

SQN Asset Finance Income Fund Limited

30 April 2020



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.

April Investment Highlights

In April, the Company made two additional advances on existing transactions within the Ordinary share class.

The Board is actively reviewing the timing of re-instating the dividend which remains suspended at this time.

The Strategic Review has been concluded and the expectation is that a new manager, which has been endorsed by SQN Capital Management, will be appointed in June.

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

FUND INFORMATION

Share price

Ordinary Shares	23.40p
C Shares	50.30p

NAV per share

Ordinary Shares	69.09p
C Shares	96.98p

Gearing

None

Management Fee

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

Charges

Ongoing charge figure ¹	1.20%
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¹ The ongoing charge figure includes direct costs to the fund, annualised, against its average net asset value.

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 – 30 April 2020

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

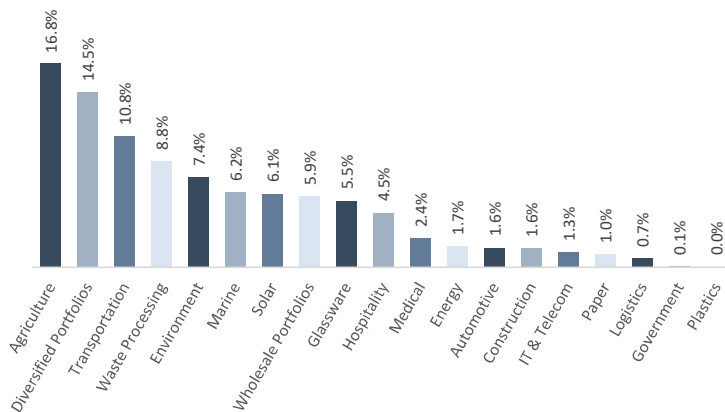
£153.2m Market capitalisation	£380.7m Net asset value	>9.3% Weighted average portfolio yield ¹	61 months Weighted average remaining term ¹	£8.8m Average investment size
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Ten Largest Group Exposures	Total Exposure ²	% of NAV	Industry
1 Vessels and Helicopters	£33,212,644	8.73%	Transportation
2 Equipment Leasing Portfolio - Insurance Company	£32,122,754	8.44%	Diversified Portfolios
3 Solar Manufacturing	£23,158,863	6.08%	Solar
4 Manufacturing	£21,003,291	5.52%	Glassware
5 Marine Equipment	£20,064,711	5.27%	Marine
6 Waste Processing Equipment	£18,714,155	4.92%	Environment
7 Combined Heat and Power Centre	£16,632,451	4.37%	Agriculture
8 Anaerobic Digestion Plant	£15,626,734	4.11%	Agriculture
9 Anaerobic Digestion Plant	£14,081,874	3.70%	Waste Processing
10 Equipment Leasing Portfolio - Leasing Company	£11,505,668	3.02%	Diversified Portfolios
£206,123,145		54.15%	

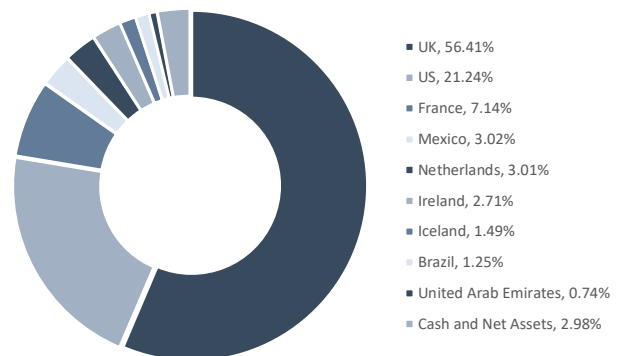
¹ This performance measure is calculated on performing investments only.

² Total Exposure is calculated as the present balance outstanding plus investment receivables less any impairment/expected credit loss provision.

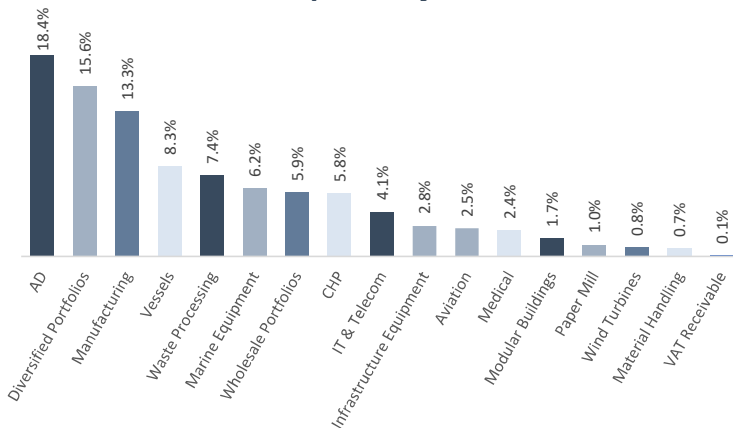
Portfolio Exposure by Industry



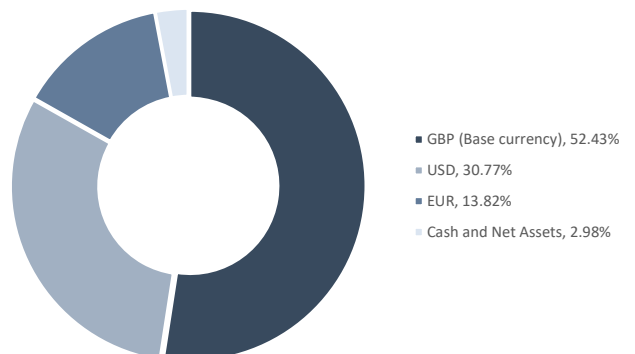
Portfolio Exposure by Geography



Portfolio Exposure by Asset Class



Portfolio Exposure by Currency



For more information, please contact the issuer.

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