

# INGENIOUS ESTATE PLANNING (IEP) CLASSIC & CARE

Data as at 30 June 2021

Launch date	29 May 2014
Net Asset Value (NAV)	£200.60m

Target: Steady long-term return of 3-5% per annum, net of fees.

## Investment strategy

The Manager of IEP Classic invests into one or more Portfolio Companies that operate a trading strategy suited to the core objectives of achieving stable growth and capital preservation, within one or more of the following sectors: **real estate, media and infrastructure.**

## Portfolio summary



NAV per share:  
123.36p



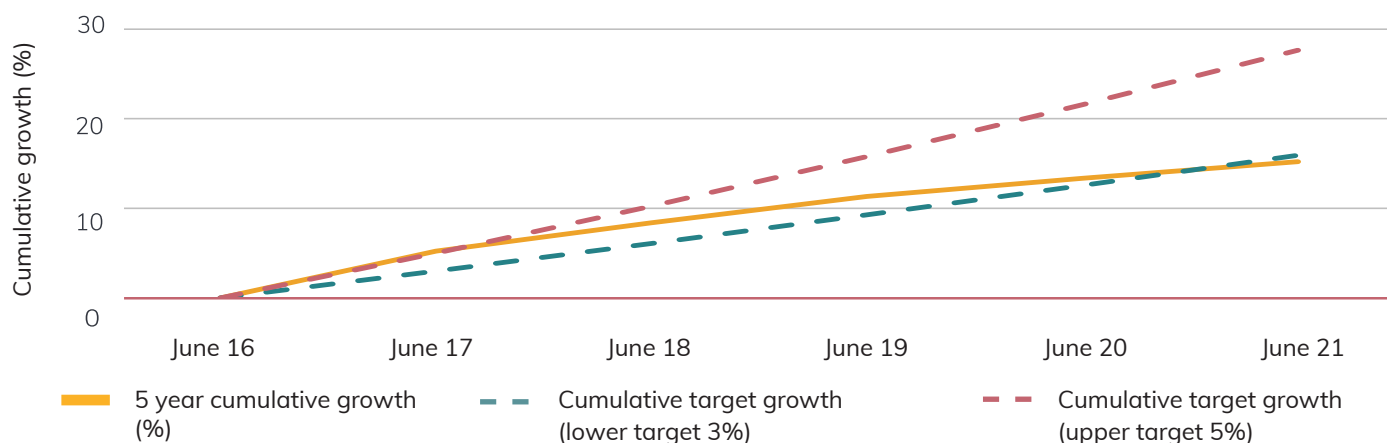
Trading share price:  
123.36p



Quarterly change:  
+0.58%

The valuations are for illustrative purposes only, and are calculated as per the Definitions section below. Actual returns on investment cannot be determined until a sale of shares is completed.

## 5 year growth



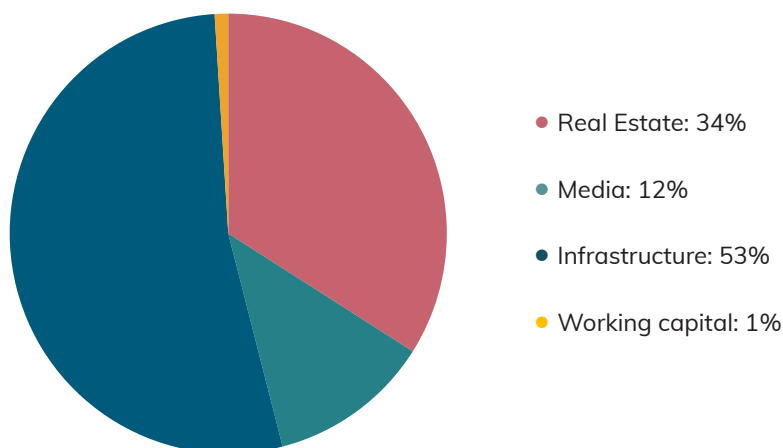
## Cumulative growth (%)

1 yr	3 yr	5 yr	Since inception	5 yr annualised returns
1.65	6.28	15.20	23.36	3.04

## Discrete annual growth (%)

June 2017	June 2018	June 2019	June 2020	June 2021
5.22	3.02	2.71	1.80	1.65

## IEP Classic asset allocation Q2 2021



In light of the global Covid-19 pandemic, we would like to reassure you that our experienced teams are continuing to actively manage your IEP investment during this period of uncertainty, working closely with all of IEP's commercial partners to mitigate any potential adverse impact of the pandemic.

## Sector commentary

### Real Estate

The Real Estate strategy provides secured, asset-backed development and bridge loans in established markets across England.

The Government's stamp duty holiday and mortgage guarantee scheme, as well as the gradual reopening of the wider economy, helped to produce strong price growth of 5.6% in the first half of the year according to the Nationwide index. Constrained supply means some further price growth is expected for the second half of the year. Construction costs continue to rise however, due to pressure on supply chains, and this is expected to persist until the new year. The Real Estate team continues to factor these price increases into contingency allocations within each project.

*Nationwide House Price Index, June 2021*

**Number of loans: 29**

**Assets under management: £222.63m**

### Media

The Media strategy provides commercial and asset-backed loans to film and television production companies.

As at 30 June 2021, there was a senior secured loan book of £23m across 28 loans, with an average loan size of £0.8m. Recent transactions include three additional drawdowns and four repayments on an agreed revolving credit facility with Altitude Film Entertainment, a British film distribution company.

**Number of loans: 30**

**Assets under management: £43.55m**

## Infrastructure

The Ingenious team continues to take a proactive approach to portfolio management, working closely with technical experts to implement improvements across the portfolio. We have recently completed a technical review with a third-party across our solar and wind plants and we have started implementing improvements identified by that review such as enhancements in preventative maintenance, cleaning, and calibrations in line with current industry standards.

The anaerobic digestion portfolio has continued to move from the operational phase to optimisation. We have been working closely with our external partners in order to target steady state operation which will allow us to produce higher outputs. Some of the challenges which featured prominently in the previous quarter have been largely overcome with parts, equipment, and specialist labour from mainland Europe now being more readily available. As stated in the previous update, we will shortly be undertaking a similar technical review across the anaerobic digestion plants that we undertook across the solar and wind plants. This review will inform a series of upgrades and enhancements which are intended to materially increase outputs. In addition to the technical review, which largely focuses on the physical elements of the plants, a review is also being conducted of the digital areas of the assets, such as the computer control systems, as well as the availability of spare parts.

Whilst forward power prices, on which the valuations of the clean energy assets are partly based, have recently increased in the medium-term reflecting a Covid-19 bounce back, long-term forecasts have softened reflecting the possibility of a significant increase in offshore wind capacity and supply over time, amongst other things, in line with government statements. We continue to take a long-term view of the power prices based on all available market information.

**Number of loans and owned and operated equity: 20**

**Assets under management: £188.55m**

## Definitions

### NAV per share:

The total assets of the company(ies), minus the liabilities, divided by the number of shares.

### Assets under management:

Total gross value of secured loans and owned and operated equity.

### Trading share price:

The value, at the current reporting date, at which investors enter and exit. The share price does not trade at a premium to the NAV per share, meaning the NAV per share and the Trading share price are the same.

## Important information

**This document is intended for Retail and Professional Investors resident in the UK. Investor statements are published on a quarterly basis in February, May, August and November.**

The illustrative valuations are based on cash invested, plus revenue recognised, less any costs incurred as at the date of the valuation

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