

TIME:UK Infrastructure Income

Infrastructure Funds

Data as at: **31 March 2022** Published: **April 2022**

12.83%

1 year total return (C Acc GBP)

36.06%

Total return since inception* (C Acc GBP)

Key facts

Fund size	£68.1m
Launch date*	3 April 2018
Sector	IA Infrastructure
Base currency	GBP
Dealing frequency	Daily, 10am
Income return to 31 Mar 2022	4.49% p.a. (C Acc GBP)

Fund particulars

Fund name

ARC TIME UK Infrastructure Income II

Fund structure

Sub-fund of ARC TIME:Funds III, a UK Undertakings for Collective Investment in Transferable Securities ("UK UCITS") scheme

Regulated status

FCA authorised UK UCITS

Depositary

NatWest Trustee and Depositary Services Limited

Authorised Corporate Director

Alpha Real Capital LLP

Investment Manager

TIME Investments

FATCA GIIN Registration

AWGFGS.99999.SL.826

*Past performance includes that of ARC TIME UK Infrastructure Income which merged by share exchange with ARC TIME UK Infrastructure Income II on 10 January 2022.

Fund managers



Stephen Daniels is one of the founding partners of TIME and Fund Manager for TIME:UK Infrastructure Income and TIME:Social Long Income. In addition, Stephen is also

responsible for our TIME:Advance, TIME:CTC, TIME:EIS and TIME:AIM solutions. He has over 15 years' experience in finance, fund management and investing in UK Smaller Companies.

Chris Cox, CFA is Co-Fund Manager of TIME:UK Infrastructure Income and TIME:Property Long Income & Growth



as well as Investment Manager across TIME's other listed equity products. Chris has almost a decade of experience in financial services and has invested in or advised on a wide range of asset classes

for clients.

Fund aim

The Fund seeks to deliver a consistent income return with long-term capital growth potential from a portfolio of infrastructure exposed securities. The portfolio is made up of renewable energy, infrastructure, logistics, digital infrastructure, secured lending and social infrastructure companies.

Fund characteristics



Diversification

The infrastructure sector is highly diverse and has low correlation to traditional asset classes. Underlying exposure through 25 - 30 securities to over 5,000 individual assets in over 30 sub-sectors.



Attractive income levels

We target sustainable and regular dividends, distributed quarterly to shareholders. Consistent income is often supported by long term contracted revenues from high quality counterparties.



Lower volatility

Focus on securities with defensive characteristics, such as high quality counterparties and provision of essential services, to enhance risk-adjusted returns over the long term.



Inflation protection

Infrastructure assets often have income streams directly linked to inflation, helping to protect income returns in real terms.



UK focus

Over 80% of the securities will be GBP denominated and domiciled in the UK. Any non-UK exposure is expected to increase diversification and exposure to attractive sectors.



Liquidity

Focus on larger and more liquid infrastructure securities. The average market capitalisation of the securities in the Fund is in excess of £10 billion.



Capital growth prospects

Long-term capital growth prospects as many companies we invest in, not only pay dividends but also seek to reinvest capital in attractive opportunities.

Fund performance*

Performance since launch (%)



	1 month	3 months	6 months	1 year	3 years	Since launch
C Acc GBP	5.72	0.55	6.37	12.83	19.16	36.06
IA Infrastructure	7.61	5.14	10.18	16.39	27.99	49.59

Discrete annual performance (%)

