

# SQN Asset Finance Income Fund Limited

28 February 2019



## ABOUT

**SQN Asset Finance Income Fund** is the only diversified equipment leasing and asset finance investment company traded on the London Stock Exchange.

The Fund's objective is to provide its Shareholders with regular, sustainable dividends and to generate capital appreciation through investment, directly or indirectly, in business-essential, revenue-producing (or cost-saving) equipment and other physical assets.

### February Investment Highlights

In February, the Company made two additional advances on existing transactions within the Ordinary Share class at rates over 9.5%.

The Company continues to pay a dividend of 0.6042 pence per Ordinary Share and per C share; reflecting an annualised dividend of 7.25 pence for each share class.

## FUND INFORMATION

### Share price

Ordinary Shares	93.90p
C Shares	93.73p

### NAV per share<sup>1</sup>

Ordinary Shares	96.85p
C Shares	98.02p

**Gearing** None

**Management Fee** 1.0% up to £300m / 0.9% over £300m to £500m / 0.8% over £500m

### Charges

Ongoing charge figure<sup>2</sup> 1.11%

<sup>1</sup> This figure is quoted before deducting the dividend for the period to 31 January 2019, which will be paid on 29 March 2019.

<sup>2</sup> The ongoing charge figure includes direct costs to the fund, annualised, against its average net asset value.

## TARGETED ASSETS

- ✓ Business essential assets
- ✓ Revenue producing (or cost saving)
- ✓ High in-place value
- ✓ Relatively long economic life
- ✓ Active secondary markets
- ✓ Multiple industry applications
- ✓ Multiple levels of security

## AVOIDED ASSETS

- ✗ Low margin / high volume assets
- ✗ Assets with limited secondary markets
- ✗ Assets tied to cyclical markets
- ✗ Assets subject to technological obsolescence
- ✗ Highly regulated assets
- ✗ Leveraged tax leases

## KEY INFORMATION

- Closed-ended Investment Company
- Domicile: Guernsey
- Launch Date: 14 July 2014
- Main Market of London Stock Exchange
- FTSE Small Cap Index constituent

	Ordinary Share	C Share (2016)
ISIN	GG00BN56JF17	GG00BFXYHJ13
Ticker	SQN	SQNX

### Targeted annual dividend

7.25%



Frequency:  
Monthly

### Targeted annual return

8-10%

This is a target only, not a forecast, based on a number of assumptions which may not materialise. There can be no guarantee that this target can be met and this should be taken as an indication of the Company's expected or actual future results.

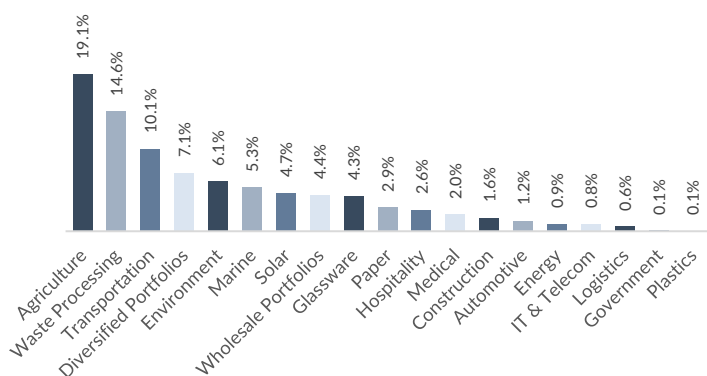
# INVESTMENT STATISTICS – 28 February 2019

Information is unaudited and reflects positions on a combined basis of the Ordinary and 2016 C Shares.

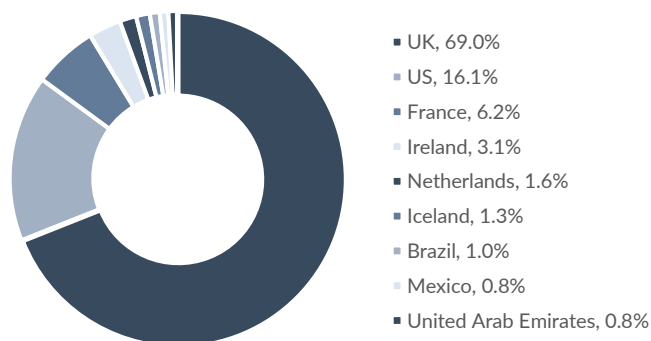
<b>£464.7m</b> Market capitalisation	<b>£481.2</b> Net asset value	<b>&gt;9.4%</b> Weighted average portfolio yield	<b>83 months</b> Weighted average remaining term	<b>£8.2m</b> Average investment size
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Ten largest group exposures	Principal balance outstanding (£)	% of NAV	Industry
1 Vessels and helicopters	£37,360,816	7.76%	Transportation
2 Anaerobic digestion plant	£35,170,142	7.31%	Waste Processing
3 Portfolio interest	£30,486,392	6.34%	Diversified Portfolios
4 Anaerobic digestion plant	£27,900,164	5.80%	Waste Processing
5 Combined heat and power centres	£23,432,718	4.87%	Agriculture
6 Solar manufacturing	£22,549,218	4.69%	Solar
7 Manufacturing	£22,287,972	4.63%	Waste Processing
8 Anaerobic digestion plant	£20,737,435	4.31%	Glassware
9 Anaerobic digestion plant	£20,660,101	4.29%	Agriculture
10 Waste processing equipment	£20,633,770	4.29%	Marine*
<b>Total</b>	<b>£261,218,728</b>	<b>54.28%</b>	

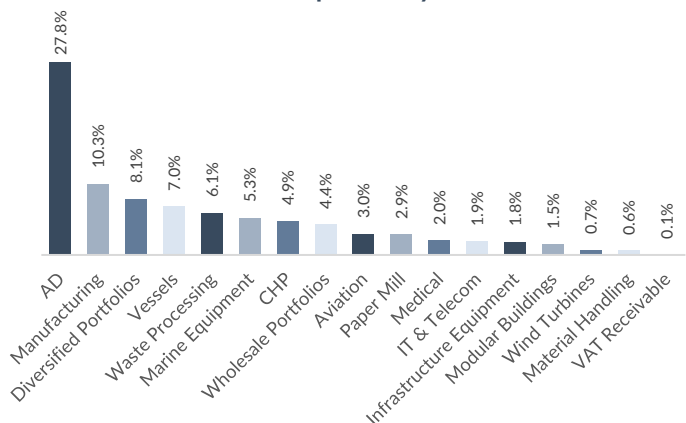
Portfolio Exposure by Industry



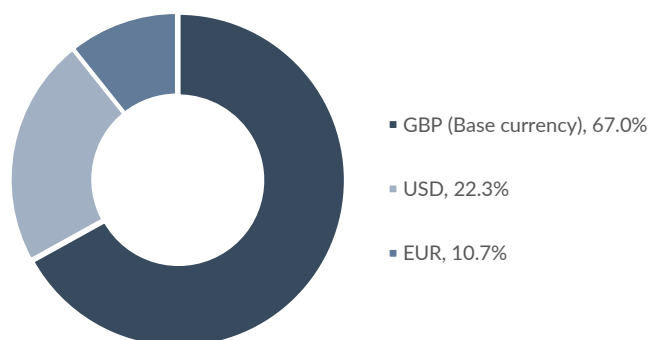
Portfolio Exposure by Geography



Portfolio Exposure by Asset Class



Portfolio Exposure by Currency\*



\*The Company seeks to hedge the principal of investments denominated in non-Sterling currencies.

For more information, please contact the issuer.

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