

Secured Income Fund Plc



Factsheet | 30 September 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

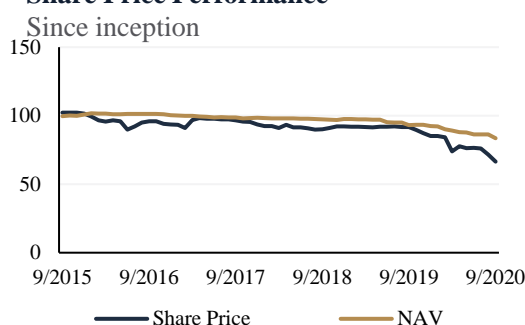
1. Diversified exposure to SME borrowers across key markets in the UK, Europe and USA
2. Targeted annual dividend of 7p per share paid quarterly and as loans mature or are refinanced.
3. Lending against business critical assets providing downside protection

Fund Information

Key facts

Market Capitalisation	£35.0m
Share Price	66.50p
NAV	£44.0m
NAV per share	83.42p
Premium / (Discount)	-20.3%
Gearing	None
Management Fees²	0.75%
Ongoing charges	2.0%
Ticker	SSIF:LN
ISIN	GB00BYMK5S87

Share Price Performance



Portfolio Exposure



Performance¹

Total return, cum income, %

To 30/09/2020	SI	3y	1y	6m
Share price	-0.47	-3.16	-17.35	-1.70
NAV	4.25	2.76	0.19	0.92

¹ Annualised for periods longer than one year.

12M discrete	30/09/2016 – 30/09/2017	30/09/2017 – 30/09/2018	30/09/2018 – 30/09/2019	30/09/2019 – 30/09/2020
Share price	8.10	-0.10	9.98	-17.35
NAV	4.46	5.29	2.85	0.19

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	22.73%
Co-investment	12.13%
Direct Loan	10.67%
Direct Loan	10.56%
Direct Loan	6.83%
Direct Loan	6.53%
Direct Loan	5.86%
Direct Loan	5.01%
Direct Loan	4.65%
Co-investment	3.56%
Total	88.52%

Total number of holdings	21
Average loan size	£1.91m
Weighted average yield	9.82%

Portfolio exposure (%)

Direct Loans (KKV originated)	77.7
Co-invested and solely owned debt	13.5
Cash (incl. committed cash)	8.3
Peer-to-peer / Crowdfunded	0.5

Geographical breakdown (%)

UK	72.9
US	11.9
Europe	11.6
Offshore Britain	3.6

Maturity breakdown (%)

0-6 months	12.2
6-18 months	27.2
18-36 mos.	40.0
>36 months	20.6



Weighted average maturity 2.3 years

Currency breakdown

GBP	£32,106,000	72.8%
USD	\$9,445,000	16.6%
EUR	€5,171,000	10.6%

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.

September Investment Highlights

During September, as a second wave of Covid-19 infections has begun to bite, we have yet to see any impact on our loan portfolio and have not made any further impairment provisions to the portfolio. However, we are mindful of the need for extra vigilance and to keep in close contact with our borrowers, monitoring their performance with regular updates. Reports on business activity has continued to improve but we are expecting some volatility as the autumn and winter months approach.

In portfolio activity for September, we took receipt of a tax credit from New Mexico in relation to a film finance and have seen sales revenue recommence for our other film financing positions. We were particularly pleased to see that one of our financings was the first film to be released in UK cinemas after the first lock down allowing for mainstream media coverage, a good indicator for future sales to online and streaming platforms. We have also noted that sales revenue from Japan has recommenced for one

of our "art house" movies.

Our wholesale lenders have seen improvements in monthly sales and debt servicing since July. Our largest loan, returned to a £3.5m net repayment position across their whole lending portfolio and only five customers were referred to legal recovery.

As mentioned last month, our loan to a manufacturing business in Ireland has recommenced amortisation and we have had a further repayment from our venture debt specialist, with further repayments expected before the year end. This will allow us to consider a further return of capital to our shareholders during Q4.

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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Secured Income Fund plc

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