



Product Profile

Fund Name	ThomasLloyd Global Opportunities Fund Ltd
ISIN	VGG2893J1075
Investment universe	Hedge Fonds (Emerging Markets and Absolute Return Strategies)
Benchmark	n/a
Base Currency	EUR
Earnings	Accumulation
Inception date	01. Mar 2005 (managed account since April 2004)
Fund Volume	21.6 EUR m per 30. April 2007
Management Fee	0.75 % p.a.
TER	1.1% p.a.
Fund Manager	ThomasLloyd Global Asset Management (Europe) AG
Company	ThomasLloyd Global Asset Management (Europe) AG
Internet	www.thomas-lloyd.com

Investor's Profile

Investment horizon	medium to long term (3-5 years)
Risk classification	medium to high
Return expectations	target performance : above average return
Loss Tolerance	short term losses possible (no guarantee product)

TELOS Comment

ThomasLloyd Global Opportunities Fund is a globally investing fund of hedge funds whose aim is to generate a positive absolute return. The fund management seeks in particular to benefit from developments in the commodities and currency markets and in emerging markets. It targets these three sectors by combining various hedge fund strategies, focusing closely on the individual fund managers and their approaches and methods, rather than on a particular strategy or style.

Although the orientation of the *ThomasLloyd Global Opportunities Fund* is based on the Markowitz approach, it differs from this approach in its definition of the relevant risk as downside risk, this being entirely appropriate in view of the high volatility of its underlying asset class, hedge funds. As a result, fund volatility due to upside potential is not penalised. The core of the investment process is the selection of individual high quality fund managers during a comprehensive due diligence. The around 50 annual visits that are currently made to the offices of individual fund managers are critically important. The purpose of these visits is to check that the fund managers are implementing their published style and to assess their approaches and methods. The transparency and quality of the risk management of a particular target fund is a key factor in the investment decision. The fund invests with fund managers whose approach is complex, and consequently diffi-

cult to assess, only if the funds in question can still be valued.

The well qualified and experienced team has only been working together for a relatively short time. In addition, the orientation and approach in relation to some of the sub-processes that are relevant for portfolio management have only been established and implemented over the course of the last year. Viewed overall, the procedures are a good reflection of the underlying investment characteristics and the portfolio management objectives. However, fund stability remains to be demonstrated.

The fund is available in a number of different share classes. Since its launch, the fund has recorded significant growth, although no substantive statements can be made in relation to performance and other ratios, as historical figures are only yet available covering a relatively short time period.

The *ThomasLloyd Global Opportunities Fund* is rated **AA-**.



AA-
06/2007

ThomasLloyd
Global Opportunities Fund

Investment Process

The *ThomasLloyd Global Opportunities Fund* is managed by *ThomasLloyd Global Asset Management (Europe) AG* in Liechtenstein, a subsidiary of the Thomas Lloyd Group plc. Three key investment centres, in Zurich, New York and Vaduz, each of which has its own area of competence, are involved in portfolio management. The entire fund management is characterised by a team approach.

The investment philosophy is based on the view that no single Asset Manager is capable of simultaneously employing most of the best fund managers, but that an investor should be able to simultaneously profit from a number of successful portfolio managers. To achieve this, the fund invests primarily in individual hedge funds. The fund aims to maintain a diversified portfolio and to achieve annual performance of around 20%. It sets maximum limits for risk variables such as the VaR, volatility and leverage of the target funds. It also invests exclusively in established managers, who should as a general rule have

a five year track record. In addition, any manager with a negative Sortino ratio (performance ratio adjusted to take account of downside risk) is excluded.

The first stage in portfolio construction involves a mainly quantitative filtering process, during which the investment universe of around 8000 fund managers is reduced in several stages to around 50. These managers are then included in a model portfolio, which is subsequently implemented as far as possible via selection of the individual managers. During this final stage, quantitative aspects such as recent performance are taken into account. However, the overall approach and the analysis of potential investments are highly quality-orientated. The portfolio managers pass investment decisions to a specialist order execution team. Investments are subject to continuous monitoring, which includes regular contacts with the individual fund managers, and in particular the risk associated with any style drift is analysed.

Quality Management

Continuous analysis of the risk profile of the funds investments, and calculation of their ratios, are integral components of the investment process. The performance contributions of individual components of the funds held within the *ThomasLloyd Global Opportunities Fund* portfolio are identified through regular attribution analyses.

An investment committee, made up of members of the company's core units Research, Portfolio Management and Risk Management, is responsible for risk control at overall fund level. The committee

defines limits, for example in relation to the VaR and maximum leverage, although these limits may be altered by a simple majority decision of the committee. The portfolio is subject to continuous monitoring, including analyses such as stress tests, the concentration risk is examined and an appropriate tool is used to calculate a number of relevant risk ratios.

The Chief Risk Officer in the Risk Management & Compliance Unit supervises adherence to internal and external restrictions.

Team

The staff involved in portfolio management have many years of investment experience. Several of the staff involved in the investment process have only been with the company since 2005 or 2006, although they have partly worked together since 2003.

The company is keen to keep qualified staff in the

company by offering attractive remunerations. In addition to a competitive basic salary, staff receive a variable bonus linked to investment performance. In addition, a stock option programme is currently being set up.

