



Fidante Daily Digest

News bulletin on alternative investment companies

11 February 2019

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4 BBOX – Tritax Big Box – Results of fundraising

Invests in large-scale logistic assets in the UK

- The company announced that it has raised around £250m through the issue of 192,291,313

new ordinary shares at a price of 130pps. The open offer was significantly oversubscribed, and no new shares will be issued pursuant to the placing. Admission of the new ordinary shares is expected by 13 February 2019. The net proceeds will be used to fund the acquisition of an 87% economic interest in db Symmetry and further investments in accordance with BBOX's investment policy. The acquisition is expected to complete on 19 February 2019.

3 NESF* – NextEnergy Solar – Partnership with Zestec

Invests in a diversified portfolio of solar PV assets, largely in the UK

- NESF has agreed a framework agreement with Zestec Asset Management (Zestec) to install commercial solar PV across the UK using a PPA model developed jointly with Zestec. Zestec will source, develop and install the solar power plants on commercial properties. Commercial landlords will buy the electricity produced by the solar PV system installed on their roofs under a PPA with NESF, at a reduced tariff compared to their normal electricity import cost. Projects constructed before 1 April 2019 will receive a 20-year RPI-linked feed-in-tariff (FiT).
- Under the framework agreement, NESF has agreed to invest up to £20m in new solar installations in 2019, of which £5m has been committed to the initial batch of installations to be acquired in early 2019. NESF will enter into agreements ranging between 15 and 25 years with commercial business owners and landlords, receiving revenue from the PPA and the supplemental FiT payment for assets constructed before 1 April 2019.

3 MXF – Medicx – Q4 2018 NAV, trading update and dividend

Healthcare property investments

- The EPRA NAV of the portfolio as at 31 December 2018 was 81.4pps, up 1.35% since the last NAV on 30 September 2018 and up 12.46% in 2018 (both total returns). The valuation for the UK portfolio reflected a net initial yield of 4.85% (30 September 2018: 4.85%), and the Irish portfolio valuation reflected a true equivalent yield of 6.22% (30 September 2018: 6.29%).
- MXF presented an update of its activities for the quarter ending 31 December 2018. These included the disposal of a leasehold property in Harpenden and an undeveloped site, as the development was no longer proceeding. As at the end of the period, the company owned three properties under construction with a combined completed value of £18.4m and expected completion date in 2019. During the quarter, 31 leases and rents of £3.02m were reviewed with a blended 1.64% per annum increase achieved (year to 30 September 2018: 1.64%).
- The company declared a quarterly dividend of 0.95pps (down 0.56pps), payable on the earlier of 29 March 2019 and the effective date of the recommended merger with PHP, with ex-dividend date 14 February 2019.

Portfolio news

- Ediston Property (EPIC) – Lease activity – EPIC has completed two further lease transactions at Pallion Retail Park, Sunderland. GO Outdoors signed an agreement for lease (AFL) on unit 2, which comprises 11,345 sq ft, in June 2018, conditional on the company carrying out repairs to the property. The works have now been undertaken and a new ten-year lease with a five-year break clause has been completed. The passing rent is 20% higher than the rent paid by the previous tenant. EPIC has also completed a lease renewal with The Wallpaper Warehouse on the 6,000 sq ft unit 4. The tenant has signed a ten-year lease with a five-year tenant break option. The new rent per annum is in this case 7% higher than the rent at expiry.

- **Primary Health Properties (PHP) – Portfolio update** – The company has acquired the entire issued share capital of Chapeloak Investments, which owns the Oakwood Lane Medical Centre in Leeds, for £5.425m. The property was completed in 2014 and comprises a modern, purpose built 1,177 sq m medical centre and is fully let to a GP practice and a pharmacy unit. Together, the GP practice and pharmacy leases have a WAULT of 20.6 years. In addition, a wholly owned subsidiary of PHP has contracted to provide development funding for the construction of a purpose-built medical centre in Langwith, Derbyshire, for a total cost of £1.8m. The property will be fully let to Derbyshire Community Health Services NHS Foundation Trust on a 20-year lease.
- **Yew Grove (YEW) – Acquisition** - The company exchanged contracts on Office Block A in the IDA Waterford Business and Technology Park in Butlerstown, Waterford. The building is occupied by Tech Mahindra Business Services with a 20-year lease and five years to break, as well as SE2 Information Services with a 5-year lease. The EUR 4m transaction represents a net initial yield of 8.56% after all purchase costs.

Other corporate actions

- **Medicx (MXF) – Publication of scheme document** – MXF has published a circular in relation to the scheme (the all-share merger with Primary Health Properties) containing, amongst other items, a letter from the chairman of MXF, details of the merger, the full terms and conditions of the scheme, an expected timetable of principal events, notices convening the court meeting and MXF general meeting (both on 1 March 2019) and details of the actions to be taken by MXF shareholders. Subject to approvals, the scheme is expected to become effective on 14 March 2019 and the cancellation of the listing of MXF's shares on the LSE is expected to take effect on 15 March 2019.
- **Primary Health Properties (PHP) – Publication of prospectus** – The company has published a prospectus in relation to the proposed all-share merger with Medicx. The general meeting to decide on the proposed merger will take place on 28 February 2019.

Declared dividends

- Warehouse REIT (WHR) declared a quarterly dividend of 1.5pps (unchanged), payable on 29-Mar-19, with ex-dividend date 28-Feb-19.

Share buybacks and issuance

- Capital Gearing Trust (CGT) issued 23,000 shares at 4115pps on 8-Feb-19.
- Funding Circle SME Income (FCIF) bought back 85,000 shares at 86pps on 8-Feb-19.
- JPMorgan Global Convertibles Income (JGCI) bought back 250,000 shares at 87.78pps on 8-Feb-19.
- NB Distressed Debt (NBDX) bought back 30,000 Extended shares at \$0.8325 per share on 8-Feb-19.
- NB Distressed Debt (NBDG) bought back 10,000 New Global shares at 79.0pps on 8-Feb-19.
- NB Global Floating Rate Income (NBLS) bought back 1,000,000 GBP shares at 88.625pps on 8-Feb-19.
- TwentyFour Income (TFIF) issued 500,000 shares at 114.67pps on 8-Feb-19.

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