



Fidante Daily Digest

News bulletin on alternative investment companies

5 June 2019

This is a marketing communication. Author: Martin McCubbin

This publication provides factual and statistical information and non-substantive material and analysis. Under MiFID II these constitute a minor non-monetary benefit and is provided by Fidante free of charge. For more information on Fidante's MiFID II policies please click [here](#).

Each analyst individually certifies, in relation to each security or issuer referred to in this communication, that (1) the views expressed are an accurate reflection of his/her personal views and (2) no part of his/her compensation is linked directly or indirectly to the views so expressed in this communication.

For further details see below.

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.

1

2

3

4

5

3 AUGM* – Augmentum Fintech – Notice of general meeting

Invests in onshore wind and solar energy assets

- As announced on 5 March 2019, AUGM has investments in 15 fintech companies and has substantially fully committed the net proceeds raised at IPO last year. The board believes it appropriate to now make certain non-material changes to the company's investment policy to reflect the progress since IPO.
- The portfolio manager has identified a pipeline of further investments, currently more than £450m, in line with the company's investment objective and policy and diversified across target sectors and geographies. The board has therefore concluded that now is an appropriate time to seek shareholder authority to allot up to 150m new ordinary shares and/or C shares over the period to 31 December 2020 in order to give the company the ability to take advantage of these opportunities. Further details of a proposed share issuance programme are given in a circular published by the company, which also convenes a general meeting to be held on 1 July 2019 to approve the issuance of further shares.
- The company announced that its maiden final results, to 31 March 2019, will be released on 11 June 2019.

3 JLEN – John Laing Environmental Assets – Investment adviser change

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

- The board of JLEN has announced the change of the company's investment adviser from John Laing Capital Management (JLCM) to Foresight Group, which is expected to be effective from 1 July 2019. Under the terms of the agreement, JLCM's investment advisory business relating to JLEN will be sold to Foresight. The team at JLCM will move to Foresight following completion of a TUPE process with affected employees, subject to regulatory notification. The team will continue to advise JLEN, supported by the wider resources of Foresight. Under the terms of the sale, the current investment advisory agreement will be novated, restated and amended on the effective date of the transfer, with the material terms, fees and provisions being the same as the existing investment advisory agreement with JLCM. The first offer agreement that JLEN has with John Laing will continue following the transfer of the business to Foresight, with amendments from the effective date of the transfer to take account of the change in investment adviser and to include certain additional rights of termination on a change of control of Foresight or JLEN. The board of JLEN expects to put forward a resolution to shareholders in due course to change the name of the company so as to not include "John Laing".

3 FSFL – Foresight Solar – Group acquisition

Invests in solar energy assets

- The board has noted the announcement by Foresight Group in relation to the acquisition of the John Laing Environmental Assets advisory mandate from John Laing Group. The board of FSFL believes that this will have no adverse impact on FSFL. They say that there is limited overlap in investment mandates between FSFL and JLEN, and observe that Foresight

maintains a formal allocation policy for investments across its funds, in order to deal with any such overlap should it arise.

3 GSF – Gore Street Energy Storage – Finals and proposed fundraising

Invests in a portfolio of utility-scale energy storage projects, primarily in the UK

- The NAV as at 31 March 2019 was 91.9pps, unchanged since the last NAV on 31 December 2018 and down 3.46% since the IPO in May 2018 (both total return). The company has today declared a dividend of 1pps for Q1 2019 (unchanged), payable on 5 July 2019, with ex-dividend date 13 June 2019. Aggregate dividends of 4.0pps have now been declared for the period, in-line with the target announced at the IPO, and they remain fully covered by cash received from the operating assets.
- As at 31 March 2019, the portfolio was valued at £6.5m. Cash and cash equivalents were £17.2m, with trade and other receivables of £4.6m. Total net assets were £28.1m as at 31 March 2019. Around 50% of the IPO proceeds were invested or committed across four assets as at that date. Two of the assets, with 8MW of installed capacity, are fully operational and income producing, and two shovel-ready projects, with 19MW of installed capacity, are expected to be operational in Q4 2019.
- GSF has entered into agreements to acquire a controlling interest in a 160MW portfolio of projects in Northern Ireland and the Republic of Ireland. In order to fund the projects and the company's further pipeline of investment opportunities, GSF has announced a placing, offer for subscription and intermediaries offer to raise up to £50m and a subsequent placing programme of new ordinary shares and/or C shares, conditional on shareholder approval and the publication of a prospectus. £31m has been committed for investment, of which £6m will be invested as part of the issue and a further £25m will be invested by the National Treasury Management Agency (NTMA), controller and manager of the Ireland Strategic Investment Fund (ISIF).
- GSF has entered into an agreement with the NTMA for up to a £30m investment in the company, conditional on a minimum fundraise of £15m (excluding the £5m initial NTMA subscription). £5m will be invested as part of the issue and up to £25m may be drawn down if certain criteria are met. The proceeds of the issue and investment from NTMA will primarily be used to construct and purchase the 160MW portfolio of energy storage assets in Ireland.

