

# Secured Income Fund Plc



Factsheet | 31 January 2021

## Key Benefits

1. Diversified exposure to SME borrowers across key markets in the UK, Europe and USA.
2. Lending against business critical assets providing downside protection.

## Fund Information

### Key facts

<b>Market Capitalisation</b>	£35.0m
<b>Share Price</b>	66.50p
<b>NAV</b>	£41.2m
<b>NAV per share</b>	78.20p
<b>Premium / (Discount)</b>	-15.0%
<b>Gearing</b>	None
<b>Management Fees<sup>2</sup></b>	0.75%
<b>Ongoing charges</b>	2.0%
<b>Ticker</b>	SSIF:LN
<b>ISIN</b>	GB00BYMK5S87

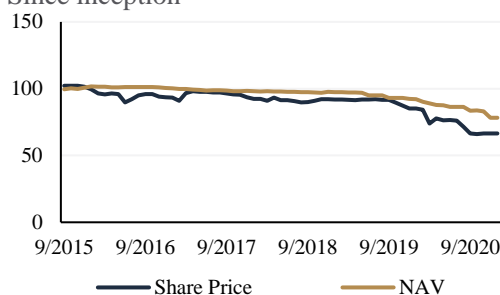
## Investment Objective

The Secured Income Fund Plc is managed with the intention of realising all remaining assets in the Portfolio in a prudent manner consistent with the principles of good investment management and with a view to returning cash to Shareholders in an orderly manner.

The Company will pursue its investment objective by effecting an orderly realisation of its assets in a manner that seeks to achieve a balance between maximising the value received from those assets and making timely returns of capital to Shareholders. This process might include sales of individual assets, mainly structured as loans, or running off the Portfolio in accordance with the existing terms of the assets, or a combination of both.

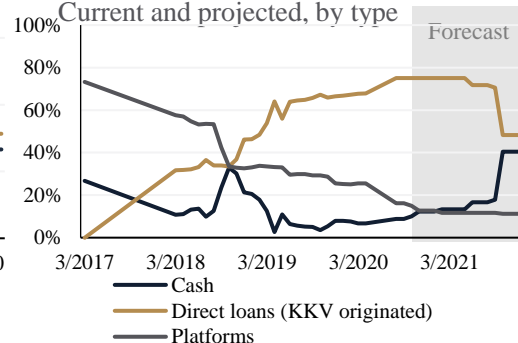
## Share Price Performance

Since inception



## Portfolio Exposure

Current and projected, by type



## Performance<sup>1</sup>

Total return, cum income, %

To 31/01/2021	SI	3y	1y	6m
Share price	0.92	-0.13	-6.89	-0.16
NAV	3.93	2.09	-1.59	0.98

<sup>1</sup> Annualised for periods longer than one year.

12M discrete	31/01/2017 – 31/01/2018	31/01/2018 – 31/01/2019	31/01/2019 – 31/01/2020	31/01/2020 – 31/01/2021
Share price	6.33	6.87	0.12	-6.89
NAV	4.88	6.13	1.87	-1.59

<sup>2</sup> 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 Portfolio<sup>3</sup>

### Top 10 Holdings (%)

Direct Loan	24.18%
Direct Loan	10.78%
Direct Loan	10.36%
Co-investment	8.82%
Direct Loan	6.23%
Direct Loan	5.39%
Direct Loan	5.36%
Direct Loan	4.80%
Direct Loan	4.71%
Co-investment	3.89%
<b>Total</b>	<b>84.52%</b>

**Total number of holdings** 18

**Average loan size** £2.09m

**Weighted average yield** 9.63%

### Portfolio exposure (%)

Direct Loans (KKV originated)	77.3
Co-invested and solely owned debt	13.8
Cash	8.8
Peer-to-peer / Crowdfunded	0.1

### Geographical breakdown (%)

UK	72.9
Europe	11.7
US	11.5
Offshore Britain	3.9

### Maturity breakdown (%)

0-6 months	13.4
6-18 months	34.9
18-36 months	31.9
>36 months	19.8



**Weighted average maturity** 1.9 years

### Currency breakdown

GBP	£30,017,000	72.9%
USD	\$9,220,000	16.3%
EUR	€5,019,000	10.8%

**No currency hedging used<sup>4</sup>**

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

<sup>4</sup> 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.

## January Investment Highlights

Despite the second lockdown being extended into the new year and the UK's departure from the European Union all our direct loans are continuing to perform, delivering contracted interest and capital repayments as scheduled.

Our largest wholesale borrower was able to repay an extra capital amount in addition to the expected amortisation payment. Our loan to a US medical services business commenced amortisation without hitch; we converted the USD amount received into GBP to avoid any currency for longer than necessary. We continue to receive a steady flow of cash from our film financing transactions and we received the quarterly distribution from our Irish SME investment, which has contributed to a healthy cash balance.

A legacy loan was written off by our last remaining retail platform but this had already been 100% impaired in our schedule and therefore had no impact on the NAV. This now

leave four loans outstanding on this platform, two are performing and two are partially impaired.

With regard to cash distribution: after consultation with Shareholders, a circular is due to be issued wherein the Company seeks permission from Shareholders to commence distribution via a B share scheme, allowing for cash to be treated as a capital distribution. If carried, we expect to be able to make distributions in this manner henceforward.

*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:

*Secured Income Fund plc (the "Company") is an investment company, incorporated in England with registered number 09682883, whose shares have been admitted to trading on the Specialist Fund Segment of the Main Market of London Stock Exchange plc. The Company is an alternative investment fund for the purposes of the Alternative Investment Fund Managers Directive. The Company has appointed Kvik Securities Limited ("KSL") as its alternative investment fund manager, and KKV Investment Management Limited ("KKV") has been appointed as the Company's portfolio manager. This Factsheet is provided for information purposes only and should not be relied on by any person in making an investment decision. The value of investments and any income from them may go down as well as up and are not guaranteed. Investors may get back less than the original amount invested. Past performance is not a reliable indicator of future performance and investors may not get back the original amount invested. There is no guarantee that the market price of the Company's shares will fully reflect their underlying Net Asset Value. Whilst it is the intention to achieve the investment objectives of the Company, there can be no assurance that the objectives will be met. Any forecast, projection or target is indicative only and not guaranteed in any way. All reasonable endeavours have been used to ensure the accuracy of information contained in this Factsheet, but there is no guarantee as to the completeness or accuracy of such content. This material should not be considered as advice or an investment recommendation. No warranty of accuracy is given. For an overview of the terms of investment, risks and costs and charges, please refer to the Annual Report and Key Information Document from which the risk indicator is taken. If you are in any doubt as to the suitability of the Company for your investment needs, please seek investment advice. This Factsheet is a financial promotion and is not intended to be investment advice. It is issued and approved solely for the purpose of section 21(2)(b) of the Financial Services and Markets Act 2000 (as amended) by KSL which is authorised and regulated by the Financial Conduct Authority. It is entered on the Financial Conduct Authority's register under registered number 538806. KSL is a private limited company incorporated in England (registered no. 06801718) with its registered office at 25 Upper Brook Street, London, England, W1K 7QD. KKV is a private limited company incorporated in England (registered no. 12475228) with its registered office at 25 Upper Brook Street, London, England, W1K 7QD. Copyright © (2021) Kvik Securities Ltd. All rights reserved.*



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### Secured Income Fund plc

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