trades, in business and in the services sector.

Looking back on the investments made to date and assessing these, the follow-up investments in downstream industries are particularly striking. When a local motorbike dealer sells 600 small motorbikes in just a few months, generating an increase in turnover of several thousand percent, as newly appointed workers want to use these to get to work on our solar building site, the macroeconomic benefits are very clear. New mobility creates opportunities to find work, export prosperity even to remote regions and trigger follow-on investment. For ThomasLloyd, this is an intended side effect of our sustainable investments.

Consequently, in a period of around two years between project acquisition and sale of the power plant, not only have the aims of ThomasLloyd investors been achieved, but also a significant and sustainable improvement to the living conditions of the local people.

MANAGEMENT REPORT OF THE FUND AS AT DECEMBER 31, 2015 (CONTINUED)

Negros Island Solar Power Inc.

Transaction 2

ThomasLloyd CTI Asia Holdings Pte Ltd – a subsidiary of ThomasLloyd SICAV-SIF-Cleantech Infrastructure Fund – sold on September 14, 2015 its 90% economic rights in operating company, Negros Island Solar Power Inc. (ISLASOL) to PINAI. The sale included the 32 MWp solar facility ISLASOL I at La Carlota City and the 48 MWp solar facility ISLASOL II in Manapla, both in Negros Occidental, Philippines. At the time of sale, both facilities, previously known as SaCaSol II and SaCaSol III, were still in construction.

Overview of ISLASOL

- Output: 80 MWp
- Aggregate project site: 1,085,300 m2
- Solar irradiation at project sites: ISLASOL I: 1,843 kWh/m²/year (PV Syst) and ISLASOL II: 1,911 kWh/m²/year (PV Syst)
- Reach of Electricity Supply: 173,000 people
- Workers on the construction sites: 3,000
- Tonnes of CO2 saved annually: more than 53,000
- Supplier/Manufacturer: Solar Panels: Conergy, Mounting Systems: Mounting Systems, Inverters: SMA Solar Technology, Monitoring System: Hensel, Cables and Wires: General Cable, Philflex, Spaced Aerial Cables: Bangkok Cable, Junction Boxes, Optical Cables, Connectors and Tool, Boxes: Huber+Suhner, Transformers: Schneider Electric
- General Contractor (EPC): Conergy Asia & ME, SJR Industrial Construction, Schema Konsult, Inc.
- Operations & Maintenance: Conergy Asia & ME
- Electricity Offtake Counterparty:
  - Interconnection Agreement with National Grid Corporation
  - Renewable Energy Purchase Agreement with National Transmission Corporation (Administrator of the government backed Feed-in Tariff Fund)
- Credit Rating Electricity Offtake Counterparty: Standard & Poor´s: BBB with stable outlook, Moody‘s: Baa2 with positive outlook, Fitch: BBB- with stable outlook
- Specifications of the Power Purchase Agreement: Statutorily guaranteed feed-in- tariff degressed rate of PHP 8.69 (USD 0.19) per kWh plus an annual escalation in electricity prices to account for inflation and exchange rate fluctuations. The rate has been set and approved for 20 years by the Government‘s Energy Regulatory Commission.

Financial result (In EUR)

	Amount (in EUR)	Exit	Cash on Cash ROI	Multiple	IRR
Equity investment ISLASOL I	27,117,098	30,459,549	3,342,451	1.12 x	12.26%
Equity investment ISLASOL II	7,440,106	8,711,737	1,271,631	1.17 x	15.02%
Total investment	**34,557,204**	**39,171,286**	**4,614,082**	**1.13 x**	**12.91%**

Purchaser

The purchaser of ISLASOL is PINAI.

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To the Partners of
ThomasLloyd SICAV -
SIF 5, Allee Scheffer
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REPORT OF THE REVISEUR D'ENTREPRISES AGREE

Following our appointment by the resolution of the Partners of ThomasLloyd SICAV - SIF, S.C.S. *(Societe en Commandite Speciale)* ("the SICAV") dated April 5, 2016 we have audited the accompanying financial statements of ThomasLloyd SICAV-SIF, which comprise the statement of financial position as at 31 December, 2015, and the statement of comprehensive income, statement of changes in net assets attributable to the Partners and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Responsibility of the Board of Managers of the General Partner of the SJCAV's for the financial statements

The Board of Managers of the General Partner of the SICAV is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards as adopted in the European Union and for such control as the Board of Managers of the General Partner of the SICAV determines is necessary to enable the preparation of financial statements that are free from material rnisstatement, whether due to fraud or error.

Responsibility of the reviseur d'entreprises agree

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing as adopted for Luxembourg by the *Commission de Surveillance du Secteur Financier.* Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

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RCS Luxembourg B 67.895
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An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the *reviseur d 'entreprises agree's* judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the *reviseur d'entreprises agree* considers intemal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as weil as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our op1ruon, the financial statements give a true and fair view of financial position of ThomasLloyd SICAV-SIF as at December 31, 2015, and of the results of its operations, changes in its statement of changes in net assets attributable to the Partners and its cash flows for the year then ended in accordance with the International Financial Reporting Standards as adopted in the European Union.

Other matters

The financial statements of the SICAV as at December 31, 2014 and for the period from September 3, 2014 (date of incorporation) to December 31, 2014, were audited by another Reviseur d' entreprises agree who expressed a disclaimer of opinion around the fair value of certain investments on these statements on January 12, 2016.

Following the decision of the Board of Managers of the General Partner to establish the financial statements under the International Financial Reporting Standards as adopted in the European Union, the SICAV has retrospectively applied the International Financial Reporting Standards as adopted in the European Union, therefore amending the opening balance and comparative figures. As part of our audit procedures on this retrospective application, we have been able to obtain sufficient appropriate audit evidence on the valuation of the investments as at December 31, 2014.

Deloitte.

Supplementary information included in the financial statements has been reviewed in the context of our mandate but has not been subject to specific audit procedures carried out in accordance with the standards described above. Consequently, we express no opinion on such information. However, we have no observation to make concerning such information in the context of the financial statements taken as a whole.