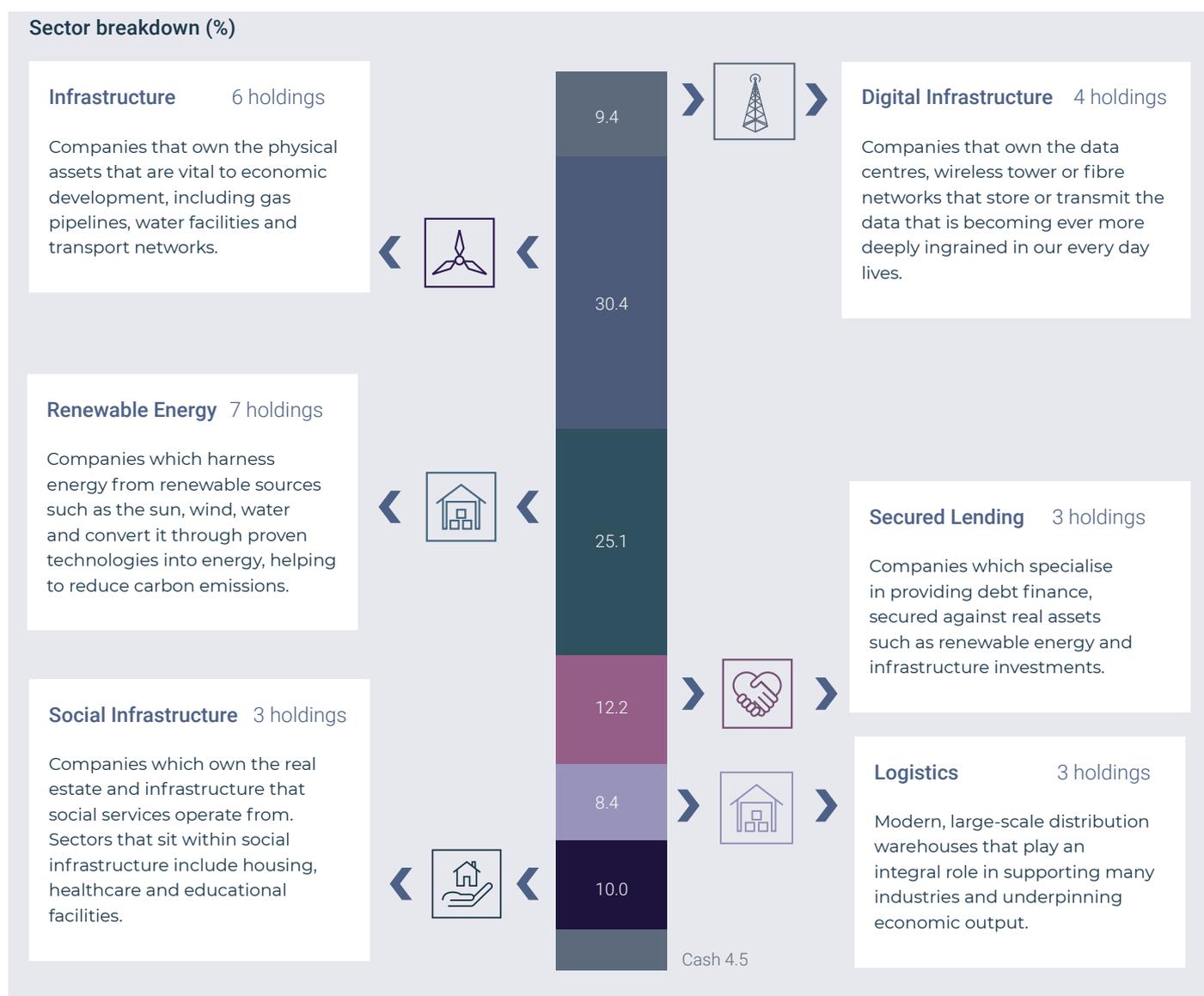
	31.03.2022	31.03.2021	31.03.2020	31.03.2019	31.03.2018
C Acc GBP	12.83	8.41	-2.57	-	-
IA Infrastructure	16.39	18.35	-7.09	16.64	-6.18

Risk and return statistics - since launch

	Volatility	Sharpe ratio	Maximum drawdown
C Acc	10.36%	0.69	-26.10%

Source: Financial Express and TIME Investments. Performance data is based on total return (C Acc). The value of an investment, and any income from it, can fall or rise and investors may not get back the full amount they invest. The past performance of the fund is not a reliable guide to its future performance.

