

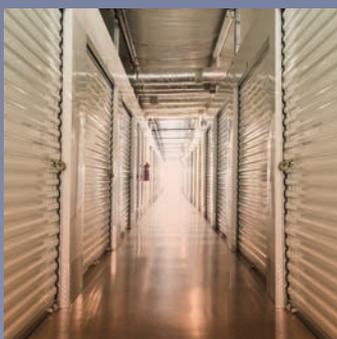
# TIME:UK INFRASTRUCTURE INCOME

The Fund seeks to deliver a consistent income return with capital growth from a portfolio of infrastructure exposed securities.

**TIME**  
INVESTMENTS

[questions@time-investments.com](mailto:questions@time-investments.com)  
[time-investments.com](http://time-investments.com)

**TIME:UK Infrastructure Income provides investors with diversification away from traditional equity markets, to a lower volatility infrastructure fund with attractive risk-adjusted returns.**



### Contact us

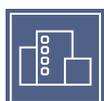
020 7391 4747  
questions@time-investments.com  
time-investments.com



### Important information

It is important that you take the time to read and consider the risks involved with investing in TIME:UK Infrastructure Income. The key risks are summarised on page 14.

# Reasons to invest in TIME:UK Infrastructure Income



## Diversification

The UK infrastructure sector is highly diverse and has low correlation to other asset classes. Assets are capable of transcending economic cycles as they provide crucial services to the economy. The Fund also provides underlying exposure to over 1,200 individual assets in over 30 sub-sectors.



## Consistent income with capital growth

The Fund offers consistent and regular dividends, distributed quarterly to shareholders. Income returns are often supported by long term contracted revenues from high quality counterparties such as the UK Government.



## Lower volatility

There is a focus on securities with defensive characteristics, such as low debt, to enhance risk-adjusted returns over the long-term.



## Inflation protection

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



## Downside mitigation

The investment process is designed to pick securities that are capable of mitigating capital losses during times of market stress.



## UK focus

All securities are GBP denominated and listed in the UK. Underlying infrastructure assets are also mostly based in the UK.



## Liquidity

We focus on larger and more liquid infrastructure securities. The average market capitalisation of the securities in the Fund is in excess of £1.4 billion.



## Independent

All securities in the Fund are listed and managed by independent third parties.



TIME INVESTMENTS



# Introducing TIME:UK Infrastructure Income

The Fund aims to deliver an annual income paid quarterly, with capital growth through a diversified portfolio of UK-listed infrastructure companies.

## The portfolio by asset type:

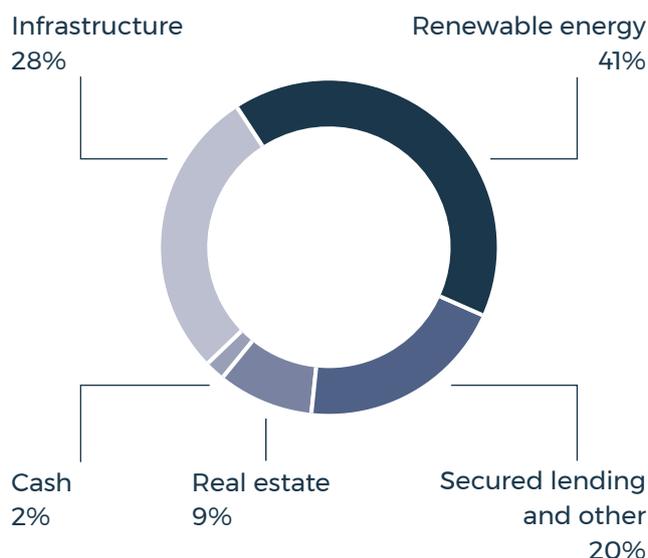
**Infrastructure:** Companies that own the physical assets that are vital to the UK's economic development. They include hospitals, schools, toll roads, utility networks, logistic networks and railways.

**Renewable energy:** Companies which harness energy from renewable sources such as the sun, wind, water and convert it through proven technologies into energy, helping to reduce carbon emissions.

**Real estate:** Companies which own and manage the hospitals, offices, warehouses, storage centres, shopping centres and homes in the UK.

**Secured lending:** Companies which specialise in providing debt finance, secured against real assets such as renewable energy and infrastructure investments.