For Deloitte Audit, *Cabinet de revision agree*

David Osville, *Reviseur d'entreprises agree*
Partner

June 30, 2016

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED DECEMBER 31, 2015

(expressed in EUR)

	Note	For the year ended December 31, 2015	Period from September 3, 2014 (date of incorporation) to December 31, 2014
Fees and expenses			
Formation expenses	2.1	(70,742)	(180,171)
Professional fees		(87,941)	(158,993)
Administration and custody fees		(210,221)	(39,768)
General partner fees	11.3	(45,000)	(6,521)
Management fees	11.2	(1,493,633)	(251,512)
Total fees and expenses		**(1,907,536)**	**(644,484)**
Finance income			
Net foreign exchange losses on cash and cash equivalents		(727)	-
Other financial income	10	217,027	-
Total finance income		**216,300**	-
Net gain/loss on financial assets		**(6,079,996)**	**(11,751,024)**
Profit before tax		**(7,771,232)**	**(12,395,507)**
Subscription tax	2.8	(7,431)	(1,946)
Net assets attributable to partners		**(7,778,663)**	**(12,397,454)**
Attributable to Limited Partner		(7,778,568)	(12,397,302)
Attributable to General Partner		(95)	(152)

The accompanying notes form an integral part of these Financial Statements.

STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31, 2015

(expressed in EUR)

	Note	As at December 31, 2015	As at December 31, 2014
Assets			
Non-current assets			
Financial assets at fair value through profit or loss	2.4, 4	63,935,072	70,015,068
Current assets			
Cash and cash equivalents	2.5, 8	33,293	2,000
Total assets		***63,968,365***	***70,017,068***
Equity			
General Partner Interest		1,000	1,000
Retained earnings		(247)	(152)
Total Equity		***753***	***848***
Liabilities			
Current liabilities			
Other payables and accrued expenses	2.7, 9	2,376,390	646,430
Total liabilities		***2,376,390***	***646,430***
Net assets attributable to the partners at the end of the year/period		***61,591,222***	***69,369,790***
Represented by			
Limited Partner Interest			
Number of interest		1	1
Net asset value per interest		EUR 753.25	EUR 848.38
Class EUR A LP Interest			
Number of interest		81,766.09	81,766.09
Net asset value per interest		EUR 753.25	EUR 848.38

The accompanying notes form an integral part of these Financial Statements.

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO THE PARTNER FOR THE YEAR ENDED DECEMBER 31, 2015

(expressed in EUR)

	Note	Initial Limited Partner	Class EUR A Limited Partners	Total
As at September 3, 2014 (date of incorporation)		–	–	–
Capital contribution		1,000	81,766,092	81,767,092
Decrease in net assets attributable to Partners		(152)	(12,397,151)	(12,397,302)
Net assets attributable to the partners as at December 31, 2014		**848**	**69,368,941**	**69,369,790**
Net increase in capital transactions		848	69,368,941	69,369,790
Decrease in net assets attributable to Partners		(95)	(7,778,473)	(7,778,568)
Net assets attributable to the Partners as at December 31, 2015		**753**	**61,590,469**	**61,591,222**

The accompanying notes form an integral part of these Financial Statements.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED DECEMBER 31, 2015

(expressed in EUR)

	Note	For the year ended December 31, 2015	For the period ended December 31, 2014
Cash flows from operating activities			
Decrease in net assets attributable to Partners		*(7,778,663)*	*(12,397,454)*
Adjustment for:			
- Decrease/(Increase) in financial assets at fair value through profit or loss		*6,079,997*	*11,751,024*
Net changes in operating assets and liabilities		***(1,698,666)***	***(646,430)***
Increase in trade and other payables		*1,729,962*	*646,430*
Net cash flow generated by operating activities		***31,294***	***(0)***
Net cash flow generated by/(used in) investing activities		***31,294***	***(81,766,092)***
Cash flows from financing activities			
Proceeds from issuance of share	*7*	*–*	*81,768,092*
Net cash flow used in financing activities		***–***	***81,768,092***
Net decrease in cash and cash equivalents		*31,294*	*2,000*
Cash and cash equivalents at beginning of the year/period		*2,000*	*–*
Cash and cash equivalents at end of year/period		***33,293***	***2,000***

The accompanying notes form an integral part of these Financial Statements.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1 – GENERAL INFORMATION

1.1 The Fund

ThomasLloyd SICAV-SIF ("The Fund") has been incorporated on September 3, 2014 in the Grand Duchy of Luxembourg as a limited partnership (société en commandite simple), qualifying as an investment company with variable capital – specialised investment fund (société d'investissement à capital variable – fonds d'investissement spécialisé) governed by Part II of the Law of February 13, 2007 (the "SIF Law") and qualifying as an Alternative Investment Fund under the Law of July 12, 2013 (the "AIFM" Law).

The Fund is governed by a Limited Partnership Agreement (the "LPA") dated September 3, 2015, as amended on May 11, 2016.

As a Luxembourg limited partnership (société en commandite simple), the Fund has two categories of Partners:

1) the Unlimited Partner or General Partner (associé commandité) holding one General Partner Interest ("GP Interest") (part d'intérêt de l'associé commandité), which is liable without any limits for any obligations of the Fund that cannot be met out of the assets of the Fund; and

2) the Limited Partners (associés commanditaires) holding the Limited Partners Interests ("LP Interests") (parts d'intérêt des associés commanditaires), the liability of which is limited to the amount of their investments in the Sub-Funds. Limited Partner Interest can be of different classes:

   Class EUR A LP Interests, denominated in EUR

   Class GBP A LP Interests, denominated in GBP

   Class CZK A LP Interests, denominated in CZK

   Class USD A LP Interests, denominated in USD

   Class CHF A LP Interests, denominated in CHF

   Class PLN A LP Interests, denominated in PLN

   Class HUF A LP Interests, denominated in HUF

   Class HKD A LP Interests, denominated in HKD

   Class RMB A LP Interests, denominated in CNY

   Class SGD A LP Interests, denominated in SGD

   Class AUD A LP Interests, denominated in AUD

   Class JPY A LP Interests, denominated in JPY

   Class NZD A LP Interests, denominated in NZD

   Class TRY A LP Interests, denominated in TRY

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 financial statements were authorized for issue by the General Partner on June 30, 2016.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 1 – GENERAL INFORMATION (CONTINUED)

1.1 The Fund (continued)

The Fund's registered office is located at 5, Allée Scheffer, L-2520 Luxembourg, 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 initiator of the Fund is the General Partner, ThomasLloyd Capital Partners S.à r.l., a private limited liability company (société à responsabilité limitée) organized under the laws of Luxembourg established on August 25, 2014 with a capital of EUR 12,500. The articles of incorporation of the General Partner were published in the Memorial. The General Partner is registered with the Registre de Commerce et des Sociétés, Luxembourg, under number B 189 872 and its registered office is established at 5 Allée Scheffer, L-2520 Luxembourg.