Declared dividends

- LXI (LXI) declared a quarterly dividend of 1.4375pps (up 0.0625pps), payable on 23-Sep-19, with ex-dividend date 13-Jun-19.

Credit/lending NAV performance

- CVC Credit Partners European Opportunities (CCPG) GBP NAV as at 24-May-19 (107.36pps) was down 0.06pps (0.06%) since the last NAV on 17-May-19, down 0.35% month-to-date and up 2.33% year-to-date.

Hedge fund NAV performance

- Third Point Offshore (TPOU) NAV as at 31-May-19 (\$19.07 per share) was down \$0.23 per share (1.19%) in May and up 10.61% year-to-date.

Share buybacks and issuance

- Capital Gearing Trust (CGT) issued 48,000 shares at 4257pps on 4-Jun-19.
- Funding Circle SME Income (FCIF) bought back 400,000 shares at 85.6pps on 4-Jun-19.
- Highbridge Multi-Strategy (HMSF*) bought back 45,000 shares at 217.0pps on 4-Jun-19.
- Invesco Enhanced Income (IPE) issued 150,000 shares at 73.81pps on 4-Jun-19.
- NB Global Floating Rate Income (NBLS) bought back 1,500,000 GBP shares at 90.14pps on 4-Jun-19.
- NB Private Equity (NBPE) bought back 100,000 shares at 1075pps on 4-Jun-19.
- P2P Global Investments (P2P) bought back 5,000 shares at 848.0pps on 4-Jun-19.
- Third Point Offshore (TPOU) bought back 25,205 shares at \$14.9103 per share on 4-Jun-19.

*Current corporate client of Fidante Capital.

This communication contains non-substantive material consisting of: (i) short term market commentary on the latest economic statistics or company results, and/or (ii) short market updates with limited commentary or opinion that is not substantiated, and/or (iii) summaries of public news stories or public statements from corporate issuers. It is generic in nature and not personalised to reflect the circumstances of an individual client and therefore does not amount to a personal recommendation to any person. This communication does not contain any substantive analysis and does not and is not intended to recommend or suggest any investment strategy or opinion as to the future value or price of financial instruments of any kind. Recipients of this communication based in the EEA who are subject to regulation under MiFID should note that while they must make their own determination Fidante Partners Europe Limited ("Fidante Partners") is of the view that this communication constitutes a "minor non-monetary benefit"

RESEARCH

Joachim Klement
+44 20 7832 0956
jklement@fidante.com

Martin McCubbin
+44 20 7832 0952
mmccubbin@fidante.com

CORPORATE FINANCE

John Armstrong-Denby
+44 20 7832 0983
jdenby@fidante.com

Nick Donovan
+44 20 7832 0981
ndonovan@fidante.com

Will Talkington
+44 20 7832 0936
wtalkington@fidante.com

UK SALES

Justin Zawoda-Martin
+44 20 7832 0931
jzawodamartin@fidante.com

Daniel Balabanoff
+44 20 7832 0955
dbalabanoff@fidante.com

Max Bickford
+44 20 7832 0934
mbickford@fidante.com

Hugh Ferrand
+44 20 7832 0935
hferrand@fidante.com

Mike Rumbold
+44 20 7832 0929
mrumbold@fidante.com

MARKET MAKING

STX 79411 79412
Mark Naughton
+44 20 7832 0991
mnaughton@fidante.com

Anthony Harmer
+44 20 7832 0995
aharmer@fidante.com

INTERNATIONAL SALES

Nordics
Ian Brenninkmeijer
+46 8 1215 1361
ibrenninkmeijer@fidante.com

Benelux
Yves van Langenhove
AAMYS* (Fidante Partners)
+32 468 29 08 04
yvanlangenhove@fidante.com

*AAMYS is a tied agent of Fidante Partners Europe Limited which is authorised and regulated by the Financial Conduct Authority of the United Kingdom and also trades as Fidante Capital.

