

KKV Secured Loan Fund – C Share



Factsheet | 30 June 2020

Investment Objective

The Fund's objective is to generate regular income for investor through collateralised investments in business-essential equipment and hard assets and in asset-and-equipment-based project financings.

Fund Information

Key facts

Share Price	57.00p
NAV	£128.3m
NAV per share	92.38p
Ticker	KKVX
ISIN	GG00BFXYHJ13
Management Fees	1% up to £300m 0.9% £300m-£500m 0.8% over £500m
Ongoing charges	1.20%

Key Benefits

1. Diversified exposure to SME borrowers across the UK, Europe and US.
2. Uncorrelated with stocks, bonds, real estate and commodities markets.
3. Lending against business-critical assets providing downside protection.

Performance

NAV Total Return¹, cum income, %

To 30/06/2020	Since Inception	3y	1y	6m
C shares	2.39	2.78	-0.52	-4.01

¹Annualised for periods longer than one year.

12M discrete	30/06/2017 – 30/06/2018	30/06/2018 – 30/06/2019	30/06/2019 – 30/06/2020
C shares	1.93	7.07	-0.52

Fund Portfolio²

Top 10 Holdings (%)

Waste Processing Equip.	14.39
Vessels and Helicopters	12.65
Marine Equipment	12.35
Equipment Leasing Portf.	9.39
Equipment Leasing Portf.	8.95
Wholesale Portfolios	6.57
Aviation	4.64
Infrastructure Equipment	4.06
Waste Processing Equip.	3.92
Waste Processing Equip.	3.47
Total	80.40

Total number of holdings 19

Weighted average yield³ 7.82%

Sector breakdown (%)

Waste Processing	21.8
Diversified Portf.	21.5
Marine Equipment	15.0
Vessels	11.2
Wholesale Portf.	6.6
Infrastructure Equip.	6.4
Aviation	6.1
Manufacturing	2.5
Other	8.9

Geographical breakdown (%)

UK	61.7
USA	11.2
Mexico	9.4
Iceland	4.6
Other	13.1

Maturity breakdown (%)

<1 year	30.7
1-2 years	2.4
2-5 years	19.7
5-12 years	38.2
>12 years	9.0



Weighted average remaining term⁴

58 months

Currency breakdown (%)

GBP	67.6
USD	23.6
EUR	8.8



Currency hedged to GBP

None

² Portfolio exposures are calculated as the present balance outstanding plus investment receivables less any impairment/expected credit loss provision.

³ Calculated on entire portfolio (weighted average portfolio yield on performing investments calculated as 9.58%)

⁴ Calculated on entire portfolio (weighted average remaining term on performing investments calculated as 66 months)



Dawn Kendall
CIO & Lead Fund Manager

Dawn has 34 years' experience in financial services, including 25 years' experience managing fixed income portfolios at distinguished financial institutions, including in her role as Partner and Portfolio Manager at TwentyFour Asset Management, as CIO for IAM, a fund of hedge funds, and Portfolio Manager for The Codelouf Trust, a family office. Additionally, Dawn has held senior investment and management positions at Newton, Axa (Architas) and Investec Wealth. Dawn has a degree in European and English Law and an MBA.

June Investment Highlights

In our first NAV for the fund under KKV's stewardship, having reviews credits and taken into account the impact of Covid 19, we have impaired assets to the value of 6.60% representing 6.53p of NAV value. It has been a difficult decision but as we start on the path of stabilisation, the impairments are based upon our assessment of the quality of the security and overall likelihood of recovery after pandemic conditions subside.

Unlike the Ordinary Share Class, the C Share Class does not hold AD plant exposure, although three loans with exposure to oil & gas, shipping and auto manufacturing have been impacted by the global downturn in sufficient quantum for us to consider it prudent to impair capital and income expectations. Other loans within the portfolio continue to be closely monitored and continue to perform as expected.

On July 16th, Shareholders voted for the C Share Class to be wound up. We shall be working with the Board and Shareholders over the coming weeks and months to devise a plan that satisfies Shareholder desire for cash to be returned in an expeditious manner whilst also protecting their capital. The current maturity profile for the C Share class is 58 months.

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KKV Secured Loan Fund – Ordinary Share Class

Closed-ended Investment Company | **Listing:** London Stock Exchange Main Market
Domicile: Guernsey