The General Partner is wholly-owned by ThomasLloyd Capital LLC, itself a wholly-owned subsidiary of ThomasLloyd Group Ltd, a company registered in the United Kingdom.

The General Partner has appointed MDO Management Company S.A. ("the AIFM") under the terms and conditions of an AIFM Agreement entered into on September 3, 2014 and in accordance with the SIF Law and 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 Limited Partnership Agreement (the "LPA") and Luxembourg laws and regulations in the exclusive interest of the Partners. 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 LPA and 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.

1.2 The Sub Funds

The Fund has an umbrella structure and may consist of several Sub-Funds, which may have a limited lifetime. In accordance with article 71 of the SIF Law, 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 regarded as being separate from the other Sub-Funds.

To this date, the Fund has created only one Sub-Fund: ThomasLloyd SICAV-SIF – Cleantech Infrastructure Fund (the "Sub-Fund").

The objective of the Sub-Fund is to achieve an attractive return from capital invested, while reducing investment risks through diversification across countries, sectors and investment styles. In seeking to achieve its investment objectives, the Sub-Fund will invest in a widely spread portfolio of investment projects in the area of sustainable power generation from renewable energies, as well as the associated efficient power transmission and power distribution with a geographical focus on Asia.

Subject to applicable limits, the General Partner, acting on behalf of the Sub-Fund, may borrow funds only indirectly through a subsidiary.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

2.1 Basis of preparation

As at December 31, 2014, the financial statements were presented in EUR and were prepared in accordance with the Luxembourg legal and regulatory requirements relating to investment funds and accounting principles generally accepted in Luxembourg ("Luxembourg GAAP"). The preparation of the financial statements required the Board of Managers of the General Partner to make estimates and assumptions that affect certain amounts reported in the financial statements. Although these estimates were subject to uncertainties, they were based on the Board of Managers of the General Partner's best knowledge of current events and actions. It was reasonably possible, on the basis of the existing knowledge that outcomes within the next financial year might differ from these estimates.

Following the Board of Managers of the General Partner held on March 29, 2016, it has been decided to prepare, starting January 1, 2015, the financial statements in conformity with IFRS, as adopted in the European Union ("IFRS").

The present 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 Fund has a net asset position as at December 31, 2015. Thomaslloyd Cleantech Infrastructure Fund GmbH as the sole shareholder has agreed to fund the Fund's current term liabilities should this prove necessary.

The Managers of the General Partner of the Fund are 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.

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.

a) Standards and amendments to existing standard effective January 1, 2015

There are no standards, interpretations or amendments to existing standards that are effective for the first time for the financial year beginning January 1, 2015 that would be expected to have a material impact on the Fund.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation (continued)

b) New standards, amendments and interpretations effective January 1, 2015 and have not been early adopted

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after January 1, 2015, and have not been applied in preparing these financial statements. None of these are expected to have a significant effect in the financial statements of the Fund, except the one set out below:

IFRS 9, 'Financial instruments', addresses the classification, measurement and recognition of financial assets and financial liabilities. The complete version of IFRS 9 was issued in July 2014. It replaces the guidance in IAS 39 that relates to the classification and measurement of financial instruments. IFRS 9 retains but simplifies the mixed measurement model and establishes three primary measurement categories for financial assets: amortised cost, fair value through Other Comprehensive Income and fair value through Profit and Loss. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. Investments in equity instruments are required to be measured at fair value through profit or loss with the irrevocable option at inception to present changes in fair value in OCI not recycling. There is now a new expected credit losses model that replaces the incurred loss impairment model used in IAS 39. For financial liabilities there were no changes to classification and measurement except for the recognition of changes in own credit risk in other comprehensive income, for liabilities designated at fair value through profit or loss. IFRS 9 relaxes the requirements for hedge effectiveness by replacing the bright line hedge effectiveness tests. It requires an economic relationship between the hedged item and hedging instrument and for the 'hedged ratio' to be the same as the one management actually use for risk management purposes. Contemporaneous documentation is still required but is different to that currently prepared under IAS 39. The standard is effective for accounting periods beginning on or after January 1, 2018. Early adoption is permitted, subject to European Union endorsement. The Fund is yet to assess IFRS 9's full impact.

c) First time adoption of IFRS

Investment valuation

The opening of the statement of financial position is presented to reflect the accounting position as at December 31, 2014, in accordance with IFRS 1. The adoption of this standard did not have a material impact on the Fund, except for the adjustment on formation expenses, as described below.

The valuation of the investments was presented at fair value as at December 31, 2014, in accordance with the SIF Law. The valuation methodology was concluded to be in line with IFRS requirements.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Formation expenses

Under Luxembourg GAAP, the amortisation of the formation expenses was scheduled over a period of 5 years. Following the change of accounting policy from Luxembourg GAAP to IFRS, which occurred on January 1, 2015, the formation expenses are no longer amortised and are recorded in full for the year ended December 31, 2014 in the statement of comprehensive income, under the caption “Formation expenses”.

The tables below detailed the following reconciliations as at December 31, 2014:

- Between equity reported under Luxembourg GAAP and IFRS,
- Between comprehensive income under Luxembourg GAAP and IFRS

Net assets as at December 31, 2014 in accordance with Luxembourg GAAP	**69,545,163**
Adjustment to formation expenses in accounting	(174,525)
General Partner Interest considered as equity under IFRS	(848)
Net assets as at December 31, 2014 in accordance with IFRS	**69,369,790**

Total comprehensive income for the period ended December 31, 2014 in accordance with Luxembourg GAAP	**(12,222,929)**
Adjustment to formation expenses in accounting	(174,525)
Total comprehensive income for the period ended December 31, 2014 in accordance with IFRS	**(12,397,454)**

The change of accounting policy did not have any impact on the cash flows during the period ended December 31, 2014.

2.2 Foreign Currency Translation

a) 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 Class A LP Interest, as disclosed in Note 1.1. The performance of the Fund is measured and reported to the investors in EUR.

The General Partner 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.

b) 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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Foreign Currency Translation (continued)

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 December 31, 2015, the following exchange rate has been used: 1 EUR = 1.0866 USD.

