

TIME:Social Long Income | Notification of continuation of suspension of dealing

Date: 01 October 2020

The ACD and the Depositary have, in accordance with FCA rules, agreed to maintain the suspension of the Fund from 30 September 2020 on the new basis of liquidity risk and have notified the FCA of this decision. It is currently unclear how long the suspension will continue as it is linked to a number of factors including cash levels, future capital commitments, asset marketability, the FCA consultation and projected investor funds flows. However, our primary consideration is to act in the best interests of all shareholders. The decision whether to remain suspended is under continuous review and we shall continue to report this to the FCA at least every 28 days.

We have undertaken extensive communication with the Fund's largest investors and unfortunately, the FCA consultation released on 3 August 2020 looking into redemption periods for daily dealt open-ended property funds has caused heightened levels of uncertainty. This regulatory uncertainty has materially affected shareholder investment intentions and we have considered this feedback in reaching our conclusion.

The Fund has been suspended since 18 March 2020 as a result of material uncertainty in the Fund's independent valuer's opinion of property values, caused by the outbreak of the Novel Coronavirus (COVID-19). On 30 September 2020 the independent valuer removed material uncertainty from its valuation of the Fund's property portfolio. However, the ACD and Depositary have agreed that it is in the best interests of all shareholders to continue the suspension in dealing in the Fund's shares (and the units of its feeder trust, ARC TIME Social Long Income Feeder Trust) on the basis of liquidity risk.

During the period of suspension, the Fund has been legally committed since last year to meeting its ongoing capital commitments for its properties in construction, increasing its exposure to highly attractive social infrastructure assets, which have seen valuation increases over the last six months. The Fund holds cash of around 11% of Net Asset Value (£10.8 million). This liquidity has been primarily set aside to meet its capital commitments.

We are pleased to report that the Fund has delivered outperformance against its UK commercial property peers during a challenging period. The Fund has collected almost all of its rental income providing strong income distribution levels for shareholders. The Fund has performed well and over the last six months to 30 September 2020 the Fund's total return was 1.76%*, comprising distributable income of 2.13% and a capital loss of 0.37%. The Fund's total return over the year to 30 September 2020 was 4.06%*, comprising an income return of 4.40% and a capital loss of 0.34%. This has demonstrated the Fund's defensive characteristics in a challenging environment.

The Fund will continue to be managed in accordance with its investment objective and will pay its quarterly distributions in the normal manner, with its next distribution to be paid on 31 December 2020. We will also continue to publish daily prices, which can be viewed at www.time-investments.com so you can value your investment. However, any dealing instructions we receive during this period of suspension will be rejected until such time as the suspension on dealing in the Fund is lifted.

We understand that the suspension of dealing may be causing concern to you as an investor in the Fund. We can assure you that we are striving to do all we can to bring further clarity to the situation as soon as possible. All decisions will continue to be taken in the best interests of shareholders.

For further information on the latest updates, please see below:

[01 October 2020 | Suspension Update Q&A](#)

[TIME:Social Long Income | Investor Frequently Asked Questions](#)

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