For more information on any of the companies featured above please contact our Research team.

This is a marketing communication and is not, and should not, be considered as independent investment research. It is issued by Fidante Partners Europe Limited ("Fidante Partners") which is authorised and regulated by the Financial Conduct Authority ("FCA"). Fidante Partners Europe Limited trades as "Fidante Partners" and "Fidante Capital". Fidante Partners Europe Limited is a wholly owned subsidiary of Challenger Limited, a company listed on the Australian Securities Exchange Limited.

This marketing communication is for persons who are Eligible Counterparties or Professional Clients (for the purposes of the FCA rules) only and it is not available to Retail Clients. It is being distributed (a) in the United Kingdom to, and is directed only at, persons who are (i) investment professionals as defined in Article 19 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Promotion Order") or (ii) are persons to whom this marketing communication may otherwise lawfully be issued or passed on or (b) outside the United Kingdom to, and is directed only at, persons to whom this marketing communication may be lawfully issued or issued without compliance with any filing, registration, approval or other requirement in the relevant jurisdiction, and in each such case without the inclusion of any further warnings or statements as required by the Promotion Order, or other applicable law or regulation, which are not included in this marketing communication (all such persons together being referred to as "relevant persons"). Neither this marketing communication nor any of its contents may be received by, acted on or relied on by persons who are not relevant persons.

No part of this marketing communication may be published, distributed, extracted, re-utilised or reproduced and any attempt to do so may be restricted or prohibited by law. Recipients are required to inform themselves of, and comply with, all such restrictions or prohibitions and none of Fidante Partners or any other person accepts liability to any person in relation thereto.

Fidante Partners does not produce independent investment research within the meaning of the FCA Handbook of Rules and Guidance. Accordingly, this marketing communication is non-independent research within the meaning of those rules, which means it is a marketing communication under the Markets in Financial Instruments Directive ("MiFID") and it has not been prepared in accordance with legal requirements designed to promote the independence of investment research, and it is not subject to any prohibition on dealing ahead of the dissemination of investment research. However, Fidante Partners has policies, internal organisational and administration arrangements and information barriers to prevent or manage the conflicts which may arise in the production of non-independent research, including preventing dealing ahead. This includes physical and electronic information barriers procedures and the operation of a cultural Chinese Wall. For further information, please view the following policies: [Conflicts of Interest](#), [Chinese Walls Policy](#).

Fidante Partners acts as a market maker, corporate broker and, from time to time, bookrunner to companies in the closed-end listed investment company sector. A list of all companies in relation to which Fidante Partners acts as market maker and/or corporate broker and/or bookrunner (and the relevant dates of any closing of any such capital raise) can be viewed here: [Market Making Stocks](#) (of which Fidante Partners acts as market maker and accordingly Fidante Partners may own net long or short positions exceeding 0.5% of the total issued share capital), [Corporate Appointments](#). The Market Making Stocks will indicate any other equity interests held by Fidante Partners or a member of the Challenger Group.

Fidante Partners or a member of the Challenger Limited group may have an economic interest (for example, minority equity interest or fee entitlement) in investment managers of the funds of which it provides services (such as corporate finance, listing sponsorship, market maker, corporate broker, bookrunner and administrative and support services). The Corporate Appointments also indicates whether Fidante Partners or any member of the Challenger Limited group holds more than 5% of the total issued share capital of the issuer. Fidante Partners is remunerated by fees for services provided and may be entitled to a share of profits from these investment managers and third parties. There is no direct link between the remuneration of individuals at Fidante Partners and the recommendations or transactions tied to services provided by Fidante Partners. Fidante Partners does not produce buy, sell or hold recommendations with respect to specific securities. Unless otherwise stated, this communication will not be regularly updated.

