

# TRILINC GLOBAL IMPACT FUND II

FACT SHEET

TRILINC GLOBAL  
INVEST WITH IMPACT

## OVERVIEW

**Fund Name** TriLinc Global Impact Fund II, LLC ("TGIF II")

**Fund Manager** TriLinc Global Advisors, LLC, an SEC-Registered Investment Advisor<sup>1</sup>

**Fund Structure** Reg. D Offering (Qualified Clients)

**Target Fund AUM** \$300 million

**Min. Investment** \$150,000

**Liquidity** Quarterly after 1 year hold, up to 5% of total fund capital

## RISK PROFILE

**Interest Rate Risk** ~1.5 - 2 Years Duration

**Credit Risk**

- Primarily Sr. Secured First Lien
- Over Collateralized<sup>2</sup>

**Market Risk**

- Primarily Direct Origination
- Income Basis Valuation
- 100% USD Denominated<sup>3</sup>

**Sector Risk** Comprehensive Diversification<sup>4</sup>

**Valuations** Quarterly

## INVESTMENT & IMPACT STRATEGY

**Target Geography** Latin America, Southeast Asia, Sub-Saharan Africa, Emerging Europe, & North America

**Target Companies** Growth Stage Middle Market (Private)

**Impact Focus - Fund Level** Economic development through access to finance for underserved SMEs (Small & Medium Enterprises)

**Impact Focus - Borrower Level** Sustainable companies with an intent to create positive, measurable impact in their communities and willingness to track and report on that impact

## KEY TERMS

**Distributions** Paid quarterly

**Service Partners<sup>5</sup>**

- Fund Auditor: BDO USA, LLP
- Fund Custodian: Millennium Trust Company & East West Bank
- Fund Administrator: Phoenix American Financial Services, Inc.
- Fund Legal Counsel: Rimon, PC

## TGIF II RISK/RETURN STATISTICS<sup>5</sup>

Since Inception<sup>6</sup> 6/30/19 - 9/30/21

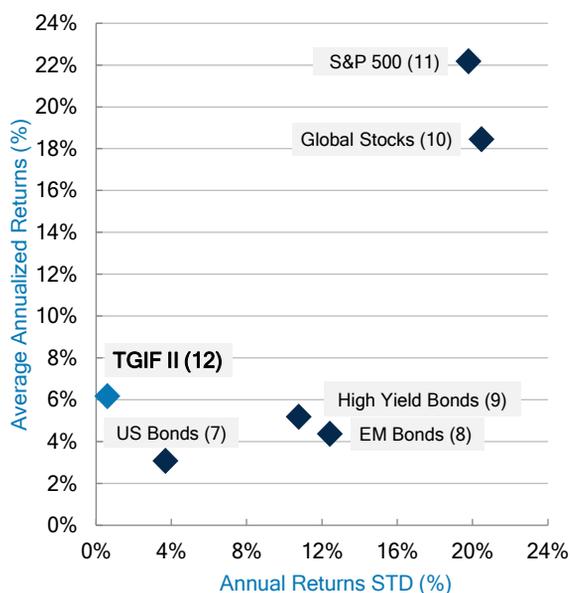
### Volatility

Asset	US Bonds <sup>7</sup>	EM Bonds <sup>8</sup>	High Yield Bonds <sup>9</sup>	Global Stocks <sup>10</sup>	S&P 500 <sup>11</sup>	TGIF II <sup>12</sup>
Average Annualized Returns (%)	3.08%	4.37%	5.19%	18.45%	22.17%	6.18%
Annualized Returns STD (%)	3.70%	12.43%	10.77%	20.49%	19.79%	0.60%
<b>Annual Sharpe Ratio<sup>13</sup></b>	<b>-0.01</b>	<b>0.10</b>	<b>0.20</b>	<b>0.75</b>	<b>0.97</b>	<b>1.47</b>
Average Quarterly Returns (%)	0.77%	1.09%	1.30%	4.61%	5.54%	1.54%
Quarterly Returns STD (%)	1.85%	6.22%	5.39%	10.24%	9.90%	0.30%