2.3 Investment entity and consolidation

The Fund targets to have multiple investors and holds multiple investments. Ownership interests in the Fund are classified as liabilities under the provisions of IAS 32. The Fund has been deemed to meet the definition of an investment entity per IFRS 10 as the following conditions are met:

i) The Fund has obtained funds for the purpose of providing investors with professional investment management services;

ii) The Fund's business purpose, which was communicated directly to investors, is investing for capital appreciation and investment income;

iii) The investments are measured and evaluated on a fair value basis.

The Fund does not have any other subsidiaries other than those determined to be controlled subsidiary investments. Controlled subsidiary investments are measured at fair value through profit or loss and are not consolidated, in accordance with IFRS 10. The fair value of controlled subsidiary investments is determined on a consistent basis to all other investments measured at fair value through profit or loss, and as described in the fair value estimation notes below.

Controlled subsidiary investment includes one holding company, over which the Fund has the power to govern the financial and operating policies, generally accompanying a shareholding of an interest of more than one half of the voting rights or otherwise. This holding company is a subsidiary that has been incorporated for the purpose of holding underlying investments on behalf of the Fund. The holding company has no operations other than providing a vehicle for the acquisition, holding and onward sale of certain portfolio investment companies. The holding company is also reflected at its fair value, with the key fair value driver thereof being the investment in the underlying portfolio company investments that the holding company holds on behalf of the Fund.

The holding company requires no consolidation as the holding company is not deemed to be providing investment related services, as defined by IFRS 10.

Where the Fund is deemed to control an underlying portfolio company, either directly or indirectly, and whether the control be via voting rights or through the ability to direct the relevant activities in return for access to a significant portion of the variable gains and losses derived from those relevant activities, the underlying portfolio company and its results are also not consolidated and are instead reflected at fair value through the profit or loss. The Fund is directly invested in two such portfolio companies.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.4 Financial assets at fair value through profit or loss

a) Classification

Financial assets designated as at fair value through profit or loss upon initial recognition are financial instruments, which are not classified as held for trading but are managed in accordance with risk management and investment strategies of the Fund. Their performance therefore is evaluated on a fair value basis.

The Fund's policy requires the Investment Advisor, the General Partner and the AIFM to evaluate these financial assets and liabilities on a fair value basis together with other related financial information. Assets and liabilities in this category are classified as current assets and current liabilities, if they are expected to be realised within 12 months of the balance sheet date. Those not expected to be realised within 12 months of the balance sheet date will be classified as non-current.

b) Recognition, derecognition, initial and subsequent measurement

The Fund recognises a financial asset when, and only when, it becomes a party to the contractual provisions of the instruments at the date that the Fund commits to purchase or sell the financial instrument.

Financial assets at fair value through profit and loss are recorded in the statement of financial positions at fair value. All transaction costs for such instruments are recognised directly in profit and loss.

Financial assets are derecognised when the rights to receive cash flows from the assets have expired or the Fund has transferred substantially all risks and rewards of ownership.

After initial measurement, the Fund measures financial assets, which are classified as at fair value, through profit or loss at fair value. Gains and losses arising from changes in the fair value of the "financial assets at fair value through profit or loss" category 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" in the period in which they arise.

c) Fair value estimation

As at December 31, 2015, Financial Assets are valued at fair value in accordance with the guidelines and principles for valuation of portfolio companies set out by the International Private Equity and Venture ("IPEV") Board. The IPEV Board develops valuation guidelines used by the private equity and venture capital industry for valuing private equity investments, which provide a framework for fund managers and investors to monitor the value of existing investments.

Valuation has been delegated by the AIFM to Duff and Phelps (the "External Valuer"). The External Valuer is not affiliated to the Investment Advisor and is a leading global provider of valuation services. They value the assets using a formal set of guidelines on the basis of widely accepted valuation standards, adapted as necessary to respect individual market considerations and practices.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.4 Financial assets at fair value through profit or loss (continued)

The scope of work of the External Valuer is to value the equity and debt investments in the construction project San Carlos Biopower Inc, and the debt invested in the development of South Negros Biopower Inc, as held within TLCTI Asia, a subsidiary of the Fund. Given the sale of the asset during 2015, the equity valuation in San Carlos Solar Energy Inc. has been corroborated with the final sales price.

Management has reviewed, commented and accepted the recommendation for the equity fair value of San Carlos Biopower, Inc and for the fair value of the debt of San Carlos Biopower Inc. and South Negros Biopower Inc., based on the independent valuation agent's report for December 31, 2015.

The development project of North Negros Biopower Inc., is not subject to the valuation performed by the External Valuer. The Fund only provided debt financing during 2015 and holds only debt financing at year-end 2015. Prior to financial close, the Fund plans to invest construction debt and equity into this project, at which time it will be included in the scope of work for the External Valuer.

c) Fair value estimation (continued)

As a general principle, the key criteria in selecting a methodology for estimating the fair value is that it should be appropriate in light of the nature, facts and circumstances of the investment, using reasonable data and market inputs, assumptions and estimates. When deemed appropriate and applicable, in accordance with generally accepted valuation methodologies, each equity investment's fair value is estimated by the General Partner using an income approach.

The Income Approach begins with an estimation of the annual cash flows expected to be generated over a discrete projection period. The estimated cash flows for each of the years in the discrete projection period are then converted to their present value equivalent using a rate of return appropriate for the risk of achieving the projected cash flows. The present value of the estimated cash flows is then added to the present value equivalent of the residual value of the Investment (if any) or the business at the end of the discrete projection period to arrive at an estimate of Fair Value. One may then adjust the Enterprise Value for surplus or non-operating assets or excess liabilities and relevant factors to derive an Adjusted Enterprise Value for the Borrower.

2.5 Cash and cash equivalents

Cash and cash equivalents include cash in hand and bank overdrafts. As at December 31, 2015 and 2014, the carrying amount of cash and cash equivalents reflects their fair value.

2.6 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.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.7 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 Interest in the Fund.

2.8 Net assets attributable to the partners

The Fund classifies financial instruments issued as financial liabilities or equity instruments in accordance with the substance of the contractual terms of the instruments.

The Fund has two main classes of interest in issue: General Partner Interest and Limited Partners Interest. General Partner Interest is subscribed by the General Partner as unlimited partner of the Fund and is classified as equity. Limited Partners Interest are subscribed by the Limited Partners and entitle their holders to receive distribution according to the Offering Memorandum.