Please [click here](#) for the Fidante Partners research policy.

This marketing communication does not constitute a personal recommendation or take into account the particular investment objectives, financial situation or particular needs of any specific recipient. It is not intended to provide the sole basis for any evaluation of an investment decision. Your attention is drawn to the date of issue of this marketing communication and of the opinions expressed herein. Before acting on any advice or recommendations in this marketing communication, recipients should consider whether it is suitable for their particular circumstances and, if necessary seek professional advice, including tax advice. Recipients of this marketing communication should note that: All investments are subject to risk; the value of shares may go down as well as up; you may not get back the full amount that you have invested; past performance is not a guarantee of, and cannot be relied on as a guide to, future performance; fluctuations in exchange rates could have adverse effects on the value or price of, or income derived from, certain investments.

This marketing communication is for informational purposes only and does not constitute, and should not be viewed as, an offer, invitation or solicitation in respect of securities or related other financial instruments nor shall it be construed as a recommendation for Fidante Partners to effect any transaction to buy or sell securities or related financial instruments on behalf of any recipient nor shall it, or the fact of its distribution, form the basis of or be relied upon in connection with, any contract or commitment in relation to such action. The securities that may be described in this marketing communication may not be eligible for sale in all jurisdictions or to certain categories of investors.

This marketing communication is based upon information which Fidante Partners considers reliable, but such information has not been independently verified and no representation is made that it is, or will continue to be accurate or complete and nor should it be relied on as such. This marketing communication is not guaranteed to be a complete statement or summary of any securities, markets, documents or developments referred to in this marketing communication.

Any statements or opinions expressed in this marketing communication are subject to change without notice. Neither Fidante Partners, any member of the Challenger Limited group nor any of their directors, officers, employees or agents shall have any liability (including negligence), however arising, for any error, inaccuracy or incompleteness of fact or opinion, or lack of care, in this communication's preparation or publication; provided that this shall not exclude liability which Fidante Partners has to a customer under the Financial Services & Markets Act 2000 or under the Rules of the Financial Conduct Authority.

This marketing communication contains certain forward-looking statements, beliefs or opinions. These statements concern future circumstances and results and other statements that are not historical facts, sometimes identified by the words "believes", "expects", "predicts", "intends", "projects", "plans", "estimates", "aims", "foresees", "anticipates", "targets", "may", "will" and similar expressions. Such statements reflect current views with respect to future events and are subject to risks and uncertainties because they relate to events and depend on circumstances that will occur in the future. These forward-looking statements are based on current plans, estimates, projections and expectations. These statements are based on certain assumptions that, although reasonable at this time, may prove to be erroneous. No statement in this marketing communication is intended to be a profit forecast. No representations or warranties, express or implied, are given as to the achievement or reasonableness of and no reliance should be placed on, such statements, including (but not limited to) any projections, estimates, forecasts or targets contained herein. Fidante Partners does not undertake to provide any additional information, update or keep current information contained in this marketing communication, or to remedy any omissions in or from this marketing communication. There are a number of factors that could cause actual results, developments, financial targets and strategic objectives to differ materially from those expressed or implied by statements in this marketing communication. Fidante Partners, nor any other person intends, and no person assumes any obligations, to update information or statements set forth in this marketing communication. You should not place reliance on forward-looking statements which speak only as at the date of this document.

Where references to external resources such as internet websites are provided these are for reference purposes, and the external resources are not intended to be included as part of this publication; Fidante Partners plc has not checked and is not responsible for any external content, and makes no representation as to its reliability or accuracy.

Any dispute, action or other proceeding concerning this marketing communication shall be adjudicated within the exclusive jurisdiction of the courts of England. All material contained in this marketing communication (including in this disclaimer) shall be governed by and construed in accordance with the laws of England and Wales.

Fidante Partners Europe Limited
Authorised and Regulated by the Financial Conduct Authority
Fidante Partners Europe Limited trades as "Fidante Partners" and "Fidante Capital".
Registered Office: 1 Tudor Street, London EC4Y 0AH. Registered in England and Wales No. 4040660.

www.fidante.com



LinkedIn