Portfolio breakdown



Top 10 holdings (%)

HICL Infrastructure	7.2
Sequoia Economic Infrastructure Income	6.8
International Public Partnership Limited	6.5
BBI Global Infrastructure	6.4
The Renewables Infrastructure Group Limited	4.8
Greencoat UK Wind	4.6
3I Infrastructure Plc	4.4
Primary Health Properties Plc	3.9
Assura Plc	3.8
Tritax Big Box REIT Plc	3.7

Featured holding - Brookfield Infrastructure

Brookfield Infrastructure (Brookfield) is one of the world's largest infrastructure investors, owning and operating assets across the utilities, transport, energy and data infrastructure sectors. The portfolio provides a diversified exposure to scarce, high-quality businesses with significant barriers to entry. They invest in infrastructure assets that deliver essential goods and services and takes a committed approach to Environmental, Social and Governance (ESG) considerations all whilst having £67 billion AUM and a utility portfolio spanning four continents. Brookfield is committed to practices that have a positive impact on the communities in which they operate including their support of net-zero greenhouse gas (GHG) emissions by 2050 or sooner.



Source: bip.brookfield.com

Fund manager commentary

In March, global financial markets continued to process the high levels of inflation being reported globally. Against this backdrop, equity markets posted the strongest monthly returns in the year to date, whilst Government bond markets sold off with the yield on the 10 year UK gilt rising from 1.40% to 1.60% over the month. Both the Bank of England and the Federal Reserve increased interest rates by 0.25% to try and control inflation with markets anticipating further interest rate hikes over the year. However, the spike in the oil price and the continued disruption to global supply chains are unlikely to help. Equity markets were volatile at the start of the month as the fighting in Ukraine intensified, reaching levels not seen for over a year. As the month went on, it subsided with equities rallying despite warning signs from the bond market. The yield curve continues to flatten and, in some places, has already inverted, which typically suggests a recession is on the horizon. On the macroeconomic data front, January's UK GDP was higher than forecast and is now above pre-pandemic levels.

TIME:UK Infrastructure Income was up +5.72% over the month with all sectors contributing positively to performance. The renewable energy holdings continued their strong start to the year with many of them expected to benefit from rising power prices and inflation. We are seeing this reflected in growing net asset values and expect dividends to increase over the year. Levels of dividend cover are also improving, with this strength likely to go well beyond 2022. Capital raising also remains strong with both Greencoat Renewables announcing a placing and Renewable Infrastructure Group also raising £277 million under a tap issue at a price of 132p which the Fund took part in.

The general infrastructure sector, which includes companies such as HICL Infrastructure ('HICL') and BBGI Global Infrastructure ('BBGI') also performed well. Both companies reported growth in underlying net asset values from their well-diversified portfolios of infrastructure assets. Both companies are expected to benefit from rising levels of inflation with further growth expected should inflation remain high. During the month, HICL agreed to dispose of its 100% stake in the Queen Alexandra Hospital for an estimated £108 million which represents a healthy 40% uplift on its carrying value and highlights the demand for high-quality availability-based projects.

About TIME

TIME Investments is a specialist investment manager focused on delivering long-term investments that seek consistent and attractive risk-adjusted returns. We take a deliberately defensive approach investing in asset-backed and income generating assets, predominantly through infrastructure, real estate and lending. TIME Investments has a long track record in fund management with 30 investment specialists within the renewables, lending and property teams.