### Correlation

Asset	US Bonds <sup>7</sup>	EM Bonds <sup>8</sup>	High Yield Bonds <sup>9</sup>	Global Stocks <sup>10</sup>	S&P 500 <sup>11</sup>	TGIF II <sup>12</sup>
US Bonds <sup>7</sup>	1.00	0.15	0.00	-0.09	-0.06	0.11
EM Bonds <sup>8</sup>	0.15	1.00	0.92	0.93	0.95	-0.08
High Yield <sup>9</sup>	0.00	0.92	1.00	0.95	0.95	-0.26
Global Stocks <sup>10</sup>	-0.09	0.93	0.95	1.00	0.99	-0.24
S&P 500 <sup>11</sup>	-0.06	0.95	0.95	0.99	1.00	-0.23
TGIF II <sup>12</sup>	0.11	-0.08	-0.26	-0.24	-0.23	1.00

### Standard Deviation ("STD") vs. Annual Returns

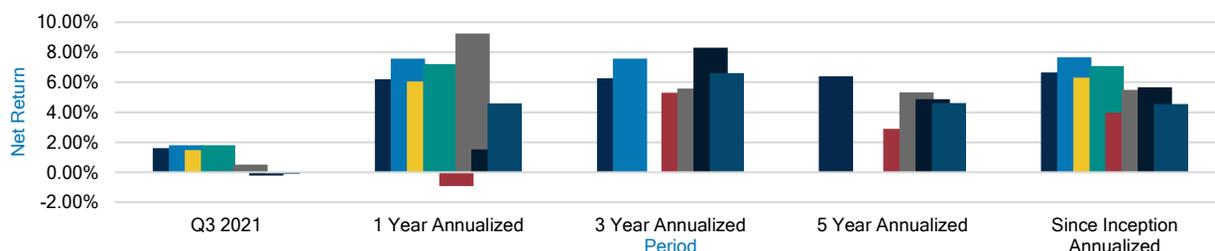


This document does not constitute an offer of securities. Such an offer may only be made by means of a private placement memorandum. All data as of September 30, 2021 unless otherwise indicated.

The risk-return calculations are shown for illustrative purposes, as the asset classes used in the analysis may differ in attributes not limited to strategy, use of leverage, and liquidity requirements. TGIF II performance displayed is Net IRR and does not reflect the reinvestment of distributions and is net of fees and expenses (management fees, incentive fees, and operating expenses). No investor actually received the returns shown. Prior performance is no guarantee of future performance. Performance figures are unaudited and are subject to change. The index comparisons are provided for informational purposes only. Please see footnotes on the final page for further details.

### PRIVATE DEBT PLUS® PERFORMANCE RELATIVE TO PEER GROUP<sup>14</sup>

Net Returns as of 9/30/21



Legend	Q3 2021	1 Year Annualized	3 Year Annualized	5 Year Annualized	Since Inception <sup>15</sup> Annualized
Private Debt Plus <sup>16</sup>	1.61%	6.21%	6.27%	6.39%	6.64%
TriLinc Global Sustainable Income Fund <sup>17</sup>	1.80%	7.57%	7.57%	N/A	7.67%
TriLinc Global Impact Fund II <sup>18</sup>	1.47%	6.05%	N/A	N/A	6.32%
TriLinc Global Sustainable Income Fund II <sup>19</sup>	1.80%	7.21%	N/A	N/A	7.08%
iShares Core Aggregate Bond ETF (AGG) <sup>20</sup>	0.06%	-0.93%	5.31%	2.90%	3.97%
iShares High Yield Corporate Bond ETF (HYG) <sup>21</sup>	0.51%	9.25%	5.59%	5.33%	5.49%
iShares iBoxx \$ Investment Grade Corporate Bond ETF (LQD) <sup>22</sup>	-0.21%	1.53%	8.31%	4.87%	5.67%
iShares JP Morgan EM Corporate Bond ETF (CEMB) <sup>23</sup>	-0.10%	4.60%	6.62%	4.61%	4.54%