Limited Partners Interest are classified as financial liabilities and are measured at the present value of the redemption amounts. Limited Partners Interest can be converted into other classes of Limited Partners Interest and such converted interest shall be cancelled and the General Partner shall determine whether partners of any particular class of shares may request redemption.

2.9 Distributions

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

Class EUR A, Class GBP A, Class CZK A and Class USD A are accumulating classes (as defined in the Offering Memoradum), i.e. no distributions will be made to these Classes.

2.10 Income and expenses

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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 3 – SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

3.1 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

3.2 Fair value of investments not quoted in an active market

The fair values of securities that are not quoted in an active market, are determined by using valuation techniques, primarily earnings multiples, discounted cash flows and recent comparable transactions. The models used to determine fair values are validated and periodically reviewed by the General Partner. The inputs in the earnings multiples models include observable data, such as earnings multiples of comparable companies to the relevant portfolio company, and unobservable data, such as forecast earnings for the portfolio company. In discounted cash flow models, unobservable inputs are the projected cash flows of the relevant portfolio company and the risk premium for liquidity and credit risk that are incorporated into the discount rate. However, the discount rates used for valuing equity securities are determined based on historic equity returns for other entities operating in the same industry, and for which market returns are observable. Management uses models to adjust the observed equity returns to reflect the actual debt/equity financing structure of the valued equity investment.

Models are calibrated by back-testing to actual results/exit prices achieved to ensure that outputs are reliable.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 4 – FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

As at December 31, 2015 and 2014, the Fund holds the following equity investments and debt investments which are classified as financial assets at fair value through profit or loss:

				December 31, 2015 In EUR			
Investment	**Type**	**Currency**	**Ownership %**	**Cost in investment CCY**	**Cost EUR**	**Fair value EUR**	**Fair value adj. EUR**
ThomasLloyd CTI Asia Holdings Pte. Ltd. (1)	Equity	USD	100%	69,471,849	63,798,507	63,935,072	136,565
	Total				**63,798,507**	**63,935,072**	**136,565**
ThomasLloyd Clean Energy Cambodia (2)	Equity	KHR		4,000,000	798	**-**	(798)
	Total			-	**798**	-	**(798)**
	Total				**63,799,305**	**63,935,072**	**135,767**

				December 31, 2014 In EUR			
Investment	**Type**	**Currency**	**Ownership %**	**Cost in investment CCY**	**Cost EUR**	**Fair value EUR**	**Fair value adj. EUR**
ThomasLloyd CTI Asia Holdings Pte. Ltd. (1)	Equity	USD	100%	100,000	79,802	82,658	2,856.20
	Loan	USD	100%	98,993,011	78,998,492	68,330,992	(10,667,500)
	Loan	PHP	100%	86,698,400	1,538,379	1,601,418	63,039
	Total				**80,616,673**	**70,015,068**	**(10,601,605)**
ThomasLloyd Clean Energy Cambodia (2)	Equity	USD	100%	1,000	798	-	-
	Loan	USD	100%	1,439,337	1,148,621	-	-
	Total				**1,149,419**	**-**	**-**
	Total				**81,766,092**	**70,015,068**	**(10,601,605)**

(1) On May 19, 2016, the receivables held by the Sub-Fund towards ThomasLloyd CTI Asia Holdings Pte. Ltd. were converted into 69,223,458 ordinary shares with a nominal value of USD 1 each, as payment in kind of the total receivable of EUR 80,616,673 (corresponding to USD 100,934,544 as at December 31, 2014). The effective date of the transaction was December 31, 2015.
As at December 31, 2015, the Sub-Fund holds 69,323,458 ordinary shares issued by ThomasLloyd CTI Asia Holdings Pte. Ltd. The net loss arising from this transaction, for an amount of EUR 6,079,996 is presented in the statement of comprehensive income under the caption Gain/loss on financial assets.

(2) The investment held in loan and equity in ThomasLloyd Clean Energy Cambodia has been fully impaired as at December 31, 2014. The impairment has been recognized in the statement of comprehensive income for the period ended December 31, 2014, under the caption Other net changes in fair value of financial assets at fair value through profit and loss.

NOTE 4 – FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

The tables below described the financial results of the transactions which occurred during the year ended December 31, 2015:

San Carlos Solar Energy Inc.

	Amount (in EUR)	Exit	Cash on Cash ROI	Multiple	IRR
Project development financing	2,426,732	3,270,253	843,521	1.35 x	119.80%
Construction financing	22,597,096	30,197,445	7,600,349	1.34 x	23.13%
Equity investment	7,945,466	12,186,852	4,241,386	1.53 x	34.01%
Total investment/ financing	**32,969,294**	**45,654,550**	**12,685,256**	**1.38 x**	**27.89%**

Negros Island Solar Power Inc.

	Amount (in EUR)	Exit	Cash on Cash ROI	Multiple	IRR
Equity investment ISLASOL I	27,117,098	30,459,549	3,342,451	1.12 x	12.26%
Equity investment ISLASOL II	7,440,106	8,711,737	1,271,631	1.17 x	15.02%
Total investment	**34,557,204**	**39,171,286**	**4,614,082**	**1.13 x**	**12.91%**

The Fund invests in projects in the Philippines through its wholly owned subsidiary ThomasLloyd CTI Asia Holdings Pte Ltd. ("TLCTI Asia"), a private limited company incorporated and domiciled in Singapore. This then holds investments directly and indirectly, as detailed below:

Investments directly held by TLCTI Asia:

- South Negros Biopower Inc. ("SNBP") is engaged in the business of constructing, operat-ing, managing and maintaining bio energy systems and services for steam and electricity, including bulk procurement, marketing, and setting up the arrangements of the same energy systems as necessary for the generation, transmission, distribution, sale and de-livery of electricity to domestic, commercial, industrial users or distribution companies, and the acquisition and/or lease of franchises from private and/or government entities and such other rights and activities incidental thereto. This is a 25 MW project.

  As at December 31, 2015, South Negros Biopower Inc. was in late stage of development. It entered construction in Quarter 2 2016, formally breaking ground on April 6 2016, and is anticipated to connect to the grid in Quarter 4 2017.