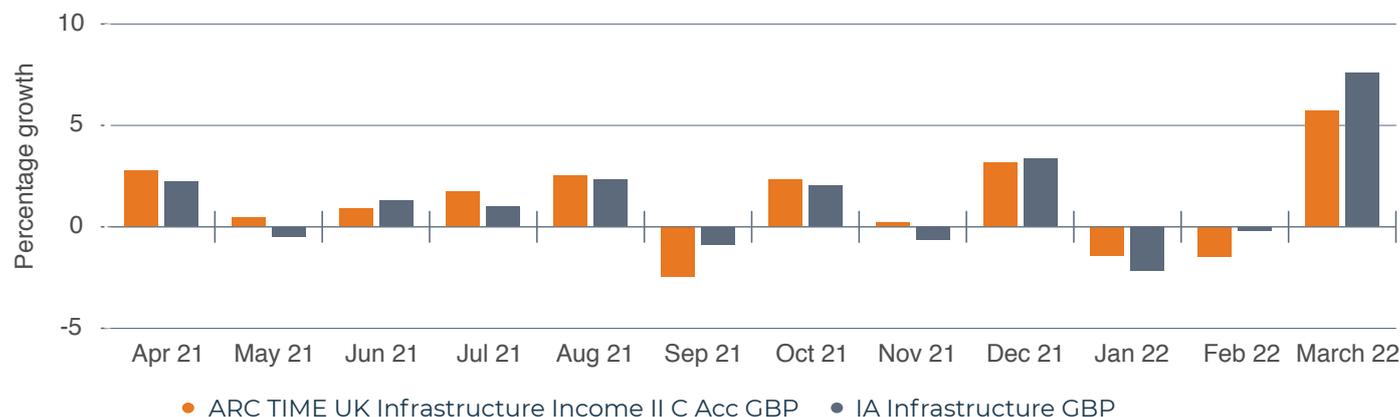


Our holdings in US-listed companies in sectors such as data centres and wireless towers had a strong month, reversing the trend since the start of the year. We remain supportive of these sectors and expect them to perform well over the year driven by their relatively long leases, predictable earnings, cash flow streams, and the criticality of their operations compared to some of the other parts of the real estate market.

With the increased levels of volatility seen in both traditional equity markets and fixed income markets so far in 2022, we are seeing a growing appetite from investors for alternatives such as infrastructure that benefit from real asset backing and reliable cash flow streams positively correlated with inflation.

Monthly performance against benchmark

Monthly performance - 12 months to date



Source: Financial Express and TIME Investments. Performance data is based on total return (C Acc). The value of an investment, and any income from it, can fall or rise and investors may not get back the full amount they invest. The past performance of the fund is not a reliable guide to its future performance.

How to invest

Codes and fees

Share class	Minimum investment	Minimum top up	OCF	ISIN	SEDOL
A Acc GBP	£5,000,000	£100,000	0.53%	GB00BP5GQD25	BP5GQD2
A Inc GBP	£5,000,000	£100,000	0.53%	GB00BP5GQF49	BP5GQF4
C Acc GBP	£5,000	£1,000	0.63%	GB00BP5GQC18	BP5GQC1
C Inc GBP	£5,000	£1,000	0.63%	GB00BP50HT79	BP50HT7

Distributions

Income return (C Acc GBP) 4.49% per annum (based on the last 12 months)
 Distribution frequency Quarterly

Ex-dividend date	Payment date	Distribution per share (£)
1 April 2022	29 April 2022	0.0141
10 January 2022	31 January 2022	0.0120
1 October 2021	29 October 2021	0.0143
1 July 2021	30 July 2021	0.0138

Important notice

This is a financial promotion as set out in the Financial Services and Markets Act 2000 (FSMA). This document is issued in the UK by TIME Investments, a trading name of Alpha Real Property Investment Advisers LLP, which is the Investment Manager of the Fund with delegated authority from Alpha Real Capital LLP, the authorised corporate director of the Fund. Both TIME Investments and Alpha Real Capital LLP are authorised and regulated by the Financial Conduct Authority. Please note your capital is at risk and there is no guarantee that the Fund's investment objective will be achieved. The value of investments and the income from them may fall as well as rise as a result of fluctuations in market, currency or other factors and investors may not get back the original amount invested. Any past performance data cited is not a reliable indicator of future results. TIME Investments may source data from third party data providers but accepts no responsibility or liability for the accuracy of data. This document does not constitute investment advice and potential investors are recommended to seek professional advice before investing. Applications for shares in the Fund can only be made via an Application Form and after reviewing the Key Investor Information Document ("KIID") and the Prospectus and investors should carefully read the risk warnings contained within. All documentation is available on request. Specific Fund Information: Achieving the Fund's investment objective will depend on a wide range of factors relating to the wider economy, regulations or specifically to infrastructure and renewable energy, property companies and bonds into which the Fund invests. There may be limited diversification across sectors and assets. In addition the value of any investment in equity markets is volatile and the Fund's share price may be volatile due to movements in the prices of the underlying equity and fixed interest security holdings. Fund Status: The Fund is a sub-fund of ARC TIME:Funds III and is a UK Undertakings for Collective Investment in Transferable Securities ("UK UCITS") scheme within the meaning of the rules contained in the Collective Investment Schemes Sourcebook (the "FCA Regulations") published by the FCA as part of their Handbook of rules made under the FSMA. Issued: April 2022



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Authorised Corporate Director:
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Platform availability



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