### TriLinc Global, LLC

TriLinc Global, LLC, founded in 2008, is a private investment sponsor dedicated to launching innovative funds that increase participation in impact investing. Founded on the conviction that significant private capital is needed to help solve some of the world's most pressing issues, TriLinc's<sup>24</sup> primary goal is to create sophisticated, institutional-quality impact investment products that will attract private capital at scale. As an impact investing company, we strive to achieve both a competitive, risk-adjusted financial return for investors as well as create positive, measurable economic, social and/or environmental impact in the communities where investments are made. Together, TriLinc funds have invested over \$1.51 billion in transactions over 8 years.

#### Who We Are

- We are a private credit asset management firm founded in 2008 by Gloria Nelund, an international asset management veteran
- Woman founded, majority female ownership, 100% independently owned, with 47 employees
- We are pioneers, advocates, and specialists in impact investing

#### TriLinc Management Team

- Average of 28 years experience in investment management
- Actively managed over \$50 billion in investor funds

#### Industry Alliances<sup>25</sup>

- TriLinc was a founding member of the Global Private Capital Association Impact Investing Council and Global Impact Investing Network
- TriLinc is a B Corporation and is a signatory of the Operating Principles for Impact Management and the Principles for Responsible Investment.

### Developing Economies - Common Misperceptions

#### TriLinc's Reality

#### Developing Economies = Emerging Markets

- Technically, "Emerging Markets" refers only to the countries with some form of **public** stock / bond market, which are often sovereign securities
- TriLinc differentiates "Developing Economies" as Middle Income countries which have more established rule of law, sound monetary and fiscal policies, and that are attractive for investment

#### Risky and Volatile

- TriLinc makes **private** investments in private companies, reflecting the **real economy**
- No credit spread risk, not trading in the public market

#### Geopolitical Risk

- Typically, geopolitical concerns revolve around default and expropriation
- We do not invest in sovereign debt and avoid sectors with high levels of government involvement

#### Currency Risk

- TriLinc loans are 100% U.S. dollar denominated<sup>26</sup> as the majority of global trade is dollarized and the majority of TriLinc's borrowers have a significant U.S. dollar revenue stream

#### "Fly-in" Investing

- Investors need to understand the legal and regulatory jurisdictions to protect their investments
- Most firms lack the resources to have employees in all economies where they invest; TriLinc's deal origination partner model gives us local experience in all economies where we invest

The above calculations are shown for illustrative purposes, as the asset classes used in the analysis may differ in attributes not limited to strategy, use of leverage, and liquidity requirements. Data for PDP pertains exclusively to the TriLinc funds in existence during the noted periods. PDP, TGIF, TGSIF, TGIF II, and TGSIF II 1, 3, 5 year and Since Inception net returns displayed are annualized Net IRR and Quarter Only returns are Net IRR for only the quarter. All of them do not reflect the reinvestment of distributions and are net of fees and expenses (management fees, incentive fees, and operating expenses). Peer group net returns are net annualized returns (except Quarter Only) and are provided from Blackrock iShares reports for noted indices. Prior performance is no guarantee of future performance. Performance figures are unaudited and are subject to change.

The index comparisons are provided for informational purposes only. Please see footnotes on the final page for further details.