## Sector exposure



Source: TIME Investments, April 2020.  
For latest portfolio holdings see the current factsheet.

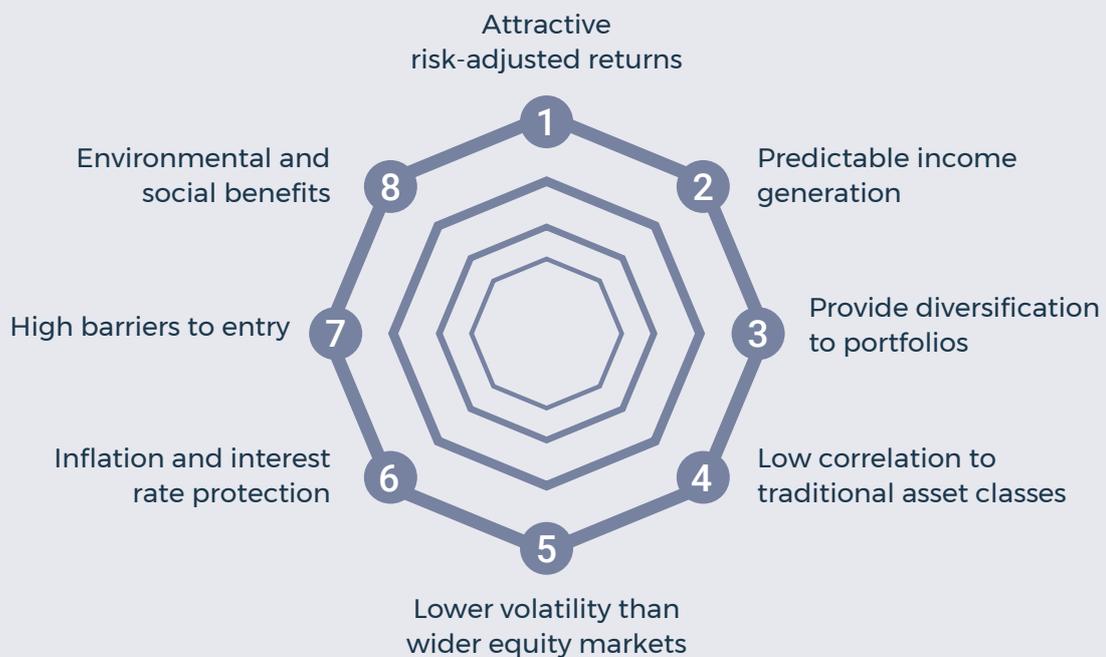
## Innovative income portfolios

TIME Investments has a long track record in delivering attractive, inflation-beating returns and consistent income. With over £3.5 billion in assets under management across the TIME group, TIME:UK Infrastructure Income joins our suite of asset-backed income funds. TIME managed funds are designed to be defensive throughout various economic and stock market cycles.

# TIME:UK Infrastructure Income at a glance

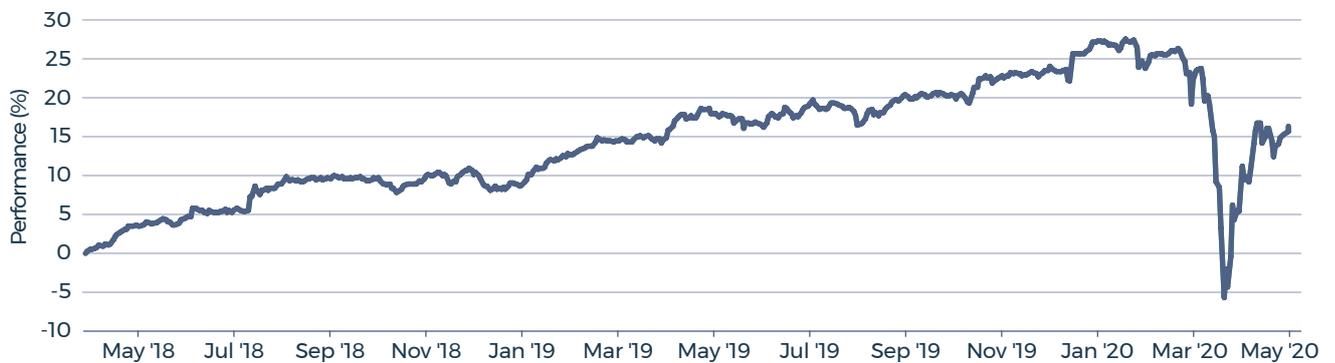
When looking for investment opportunities we prioritise securities which have lower volatility, lower debt levels and have low sensitivity to wider equity markets.