NOTE 4 – FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

- North Negros Biopower Inc. (formerly Central Tarlac Biopower Inc.) is engaged in the business of constructing, operating, managing and maintaining bio energy systems and services for steam and electricity, including bulk procurement, marketing, and setting up the arrangements of the same energy systems as necessary for the generation, transmission, distribution, sale and delivery of electricity to domestic, commercial, industrial users or distribution companies, and the acquisition and/or lease of franchises from private and/or government entities and such other rights and activities incidental thereto. This is a 25 MW project.

  As at December 31, 2015, North Negros Biopower Inc. ("NNBP") is in late stage of development, anticipated to start construction in Quarter 4 2016 and grid connect in Quarter 2 2018.

Investments indirectly held by TLCTI Asia:

- San Carlos Biopower Inc. ("SCBP"), which is held through a wholly owned subsidiary of TLCTI Asia , ThomasLloyd CTI Philippines Holdings Inc., is engaged in the business of constructing, operating, managing and maintaining bio energy systems and services for steam and electricity, including bulk procurement, marketing, and setting up the arrangements of the same energy systems as necessary for the generation, transmission, distribution, sale and delivery of electricity to domestic, commercial, industrial users or distribution companies, and the acquisition and/or lease of franchises from private and/or government entities and such other rights and activities incidental thereto. This is a 19.99 MW project.

  As at December 31, 2015, SCBP is in construction and is anticipated to grid connect in Quarter 1 2017.

On 4 June 2015, TLCTI Asia signed a Sale and Purchase Agreement to sell the shares in San Carlos Solar Energy Inc. ("SACASOL"), which included the assets of IA/IB of 22 MW and IC/ID of 23 MW, to a consortium of major regional financial institutions, Philippine Investment Alliance for Infrastructure (PINAI). The same consortium, as of September 15, 2015, acquired the rights to the remaining solar capacity of 80 MW in the Philippines by way of a Framework Agreement. The consideration for the sale of shares in SACASOL and the waiver of its rights in the remaining solar assets is USD 73,463,246. The Agreement allows for a potential additional waiver amount of up to USD 5,985,672 for any revenue earned by the remaining solar assets between the date of the Framework Agreement of September 2, 2015 and March 24, 2016.

The Fund is not entitled to 100% of the sale proceeds but only to USD 52,930,773 of USD 73,463,246 based on its investment consisting of realization of equity, premium thereon, debt and accrued interest at the point of sale. The Limited Partner is entitled to USD 20,532,473 of the amount of USD 52,930,773, as it has continued to provide additional debt finance to complete the construction of the projects. The amount consists of additional debt and accrued interest thereon. The Fund is entitled to 100% of the potential additional waiver amount of USD 5,985,672.

The sales price of USD 52,930,773 is slightly higher than the valuation at year-end 2014 of USD 51,700,637 due to the accrual of interest in 2015 at the point of sale.

NOTE 5 – FAIR VALUE OF FINANCIAL INSTRUMENTS

The Fund adopted IFRS 13 in respect of disclosures about the degree of reliability of fair value measurements. This requires the Fund to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

(i) Level 1: Investments whose values are based on quoted market prices in active markets, and therefore classified within level 1. Quoted prices for these instruments are not adjusted.

(ii) Level 2: Financial instruments that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within level 2.

(iii) Level 3: Investments classified within level 3 have significant unobservable inputs, as they trade infrequently. Pricing inputs are unobservable for the investment and includes situations where there is little, if any, market activity for the investment. All the investments held by the Fund and classified as financial assets at fair value through profit or loss are included in this category. The inputs into the determination of fair value require significant management judgement or estimation. As observable prices are not available for these assets, the Fund has used valuation techniques to derive the fair value.

The determination of what constitutes observable inputs requires significant judgement by the General Partner in consultation with the Investment Advisor and the AIFM. The General Partner considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

All the Funds' financial assets and liabilities that are not measured at fair value at December 31, 2015 and December 31, 2014 are carried at values that reflect a reasonable approximation of their fair value.

The following table analyses within the fair value hierarchy the Fund's financial assets measured at fair value at December 31, 2015 and 2014:

December 31, 2015	Level 1	Level 2	Level 3	Total in EUR
Equity investments	-	-	63,935,072	63,935,072
Total financial assets	**-**	**-**	**63,935,072**	**63,935,072**

December 31, 2014	Level 1	Level 2	Level 3	Total in EUR
Equity investments	-	-	82,658	82,658
Debt instruments	-	-	69,932,410	69,932,410
Total financial assets	**-**	**-**	**70,015,068**	**70,015,068**

Investments classified within Level 3 make use of significant unobservable inputs in deriving fair value, as they trade infrequently. As observable prices are not available for these securities, the Fund has used valuation techniques to derive fair value. These techniques are described in Note 2.4.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 6 – FINANCIAL RISK MANAGEMENT

The objective of the Fund is to achieve an attractive return from capital invested, while reducing investment risks through diversification across countries, sectors and investment styles. The Fund's activities expose it to a variety of financial risks:

- market risk (including currency risk, interest rate risk and price risk);
- credit risk;
- liquidity risk.

The Fund's overall risk management programme seeks to maximise the returns derived for the level of risk to which the Fund is exposed and seeks to minimise potential adverse effects on the Fund's financial performance.

The management of these risks is carried out by the Investment Advisor under Risk Management Policy approved by the General Partner. The General Partner provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, price risk, credit risk, the use of derivative financial instruments and non-derivative financial instruments and the investment of excess liquidity.

The risks described below are those that are considered to be possible but are not necessarily the only risks that can materialise.

The Fund uses different methods to measure and manage the various types of risk to which it is exposed; these methods are explained below.

The Fund is subject to the law of February 13, 2007 relating to specialised Investment funds, which govern that the minimum capital of the Fund cannot be lower than EUR 1,250,000.

