

The ongoing COVID-19 pandemic and the uncertainty it brings continues to cause significant economic disruption and volatility in financial markets. In spite of this, TIME:Advance has performed comfortably in line with its target of 3% - 4.5% per annum. Currently, we do not expect the value of the assets held by Elm Trading Limited (Elm)\* to be materially affected by the pandemic and continue to seek attractive opportunities for our portfolio on a highly selective and cautious basis in line with our investment strategy.

Elm has continued to deliver strong and consistent performance and the share price grew by 3.55% over the last year. This return means that it is the seventh consecutive year that Elm Trading has achieved a return above 3.5% per annum.

\* Elm Trading Limited is currently the only portfolio company held by TIME:Advance and is solely owned by the TIME:Advance shareholders.

## Portfolio update

### Elm Trading cumulative return\*\*

<b>1 year</b>	1 October 2019 - 30 September 2020	<b>3.55%</b>
<b>5 years</b>	1 October 2015 - 30 September 2020	20.23%

\*\* Performance as at 30 September 2020. Representative of the return for a shareholder in Elm Trading for the periods defined above. The return over five years benefits from the reinvestment of capital gains and income over time.

### Elm Trading discrete annual performance\*\*\*

2015	2016	2017	2018	2019	2020
3.72%	3.76%	4.05%	3.56%	3.84%	<b>3.55%</b>

\*\*\* This performance excludes any initial fees paid by an investor to an adviser or to TIME and excludes any dealing fee charged for the purchase or disposal of shares and also excludes TIME's deferred Annual Management Charge. Yearly performance above is displayed for 12 month periods running from 1 October to 30 September.

## Elm Trading has acquired one of the UK's largest privately owned forests

We were delighted to add a further commercial forestry plantation to our portfolio over the last six months with the addition of the prestigious Barracks Forest. The forest is located in Perthshire, Scotland, and is one of the UK's largest privately owned forests at over 11,000 acres.

UK forestry remains a highly sought-after asset class due to its appealing risk-return profile. It is located less than twenty miles from our existing biomass plant at Acharn, Scotland. The close proximity offers an opportunity for vertical integration, as the small roundwood from the forest can be sold to the biomass site and used to generate clean energy.

Barracks Forest is planted with fast growing Sitka spruce and pine trees, which provide Forest Stewardship Council (FSC) certified wood and timber.

The new addition reinforces our commitment to sustainable investments and means that Elm now owns and manages over 13,000 acres of commercial forestry across the UK for circa 6% of its holdings.



## Renewable energy

Our renewable energy team completed the acquisition of a new wind farm, Cottage Farm, near Blidworth, Nottinghamshire. This is the first renewable energy site we have purchased in the East Midlands.



The wind farm is expected to generate 1,546 MWh per annum, which is enough energy to power around 500 UK homes each year. The site is accredited for

the Government's Feed-in Tariff (FIT) subsidy, which provides a guaranteed inflation-linked income stream, with 14.5 years remaining.

In September, power price forecasts increased prompting our team to forward fix all Renewable Obligation Certificate (ROC) project generation in the Elm portfolio. This cautious approach aims to lower downside risk in the event of a significant fall in energy prices. All of Elm's renewable assets are accredited for either the ROC or FIT subsidy to provide a reliable income stream and provide some protection for investors from fluctuations in energy prices.

Across the portfolio, energy generation was ahead of budget and Elm increased its renewable energy output by 62% year-on-year, powering almost 93,000 UK homes in the year to 30 September 2020. The clean energy generation offset over 81,000 tonnes of CO2 over the year, which is the average carbon footprint of 18,000 UK homes.

As a reminder, to maximise efficient cash management and for the purposes of forward acquisition of assets, Elm has a Revolving Credit Facility (RCF) from Santander UK plc of less than 10% of the value of the company. The facility attracts a low rate of interest, does not require expensive and potentially volatile interest rate hedging and can be drawn and repaid without penalty. Elm had previously drawn £30 million from this facility to fund its renewable energy acquisitions and during the period £10 million of this was repaid.

## Self-storage

All the self-storage facilities held by Elm demonstrated impressive resilience to the wider environment and traded well over the period. This was helped by the Government defining self-storage facilities as an "essential service" during the lockdown, meaning they could continue to open and operate, albeit on reduced hours.