**DISCLAIMERS (Page 1)**

- 1) TriLinc Global, LLC ("TLG") is a holding company and an impact fund sponsor founded in 2008. TriLinc Advisors, LLC ("TLA") and TriLinc Global Advisors, LLC ("TLGA") are wholly-owned subsidiaries of TLG and are SEC registered investment advisors. Unless otherwise noted, TLG, TLA and TLGA are collectively referred throughout this document as "TriLinc." SEC registration does not indicate a certain level of skill or training.
  - 2) Minimum collateral coverage ratio is 1.00x for term loans and 1.17x for trade finance.
  - 3) Principal balances and repayments are denominated in US dollars; interest payments on loans in Europe may have foreign currency exposure to the Euro.
  - 4) Comprehensive Diversification includes diversification by region, country, borrower, industry, asset type, investment partner and tenor.
  - 5) The volatility and correlation analysis was conducted using quarterly returns (%) including TGIF II Since Inception Net IRR from each quarter. Average annualized returns (%) are displayed for reference and were calculated using average quarterly return (%) results. The analysis was conducted from 3/31/19 to 9/30/21, providing 11 data points for each asset class. While 30 samples is generally considered a boundary between small and large samples, TGIF II is limited by historical return results. Performance figures are unaudited and are net of fees and expenses (management fees, incentive fees, and operating expenses).
  - 6) Since inception data is calculated using the first full quarter following the Fund launch date(s).
  - 7) iShares Core US Aggregate Bond ETF (AGG) seeks to track the investment results of an index composed of the total U.S. investment-grade bond market.
  - 8) iShares J.P. Morgan EM Corporate Bond ETF (CEMB) seeks to track the investment results of an index composed of U.S. dollar-denominated, emerging market corporate bonds.
  - 9) iShares iBoxx \$ High Yield Corporate Bond ETF (HYG) seeks to track the investment results of an index composed of U.S. dollar-denominated, high yield corporate bonds.
  - 10) iShares MSCI ACWI ETF (ACWI) seeks to track the investment results of an index composed of large and mid-capitalization developed and emerging market equities.
  - 11) SPDR S&P 500 ETF (SPY) seeks to provide investment results that, before expenses, correspond generally to the price and yield performance of the S&P 500® Index which is a diversified large cap U.S. index that holds companies across all eleven GICS sectors.
  - 12) TGIF II Average Annualized Return Estimate net of fees and expenses (performance figures are unaudited). TGIF Average Annualized Return is estimated by using the quarterly TGIF II Since Inception Net IRR Estimates. Quarterly returns (%) are calculated by dividing the current quarter index value by the previous quarters index value, minus 1. Average Quarterly Returns (%) are calculated by averaging the historical quarterly returns for a given timeframe. The Average Quarterly Returns are multiplied by 4 to get an Average Annualized Return (%).
- TGIF II Net IRR estimate is net of fees and expenses (performance figures are unaudited). Net IRR was calculated by TriLinc Global Advisors, LLC by combining investments, distributions, net income, and additional withdrawals for the period shown. Past performance is not indicative of future results. Investor returns may vary based on factors such as timing of subscriptions.
- 13) Sharpe Ratio was calculated using 3M U.S. Treasury Rate as the risk-free rate.