6.1 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Fund's income or the value of its holdings of financial instruments. Market risk embodies the potential for both gains and losses and includes currency risk, price risk and interest rate risk.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 6 – FINANCIAL RISK MANAGEMENT (CONTINUED)

6.1 Market risk (continued)

(a) Foreign exchange risk

Foreign exchange risk is the risk due to the assets and liabilities of the Fund held in foreign currencies, which will be affected by fluctuations in foreign exchanges rates. As at December 31, 2015 and 2014, the Fund is only exposed to foreign exchange risk through its financial assets as summarized in the following table:

As at December 31, 2015
Expressed in EUR

	EUR	USD	Total
Financial assets at fair value through profit or loss	–	63,935,072	63,935,072
Cash and cash equivalents	33,293	–	33,293
Other assets and liabilities	(2,376,390)	–	(2,376,390)
Total net assets/(liabilities)	**(2,343,097)**	**63,935,072**	**61,591,975**
% of NAV	**(3.80%)**	**103.80%**	**100.00%**

As at December 31, 2014
Expressed in EUR

	EUR	PHP	USD	Total
Assets				
Financial assets at fair value through profit or loss		1,601,417	68,330,993	70,015,068
Cash and cash equivalents	2,000	–		2,000
Other assets and liabilities	(646,430)	–		(646,430)
Total net assets/(liabilities)	**(644,430)**	**1,601,417**	**68,330,993**	**69,370,368**
% of NAV	**(0.93%)**	**2.29%**	**97.71%**	**100.00%**

Currency Sensitivity Analysis

As at December 31, 2015, the following exchange rate has been used: 1 EUR = 1.0866 USD.

As at December 31, 2015, had the USD strengthened by 5% in relation to EUR, with all other variables held constant, net assets and profit would have decreased by EUR 3,196,754.

A 5% weakening of the USD against EUR would have resulted in an equal but opposite effect, with all other variables held constant.

As at December 31, 2014, had the PHP and USD strengthened by 5% in relation to EUR, with all other variables held constant, net assets and profit would have decreased by EUR 3,496,621 (respectively EUR 80,071 and EUR 3,416,550).

A 5% weakening of the USD against EUR would have resulted in an equal but opposite effect, with all other variables held constant.

NOTE 6 – FINANCIAL RISK MANAGEMENT (CONTINUED)

6.1 Market risk (continued)

(b) Interest rate risk

The Fund may be subject to cash flow interest rate risk due to fluctuations in the prevailing levels of market interest rates on cash held at bank. As at December 31, 2015, the Fund holds only equity investments that are therefore non-interest bearing. Therefore, the Fund's exposure to interest rate risk currently is limited to its cash at bank.

(c) Price risk

Price risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk) whether those changes are caused by factors specific to the individual financial instrument or its issuer or by factors affecting all similar financial instruments traded in the market.

Portfolio investments will be subject to the risks inherent in all private equity investments. The portfolio investments may not be profitable at the time of investment and may experience substantial fluctuations in their operating results.

The table of the following page presents an overview of the investments in the Fund. This consists of a mix of equity, construction debt and pre-construction debts for projects going into construction.

As at December 31, 2015, the Fund is exposed indirectly to price risk through the investments held through the Fund's subsidiaries, as detailed below.

A 5% increase in the total fair value of the investments as at December 31, 2015 would have increased the net assets attributable to the partners by EUR 3,196,754 (December 31, 2014: EUR 3,500,753); an equal change in the opposite direction would have decreased the net assets attributable to holders of redeemable shares by an equal but opposite amount.

NOTE 6 – FINANCIAL RISK MANAGEMENT (CONTINUED)

6.1 Market risk (continued)

(c) Price risk (continued)

Investments Overview as at December 31, 2015

(expressed in EUR)

Investment/Project	Country	Nature of Company	Financing	Type of financing	Security over loan	Status of project	Valuation method	Cost	Fair value
ThomasLloyd CTI Asia Holdings Pte. Ltd:	The Republic of Singapore	Investment Holding	Share capital	Ordinary Shares				**63,821,476**	**63,935,072**
San Carlos Biopower Inc.	The Republic of the Philippines	BioEnergy	Equity & Debt Financing	Construction Debt	Assets of Company	In construction with grid-connection in Q1 2017	Income approach	30,772,274	34,145,800
South Negros Biopower Inc.	The Republic of the Philippines	BioEnergy	Debt Financing	Pre-construction Debt	Shares of Company	In construction Q2 2016 with grid-connection in Q4 2017	Income approach	3,561,568	1,490,630
North Negros Biopower Inc.	The Republic of the Philippines	BioEnergy	Debt Financing	Pre-construction Debt	Shares of Company	In construction Q1 2017 with grid-connection in Q3 2018	n/a	1,923,431	-
Thomas Lloyd CTI Phillipines Holdings Inc.	The Republic of the Philippines	Inevstment Holding	Share capital	Ordinary Shares				13,659,780	10,926,530
San Carlos Biopower Inc.	The Republic of the Philippines	BioEnergy	Equity & Debt Financing	Equity	Assets of Company	In construction with grid-connection in Q1 2017	Income approach	13,110,638	10,926,530

Sensitivity analysis:

Discount rate: The discount rate used was 13%. A 1% absolute change in discount rate will lead to a movement in the fair value of the Fund's Financial instruments of 9.7%, resulting in a fair value of EUR 57,732,237.

Currency Inflation: The inflation rate used was 3.4%. A 10% change in currency inflation will lead to a change in the fair value of the Fund's financial instruments of 4.3%, resulting in a fair value of EUR 61,174,166.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 6 – FINANCIAL RISK MANAGEMENT (CONTINUED)

6.2 Credit risk

Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss for the Fund by failing to discharge an obligation.

As at December 31, 2015, the Fund does not hold debt instrument and therefore its exposure to credit risk is limited to its cash and equivalents.

The Fund's policy is to minimize credit risk by entering into transactions only with leading financial institutions and reputable industrial companies. Any idle funds pending investment or distribution may temporarily be invested in money market instruments and other liquid assets at the discretion of the General Partner. Any such temporary investments must be placed with reputable prime rated institutions such as CACEIS Bank Luxembourg S.A. ("CACEIS BL") for all its cash management and potential credit risk relative to cash and cash equivalents. CACEIS BL, a member of the Crédit Agricole Group, is a major player in the asset servicing providers market and is one of the leaders in the French market. CACEIS Group is rated A/A-1 by Standard & Poors as at December 31, 2015 and 2014.

As at December 31, 2015 and 2014, there are no financial assets that are past due. As at December 31, 2015 and 2014, ThomasLloyd Clean Energy Company Ltd was fully impaired.

6.3 Liquidity risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous.

The Fund's exposure to liquidity risk is detailed in the table below.

As at December 31, 2015
Expressed in EUR

	Less than one year	More than one year	Total
Financial assets at fair value through profit or loss	–	63,935,072	63,935,072
Cash and cash equivalents	33,293	–	33,293
Other assets and liabilities	(2,376,390)	–	(2,376,390)
Total net assets/(liabilities)	**(2,343,097)**		**61,591,975**
% of NAV	**(3.80%)**	**103.80%**	**100.00%**

As at December 31, 2015, the Fund has not enough cash to cover all its liabilities. These liabilities have been then paid by the Limited Partners.