Our self-storage site in Oldbury opened for business in June with the fit out completed on time and on budget despite the wider pandemic. The storage sites in Gloucester and Oldbury have both been open for less than a year and have delivered month-on-month occupancy growth since opening.

The four mature self-storage sites (Ashford, Crayford, Swindon and Worcester) experienced a small dip in occupancy during lockdown, as customers struggled to move over this period. Occupancy levels recovered quickly post-lockdown and by September all sites had exceeded their respective occupancy levels from February.

## Property lending

Our lending team completed two post-COVID loan facilities totalling almost £6 million. The first loan was £3 million to build seven apartments in Finchley, London. All apartments will be finished to a very high specification and benefit from off street parking and private balconies or terraces.

The second loan was £2.7 million to develop six houses in Forest Gate, London. The houses sit within a gated mews development with private parking. Both loans have a conservative loan to gross development value (LTGDV) of under 55%.

Our lending team also provided a £6.65 million loan facility to refinance a portfolio of 45 supported living homes throughout the UK. All the properties are let on long-term leases to strong counterparties. The portfolio is located throughout the UK and is a mix of purpose-built properties and converted residential dwellings. The loan facility was provided at a conservative loan to value (LTV) of 35% and the ultimate beneficial owner of the portfolio is a UK local authority pension fund.

## Looking ahead



**Stephen Daniels**  
Head of Investments,  
TIME Investments

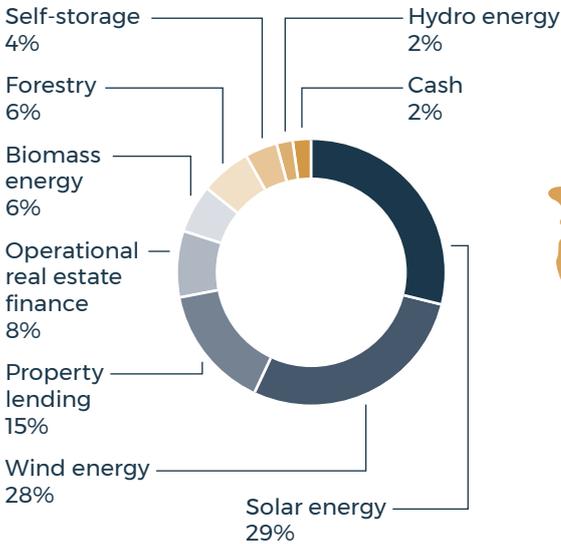
Our general performance has been in line with our expectations throughout the COVID-19 pandemic, with no loan impairments or decrease in the carrying value of our trading assets. Elm's portfolio is well diversified across eight trading areas to reduce overexposure to any single sector.

Over the forthcoming period we will continue with our strategy of seeking to grow Elm's portfolio of asset-backed UK trading interests. Elm has no overseas interests nor foreign currency liabilities and remains a business which is wholly focused on the UK. With the UK political and economic outlook remaining unclear, we will seek to reduce risk where possible and further diversify into new asset-backed sectors which are complementary to our existing portfolio.

The strength of our collaborative culture and the dedication of our teams make us confident that we are able to continue to minimise the impact of COVID-19 during this period and offer the level of service you expect from TIME Investments. As always, do let us know if you have any questions about your investment by emailing us at [enquiries@time-investments.com](mailto:enquiries@time-investments.com) or you can phone us on 0345 600 1213. We wish all our shareholders and their advisers good health and look forward to presenting our next update in the spring of 2021.

## Our assets

Elm Trading participates in eight well diversified trading businesses all based in the UK: solar, wind, biomass and hydro-electric renewable energies, property lending, operational real estate finance, self-storage, and commercial forestry. The trades in which funds are invested are as follows:

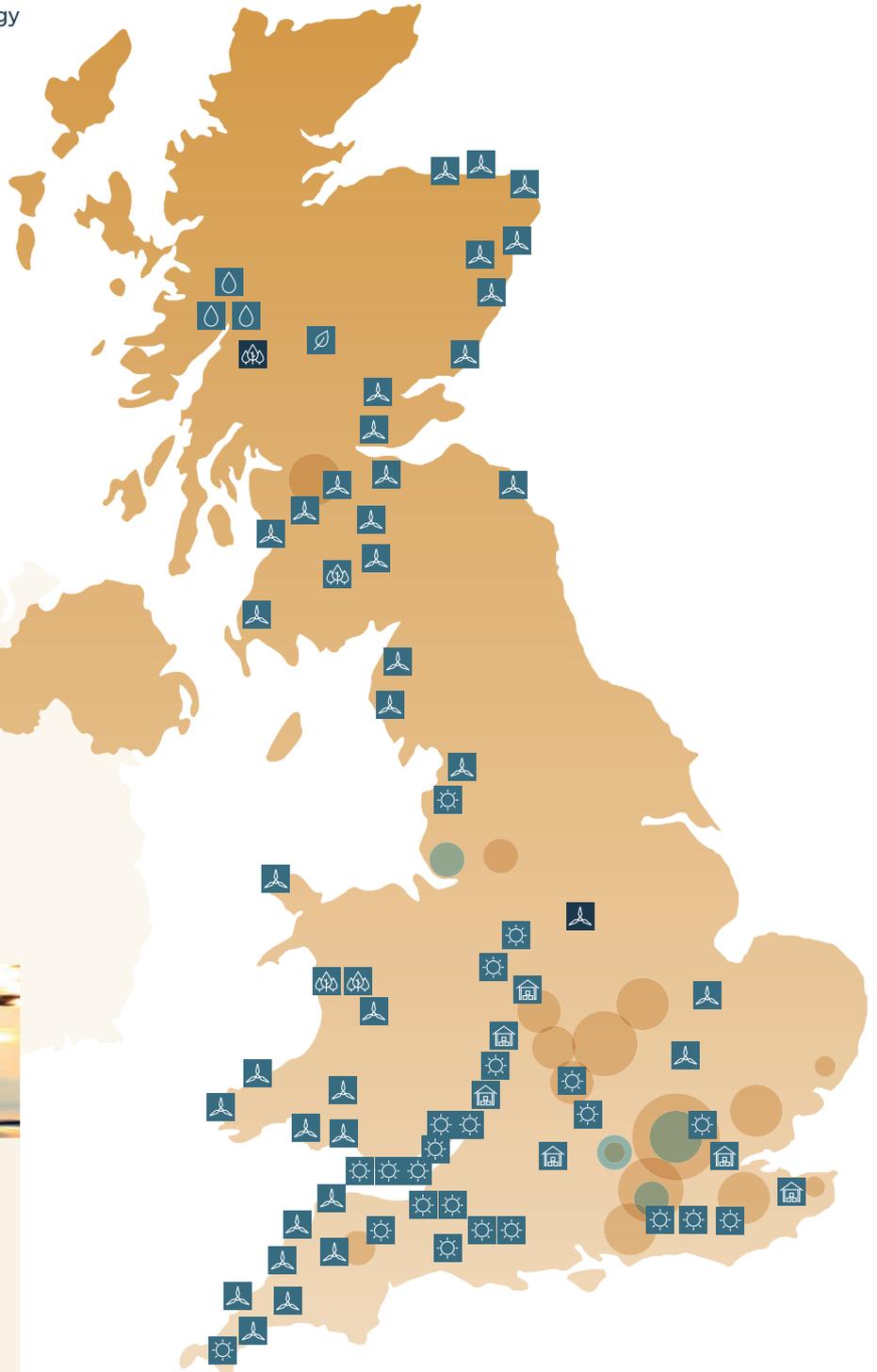


Over the last year Elm's renewable energy portfolio has generated 287,388 MWh of electricity

This is enough energy to power 92,706 UK homes

This clean energy generation offset 81,351 tonnes of CO2

This is equivalent to planting 41 million trees



### Key



## Our Business Relief (BR) track record



Longest BR track record in the market of over 25 years



6,000+ investors, with over 1,800 successful exits



Continued to achieve target return throughout the COVID-19 period



Over £1 billion raised and deployed into BR qualifying trades



Over £750 million BR qualifying assets under management

TIME:Advance is a simple and effective estate planning solution that uses Business Relief (BR) to potentially offer a 100% exemption from IHT after just two years, whilst retaining access to the investment. It targets a return of 3% - 4.5% per annum.



### Topping up your investment

If you wish to increase your investment, the minimum top up is £10,000 and you may do so at any time through your adviser.



### To gain further insights visit [elm-trading.com](http://elm-trading.com)



## Industry recognition



0345 600 1213  
[enquiries@time-investments.com](mailto:enquiries@time-investments.com)  
[time-investments.com](http://time-investments.com)



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