**DISCLAIMERS (Page 2)**

- 14) The Peer Comparison calculations are shown for illustrative purposes, as the asset classes used in the analysis may differ in attributes not limited to strategy, use of leverage, and liquidity requirements. TGIF inception was on June 11, 2013, TGSIF inception was on September 27, 2017, TGIF II inception was on February 6, 2019, and TGSIF II inception was on July 10, 2019. The 1, 3, 5 year and Since Inception net returns displayed are annualized Net IRR and Quarter Only returns are Net IRR for only the quarter. They do not reflect the reinvestment of distributions and are net of fees and expenses (management fees, incentive fees, and operating expenses). Peer group net returns are net annualized returns (except Quarter Only) and are provided from Blackrock iShares reports for noted indices. Prior performance is no guarantee of future performance.
  - 15) Since inception data is calculated using the first full quarter following the Fund launch date(s).
  - 16) Private Debt Plus® (PDP) Since Inception Net IRR Estimate. PDP Net IRR consists of asset based weighted returns of TriLinc Global Impact Fund (TGIF), TriLinc Global Sustainable Income Fund (TGSIF), TriLinc Global Impact Fund II (TGIF II), and TriLinc Global Sustainable Income Fund II (TGSIF II) and does not reflect the performance of the Funds individually or other investment vehicles. Data for PDP pertains exclusively to the TriLinc funds in existence during the noted periods. Thus, individual investor performance and the aggregate performance of each fund will differ from the performance herein. Net IRR calculations are intended to represent typical institutional investor returns. Investor returns may vary based on factors such as timing of subscriptions and share class. As of 9/30/21, TGIF represented 28.65% of PDP Net assets; TGSIF represented 43.89% of PDP Net Assets; TGIF II represented 3.57% of PDP Net Assets; and TGSIF II represented 23.90% of PDP Net Assets.
- Cash flows from TGSIF, TGIF II, and TGSIF II are added to cash flows from TGIF as of the end of each month and not as of the actual transaction date of the cash flow as in the case for the TGSIF, TGIF II, and TGSIF II standalone IRR calculations. Net IRR includes the return of residual value and is net of fund expenses (management fees, incentive fees, and operating expenses). For TGIF, calculations represent the Net IRR for TGIF's Class I units and are gross of Organization & Offering (O&O) costs to which certain Class I unit investors were subject at the time of their initial investment. Accordingly, the Net IRR would be lower if calculated with respect to TGIF's other classes of units that were generally subject to upfront and ongoing selling commissions and fees. In adding O&O expenses to the residual value for calculating IRR, only O&O costs that have been borne by TGIF Class I unit investors are included in IRR calculations. As of 9/30/21, Class I represented 22.16% of TGIF Net Assets.
- Further, from June 11, 2013 through December 31, 2017, TriLinc Global, LLC provided certain ongoing operational expense support to TGIF which resulted in increasing the net assets and positively impacting the net returns achieved by TGIF's investors. As of 9/30/21, if the effects of the TGIF expense support were removed, the PDP quarterly, 1 year, and 3 year net IRRs would not change, the 5 year net IRR would decrease by 14 bps, and the since inception net IRR would decrease by 47 bps. Please see the "Financial Highlights Footnote," Note 9 (for YE 2013 & 2014 filings) or Note 10 (for subsequent filings), in the Notes to Consolidated Financial Statements in each of TGIF's public 10K SEC filings for additional details, available at: <https://www.sec.gov/edgar/searchedgar/companysearch.html>. No other TriLinc funds have received such expense support. Past performance is not indicative of future results.
- 17) TGSIF - Net IRR estimate net of fees and expenses (performance figures are unaudited). This data includes inputs from both TriLinc Global Sustainable Income Fund, LLC and TriLinc Global Sustainable Income Fund International, LP. Net IRR was calculated by TriLinc Global Advisors, LLC by combining investments, distributions, net income, and additional withdrawals for the period shown.
  - 18) TGIF II - Net IRR estimate net of fees and expenses (performance figures are unaudited). Net IRR was calculated by TriLinc Global Advisors, LLC by combining investments, distributions, net income, and additional withdrawals for the period shown. Past performance is not indicative of future results.
  - 19) TGSIF II - Net IRR estimate net of fees and expenses (performance figures are unaudited). This data includes inputs from both TriLinc Global Sustainable Income Fund II, LLC and TriLinc Global Sustainable Income Fund II International, LP. Net IRR was calculated by TriLinc Global Advisors, LLC by combining investments, distributions, net income, and additional withdrawals for the period shown. Past performance is not indicative of future results.
  - 20) iShares iBoxx iShares Core Aggregate Bond ETF (AGG) seeks to track the investment results of an index composed of the total U.S. investment-grade bond market.
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  - 22) iShares iBoxx \$ Investment Grade Corporate Bond ETF (LQD) seeks to track the investment results of an index composed of U.S. dollar-denominated, investment grade corporate bonds.
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  - 25) Industry participation and membership are not intended to reflect the endorsement of TriLinc Global by such organizations.
  - 26) Principal balances and repayments are denominated in US dollars; interest payments on loans in Europe may have foreign currency exposure to the Euro.