As at December 31, 2014
Expressed in EUR

	Less than one year	More than one year	Total
Financial assets at fair value through profit or loss	–	70,015,068	70,015,068
Cash and cash equivalents	2,000	–	2,000
Other assets and liabilities	(646,430)	–	(646,430)
Total net assets/(liabilities)	**(644,430)**	**70,015,068**	**69,370,638**
% of NAV	**(0.93%)**	**100.93%**	**100.00%**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 7 – NET ASSETS ATTRIBUTABLE TO PARTNERS

	As at December 31, 2015	As at December 31, 2014
GP Interest		
Number of interests	1.00	1.00
Net asset value per interest	EUR 753.25	EUR 850.52
LP Interest		
Number of interests	1.00	1.00
Net asset value per interest	EUR 753.25	EUR 850.52
Class EUR A LP Interests		
Number of interests	81,766.09	81,766.09
Net asset value per interest	EUR 753.25	EUR 850.52

The capital activity since the incorporation is depicted as follows for the Sub-Fund:

	Interest Type	LP Interest	GP Interest	Class EUR A LP Interest	Total
	Date	EUR	EUR	EUR	
Formation of Fund	26/08/2014	–	1,000.00	–	1,000.00
Formation of Fund	27/08/2014	1,000.00	–	–	1,000.00
Capital subscribed by Limited Partners	31/10/2014	–	–	81,766,091.77	81,766,091.77
Decrease in net assets attributable to the partners from operations	31/12/2014	(151.62)	(151.62)	(12,397,150.77)	(12,397,454.00)
Net assets value as at December 31, 2014		**848.38**	**848.38**	**69,368,941.00**	**69,370,637.77**
Decrease in net assets attributable to the partners from operations	31/12/2015	(95.13)	(95.13)	(7,778,472.74)	(7,778,663.00)
Net assets value as at December 31, 2015		**753.25**	**753.25**	**61,590,468.00**	**61,591,975.00**

NOTE 8 - CASH AND CASH EQUIVALENTS

As at December 31, 2015 and 2014, the caption “cash and cash equivalents” amounts to EUR 33,293 (2014: EUR 2,000) and is composed of cash account at CACEIS Bank Luxembourg.

NOTE 9 - OTHER PAYABLES AND ACCRUED EXPENSES

As at December 31, 2015 and 2014, this caption is composed as follows:

	As at December 31, 2015	As at December 31, 2014
	EUR	EUR
Legal and professional fees	81,941	182,241
Custody fees	2,117	7,662
Formation expenses	–	–
Administrative, domiciliation and transfer agent fees	179,343	25,585
Subscription tax	9,377	1,946
VAT payable	44,767	28,281
Management fees (Note 11.2)	1,745,145	251,512
Risk management services fees (Note 11.2)	41,520	21,520
General Partners fees (Note 11.3)	51,521	6,520
Other amounts payable to partners (Note 11.4)	220,659	121,162
Total	**2,376,390**	**646,430**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 10 - OTHER FINANCIAL INCOME

As at December 31, 2015, this caption is composed of EUR 17,028 corresponding to the cancellation of valuation fees on April 15, 2015 and of EUR 200,000, corresponding to an advance received from the General Partner on October 22, 2015.

NOTE 11 - RELATED PARTY TRANSACTIONS AND SIGNIFICANT AGREEMENTS

As at December 31, 2015, the related parties are as follows:

- MDO Management Company S.A., as the AIFM (Note 11.1),
- ThomasLloyd Capital Partners S.à r.l., as the General Partner (Note 11.3),
- ThomasLloyd Global Asset Management AG, as the Investment Advisor,
- ThomasLloyd Infrastructure GmbH, as Limited Partner,
- ThomasLLoyd Global Asset Management (Schweiz) AG, as limited Partner.

11.1 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, according to the following paragraphs (the "Performance Fee"). The Investment Advisor is entitled to 100% of the Performance Fee, which will be paid by the AIFM out of its Performance Fee. This amounted to EUR nil as of December 31, 2015.

The monthly Performance Fee calculated as follows:

- For an IRR of up to 8%: 25% of the corresponding Return;
- For an IRR between 8% and 15%: 33% of the corresponding Return;
- For an IRR over 15%: 50% of the corresponding Return.

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"). As at December 31, 2015, the Performance Fee is nil (2014: nil).

In addition, the AIFM is entitled to a Risk Management services fee for on-going risk monitoring and management for the Sub Fund. The AIFM charges EUR 20,000.00 p.a., to be paid monthly in arrears. As at December 31, 2015 EUR 41,520 was accrued (2014: EUR 21,520.55). As at December 31, 2014, this amount was split between EUR 15,000.00, attributable to the one-time Risk Management Set-Up Fee, and EUR 6,520.55, attributable to the annual Risk Management Fee.

11.2 Management fees

The AIFM is entitled to a monthly Management Fee in respect of Class EUR A LP Interest which stands at EUR 1,493,633 (2014: EUR 251,512) for Class EUR as at December 31, 2015 for the Sub-Fund Cleantech Infrastructure Fund. The Management Fee is to be paid monthly in arrears and equal to the twelfth part of 2% of the Sub-Fund's total monthly NAV.

11.3 General Partners fees

For on-going risk monitoring and management for the Sub-Fund, the General Partner charges EUR 45,000 p.a., to be paid monthly in arrears. As at December 31, 2015, EUR 51,251 was accrued (2014: EUR 6,521).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 11 - RELATED PARTY TRANSACTIONS AND SIGNIFICANT AGREEMENTS

11.4 - Other amounts payable to Partners/Shareholders

The Limited Partner of the Fund, ThomasLloyd Cleantech Infrastructure Fund GmbH, paid invoices amounting to EUR 220,659 (2014: EUR 121,162) in respect of incorporation of the Sub-Fund.

NOTE 12 - DISTRIBUTIONS

No distributions have been made during year ended December 31, 2015 (2014: nil).

NOTE 13 - SUBSEQUENT EVENTS

On December 31, 2015, R.S. Bernaldo & Associates contract was not renewed from its function of External Valuer. On May 17, 2016, the AIFM appointed Duff & Phelps as External Valuer.