



Fidante Daily Digest

News bulletin on alternative investment companies

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This is a marketing communication. Author: Martin McCubbin

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For further details see below.

The 2019 EXTEL survey is open until 12 April. The Fidante research team would greatly appreciate your vote in the survey. If you have not received an invitation directly from EXTEL, please use this link <https://app.extelsurveys.com/quickvote> to access the survey.

IMPACT SCORE

Our impact score reflects our own assessment of how the news would affect the company's stock. It focuses on the potential future impact on discount/premium and performance dynamics that are likely to arise as a result of the news. It is not indicative of the company's overall health and performance and is not directional (positive/negative). A high impact score can mean either adverse or positive impact, hence readers must make their own judgment with regards to this.

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2 HICL – HICL Infrastructure – Preferred bidder

Holds equity in primarily operational UK PFIs/PPPs

- HICL has announced that Diamond Transmission Partners, a consortium comprising itself, Diamond Transmission Corporation (a subsidiary of Mitsubishi Corporation) and Chubu Electric Power Co., has been selected by Ofgem as the preferred bidder to own and operate the Walney Extension Offshore Wind Farm offshore transmission link (the Walney OFTO). The Walney OFTO is the fourth successful bid by the partnership of HICL and Diamond Transmission Corporation, the others being the Burbo Bank Extension OFTO, which has reached financial close, and the Race Bank OFTO and the Galloper OFTO where Diamond Transmission Partners was selected as preferred bidder, in June 2018 and November 2018, respectively. The consideration for HICL's 40% share of the economic interest in the Walney OFTO is expected to be around £23m. Completion of the acquisition is expected towards the end of 2019.

2 JLEN – John Laing Environmental Assets – Results of share sale

Owns a portfolio of waste water, onshore wind and solar projects

- Following the announcement on 8 March 2019, JLEN has announced that it has been advised that all 21,982,157 shares in the company owned by the John Laing Pension Trust (JLPT) have been sold to investors. JLPT no longer holds any shares in JLEN.

Results in brief

- Oakley Capital (OCI) – Finals to 31 December 2018 – The NAV as at 31 December 2018 was 281pps, up 1.5pps (0.54%) from the previously indicated NAV as at that date and up 16.70% in 2018 (total return). The company has declared a semi-annual dividend of 2.25pps (unchanged), payable on 25 April 2019, with ex-dividend date 4 April 2019. Dividends paid during the year totalled 4.5pps. Net assets at the end of the period were £574.8m. Fund revaluations added 29pps to the NAV, the uplift being driven by strong trading performance – the underlying portfolio company EBITDA growth was 39% on average over the period. The other principal contribution to NAV growth came from realisations, which added 14pps to the NAV. The sale of four investments generated a combined gross money multiple of 4.0x and was executed at a combined premium to book value of 36%, returning £114.8m to the company. OCI completed two investments during the period and made five follow-on investments totalling £58.8m. Two investments were refinanced, returning £15.0m to the company. In aggregate, £130.8m of capital was deployed by the company and £165.8m of cash was returned. At the end of the period, OCI had £152m of outstanding commitments to Oakley Funds I, II and III, and during the period it also announced a EUR 400m commitment to Oakley Capital Fund IV. As at year-end, OCI held net cash and cash equivalents of £105m and short-term debt investments of £107m. Separately, the company announced that the board has authorised the buyback of up to 1m ordinary shares in the company.

Declared dividends

- Ground Rents Income (GRIO) declared a quarterly dividend of 0.98pps (unchanged), payable on 31-Mar-19, with ex-dividend date 21-Mar-19.
- Standard Life Private Equity (SEP) declared a quarterly dividend of 3.2pps (unchanged), payable on 26-Apr-19, with ex-dividend date 21-Mar-19.
- Standard Life Property Income (SLI) declared a quarterly dividend of 1.19pps (unchanged), payable on 29-Mar-19, with ex-dividend date 21-Mar-19.

Credit/lending NAV performance

- CATCo Reinsurance Opportunities (CAT) ordinary share NAV as at 31-Jan-19 (\$0.3509 per share) was up \$0.0030 per share (0.86%) year-to-date and the C share NAV as at 31-Jan-19 (\$0.6378 per share) was up \$0.0079 per share (1.25% year-to-date).
- CVC Credit Partners European Opportunities (CCPG) GBP NAV as at 1-Mar-19 (107.97pps) was up 0.50pps (0.47%) since the last NAV on 22-Feb-19 and up 1.62% year-to-date.
- ICG-Longbow Senior UK Property Debt (LBOW) NAV as at 31-Jan-19 (99.16pps) was up 1.03% since the last NAV on 31-Oct-18 and up 4.42% over the preceding 12 months.
- Sequoia Economic Infrastructure Income (SEQI) NAV as at 28-Feb-19 (102.77pps) was up 1.39pps (1.37%) in February and up 2.47% year-to-date.

Hedge fund NAV performance

- Pershing Square Holdings (PSH*) NAV as at 12-Mar-19 (\$22.16 per share) was down \$0.24 per share (1.07%) since the last NAV on 5-Mar-19, down 0.58% month-to-date and up 28.67% year-to-date.

Private equity NAV performance

- Altamir (LTA) NAV as at 31-Dec-18 (EUR 21.72 per share) was up EUR 1.64 per share (8.17%) since the last NAV on 30-Sep-18 and up 3.98% in 2018.

Specialist equity NAV performance

- RIT Capital Partners (RCP) NAV as at 28-Feb-19 (1885pps) was up 20pps (1.07%) in February and up 3.51% year-to-date.

Share buybacks and issuance

- Alcentra European Floating Rate Income (AEFS) bought back 20,342 shares at 97.02pps on 13-Mar-19.
- Capital Gearing Trust (CGT) issued 21,000 shares at 4117pps on 13-Mar-19.
- Funding Circle SME Income (FCIF) bought back 405,000 shares at 85.6pps on 13-Mar-19.
- ICG Enterprise (ICGT) bought back 25,000 shares at 824.0pps on 13-Mar-19.
- JPMorgan Global Convertibles Income (JGCI) bought back 90,000 shares at 87.80pps on 13-Mar-19.
- NB Global Floating Rate Income (NBLS) bought back 2,400,000 GBP shares at 89.5312pps and 100,000 USD shares at \$0.9225 per share on 13-Mar-19.
- P2P Global Investments (P2P) bought back 20,000 shares at 808.1pps on 13-Mar-19.
- Personal Assets (PNL) issued 850 shares at 40160pps on 13-Mar-19.

*Current corporate client of Fidante Capital.

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