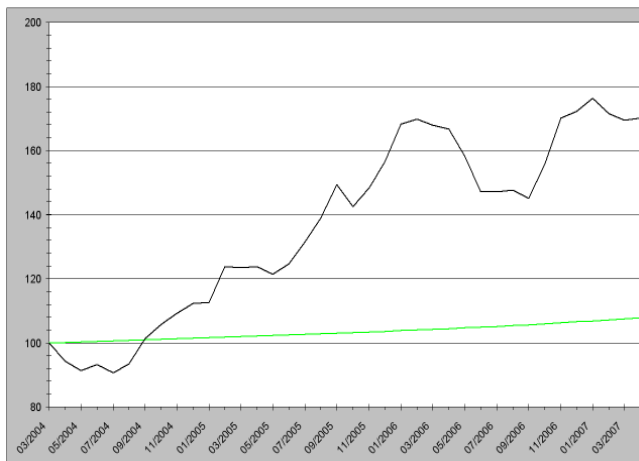


Investment Characteristics

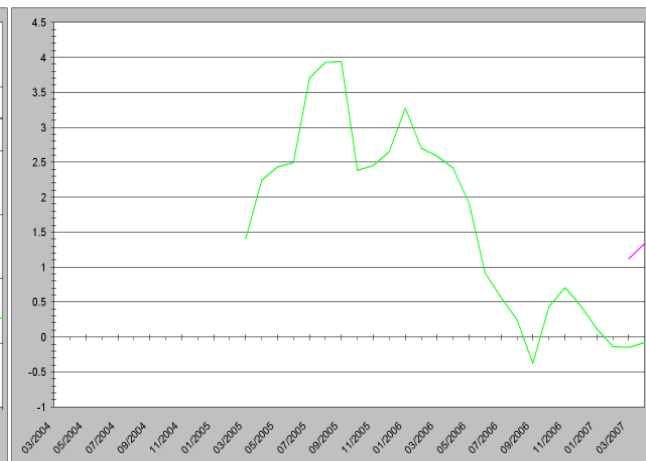
<i>Important external factors</i>	<i>Important control factors</i>
Economic environment	-
Country risk	-
-	-
-	-
-	-

Product History

Performance



Sharpe-Ratio



— Fund — Benchmark — Money Market — 1 year — 3 years — 5 years

<i>Statistics per end of 04/2007</i>	<i>1 year</i>	<i>2 years</i>	<i>3 years</i>	<i>5 years</i>	<i>7 years</i>	<i>10 years</i>
<i>Performance (annualised)</i>	2.10%	17.21%	21.78%	—	—	—
<i>Volatility (annualised)</i>	15.26%	14.89%	14.42%	—	—	—
<i>Sharpe-Ratio</i>	-0.08	0.97	1.34	—	—	—
<i>Best monthly result</i>	9.36%	9.36%	9.97%	—	—	—
<i>Worst monthly result</i>	-6.91%	-6.91%	-6.91%	—	—	—
<i>Median of monthly results</i>	0.18%	0.62%	1.00%	—	—	—
<i>Best 12-month result</i>		34.54%	49.48%	—	—	—
<i>Worst 12 month result</i>		-2.88%	-2.88%	—	—	—
<i>Median of 12-month results</i>		9.22%	31.48%	—	—	—
<i>Maximum loss period</i>	6 M	8 M	8 M	—	—	—
<i>Maximum loss</i>	-12.91%	-14.50%	-14.50%	—	—	—

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Explanations

TELOS Rating Scale

AAA	The fund complies with highest quality standards
AA	The fund complies with very high quality standards
A	The fund complies with high quality standards
N	The fund does currently not comply with the TELOS quality standards
+ / -	further differentiate within a rating level

The **Product Profile** contains general information on the fund, the investment firm, and the responsible fund manager.

The **Investor's Profile** enables the investor to quickly match his or her expectations with the "official" classification of the product by the investment firm.

The **TELOS Comment** section summarises the main insights of the rating and constitutes an important supplement to the rating grade. The subsequent sections contain descriptive information on the investment process, the quality management, and the responsible team.

The **Investment Characteristics** lists – from the point of view of the fund management – the most important external determinants influencing the performance of the fund, as well as the essential factors employed for its control.

The **Product History** presents – by means of graphs and tables – the development of the fund in comparison with the money market and a benchmark (where appropriate) in respect of performance and risk criteria. All calculations are based on month-end data. Fund data and benchmark data are provided by the investment firm.

The *performance* of the fund is calculated based on reinvested prices: profit distributions are being invested in new shares of the fund immediately. Thereby, the performance of distributing and nondistributing funds is mutually comparable. This approach corresponds to the "BVI method" of performance calculation, advocated by the association of the German investment fund industry. If the fund management is guided by a *benchmark*, the performance of the latter is shown as well. Otherwise, a suitable comparative index is chosen for illustration purposes – in agreement with the investment firm.

As a measure for the *money market*, the 1-month LIBID deposit rate in the fund's base currency is used, calculated via $LIBID = LIBOR - 0.125\%$. For periods before 1999, the respective DEM interest rates are used as a predecessor to EUR. Data source: British Bankers' Association; $LIBID(OR)$ = London Interbank Bid (Offered) Rate.

The *Sharpe Ratio* provides information about the "excess return" of the fund with regard to a risk free financial investment – here represented by the money market – as a proportion of the total risk taken:

$$\text{Sharpe Ratio} = \frac{\text{fund return} - \text{money market return}}{\text{fund volatility}}$$

The *volatility* employed here is the annualised standard deviation of the monthly returns.

The *median of monthly results* is characterised by the fact that half of all monthly returns occurring in the observed period are either at least or at most as large as this value. As a result, this measure is less sensitive to "outlier results" than, for instance, the mean (average) value of monthly returns.

In an analogous way, the *median of 12-month results* should be interpreted.

The *longest loss* period is the number of months needed by the fund in order to recover losses by reaching or exceeding a level that had been achieved previously in the period under consideration. If this level could not be reached again, the end of the period is used.

Accordingly, the *maximum loss amount* is the largest loss which the fund suffered in the period under consideration – starting from the highest value reached earlier during this period.

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