

Secured Income Fund Plc



Factsheet | 30 November 2020

Investment Objective

The Secured Income Fund Plc is designed to provide shareholders with attractive risk-adjusted returns predominantly through investment in a range of SME loan assets and secured lending opportunities, diversified by way of asset class, geography and structure.

Key Benefits

1. Diversified exposure to SME borrowers across key markets in the UK, Europe and USA.
2. Targeted annual dividend of 7p per share paid quarterly and as loans mature or are refinanced.
3. Lending against business critical assets providing downside protection.

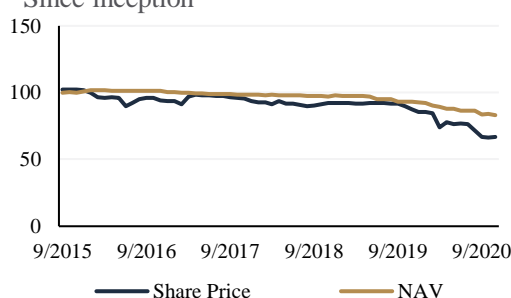
Fund Information

Key facts

Market Capitalisation	£35.0m
Share Price	66.50p
NAV	£43.8m
NAV per share	83.10p
Premium / (Discount)	-20.0%
Gearing	None
Management Fees²	0.75%
Ongoing charges	2.0%
Ticker	SSIF:LN
ISIN	GB00BYMK5S87

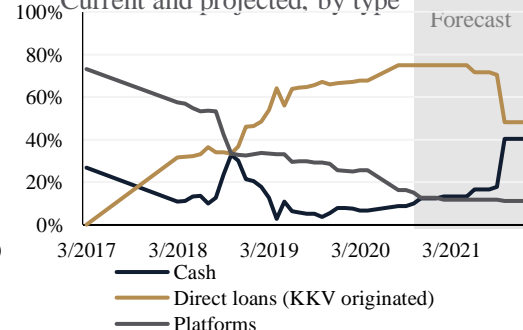
Share Price Performance

Since inception



Portfolio Exposure

Current and projected, by type



Performance¹

Total return, cum income, %

To 30/11/2020	SI	3y	1y	6m
Share price	-0.46	-3.18	-14.23	-6.03
NAV	4.04	2.45	-1.49	0.78

¹ Annualised for periods longer than one year.

12M discrete	30/11/2016 – 30/11/2017	30/11/2017 – 30/11/2018	30/11/2018 – 30/11/2019	30/11/2019 – 30/11/2020
Share price	9.08	3.65	2.09	-14.23
NAV	4.16	5.45	3.50	-1.49

² As per the resolution detailed in the Circular issued on 20th August 2020, the management fee reduced to 0.75% for 12 months from 18th September 2020.

Fund Portfolio³

Top 10 Holdings (%)

Direct Loan	22.82%
Co-investment	11.71%
Direct Loan	10.44%
Direct Loan	10.27%
Direct Loan	6.41%
Direct Loan	5.99%
Direct Loan	5.05%
Direct Loan	4.83%
Direct Loan	4.62%
Co-investment	3.64%
Total	85.78%

Total number of holdings 20

Average loan size £2.03m

Weighted average yield 9.42%

Portfolio exposure (%)

Direct Loans (KKV originated)	75.5
Co-invested and solely owned debt	16.4
Cash (incl. committed cash)	7.6
Peer-to-peer / Crowdfunded	0.5

Geographical breakdown (%)

UK	73.8
US	11.3
Europe	11.3
Offshore Britain	3.6

Maturity breakdown (%)

0-6 months	15.8
6-18 months	27.2
18-36 months	37.7
>36 months	19.3



Weighted average maturity 2.0 years

Currency breakdown

GBP	£32,470,000	73.7%
USD	\$9,363,000	15.9%
EUR	€5,108,000	10.4%

No currency hedging used⁴

³ Portfolio exposures are calculated as the present balance outstanding plus investment receivables less any impairment/ expected credit loss provision.

⁴ Please note currency hedging was removed during September 2020



Dawn Kendall
CIO & Lead Fund Manager

Dawn has 34 years' experience in financial services, including 25 years' experience managing fixed income portfolios at distinguished financial institutions, including in her role as Partner and Portfolio Manager at TwentyFour Asset Management, as CIO for IAM, a fund of hedge funds, and Portfolio Manager for The Codelouf Trust, a family office. Additionally, Dawn has held senior investment and management positions at Newton, Axa (Architas) and Investec Wealth. Dawn has a degree in European and English Law and an MBA.

November Investment Highlights

Despite continued macro uncertainty, updates from recipients of our direct loans have been positive with our wholesale loans reporting better trading activity and all borrowers have been meeting their debt obligations according to their documentation.

We continued to receive some sales and tax credit revenue from our film financing transactions.

In relation to IFRS 9 provisioning, KKV have implemented a revised and robust systematic grading system to reflect the need to assess risk consistently, this policy revision now takes into account market conditions and probability of default per credit. This uses a ten-stage categorisation methodology.

Our credit model is designed to put each asset into a risk category based on the probability of default. Credits are then individually assigned an expected loss, given default. Inputs include specific data describing the characteristics and

attributes of each loan. Certain of those loan characteristics will be used to generate the Probability of Default (PD) and the Loss Given Default (LGD). This provides a firm basis for comparisons across borrowers and collateral types.

This revised IFRS 9 modelling has resulted in a one-time adjustment of -0.54%

Please note, we no longer hedge our foreign exchange exposures and provide details of the USD and EUR allocations in the data provided in the factsheet to allow shareholders to consider their own hedging, if they so required.

Disclaimer:

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KKV Investment Management

25 Upper Brook Street
Mayfair
London W1K 7QD
United Kingdom

For more information, please contact:

investor.communications@kkvim.com

Company Broker | FinnCap Ltd | One Bartholomew Close, London, EC1A 7BL
William Marle | WMarle@finncap.com | +44 (0) 20 7220 0557
Mark Whitfeld | MWhitfeld@finncap.com | +44 (0) 20 3772 4697

Secured Income Fund plc

Closed-ended Investment Company | **Listing:** London Stock Exchange Main Market
Specialist Segment | **Domicile:** UK