## Common characteristics of infrastructure investments



## Fund performance

TIME:UK Infrastructure Income - Performance since launch (%).



For latest fund performance please see the current factsheet.



**The TIME group  
manages over  
£3.5 billion of  
asset-backed  
investments**

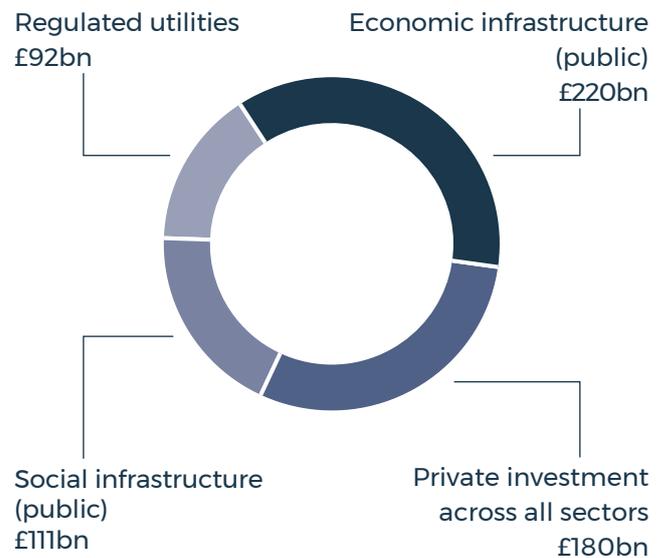
# The investment case

Investment in bridges, roads, rail networks, hospitals, and the growing need for more sustainable, renewable energy sources such as solar and wind farms, means these sectors are the cornerstone of the UK's economic and social welfare. This can make for an attractive investment opportunity. The assets are long term investments, with high barriers to entry, and underlying revenues are often underpinned by long term government-backed subsidies or other long term contracted payments.

## Infrastructure

- Infrastructure provides the UK economy with the essential support it needs for sustainable and long-term growth.
- Infrastructure investments are asset-backed, often with regulated cashflows or with the government as the counterparty
- Returns are typically less dependent on cyclical economic trends
- The UK is one of the most attractive countries for renewable energy and infrastructure investment
- UK listed infrastructure sector has grown consistently over the past decade, driven by:
  - Favourable returns
  - Stable dividend growth
  - Consistent premium ratings

## Over £600 billion projected public and private infrastructure investment from 2018/19 to 2027/28 by sector



Source: [www.gov.uk](http://www.gov.uk). Analysis of the National Infrastructure and Construction Pipeline. November 2018.





## Renewable energy

Renewable energy is an asset backed sector providing exposure to underlying investments in solar, wind and hydro. The sector is growing in demand due to being government supported and their environmental and social benefits, while also providing diversification away from traditional equities. The UK's long term commitment to the renewable energy sector supports sustainable and consistent income to shareholders.

### UK renewables exposure

- Renewable energy is one of the fastest-growing sectors worldwide, dominated by solar photovoltaic and wind technologies.\*
- Current UK market size of operational assets is estimated to be £40 billion.\*
- The UK became the first economy in 2019 to target net zero greenhouse gas emissions by 2050.\*\*

\* Source: The Renewable energy infrastructure investment opportunity for UK pension funds, published by the City of London Corporation's Green Finance Initiative. 14 November 2017. Renewables are poised to become the world's main source of power generation.

\*\* [www.gov.uk](http://www.gov.uk) 2019. UK becomes first major economy to pass net zero emissions law.

## Real estate

Real estate is an established, asset-backed sector which gives an exposure to warehouses, the logistic sector, offices and homes. Contractual rent payments provide certainty, with the potential for future growth via rent reviews. The portfolio's focus is on UK real estate companies with lower levels of gearing (the amount of debt a company is liable for relative to its equity) to reduce the fund's volatility.

### UK real estate

- Commercial real estate contributes £101 billion annually to the UK economy, that is 7% of GDP.
- The real estate market employs more than 2 million people.
- The market value of UK real estate is £1,662 billion, representing 21% of total net wealth.

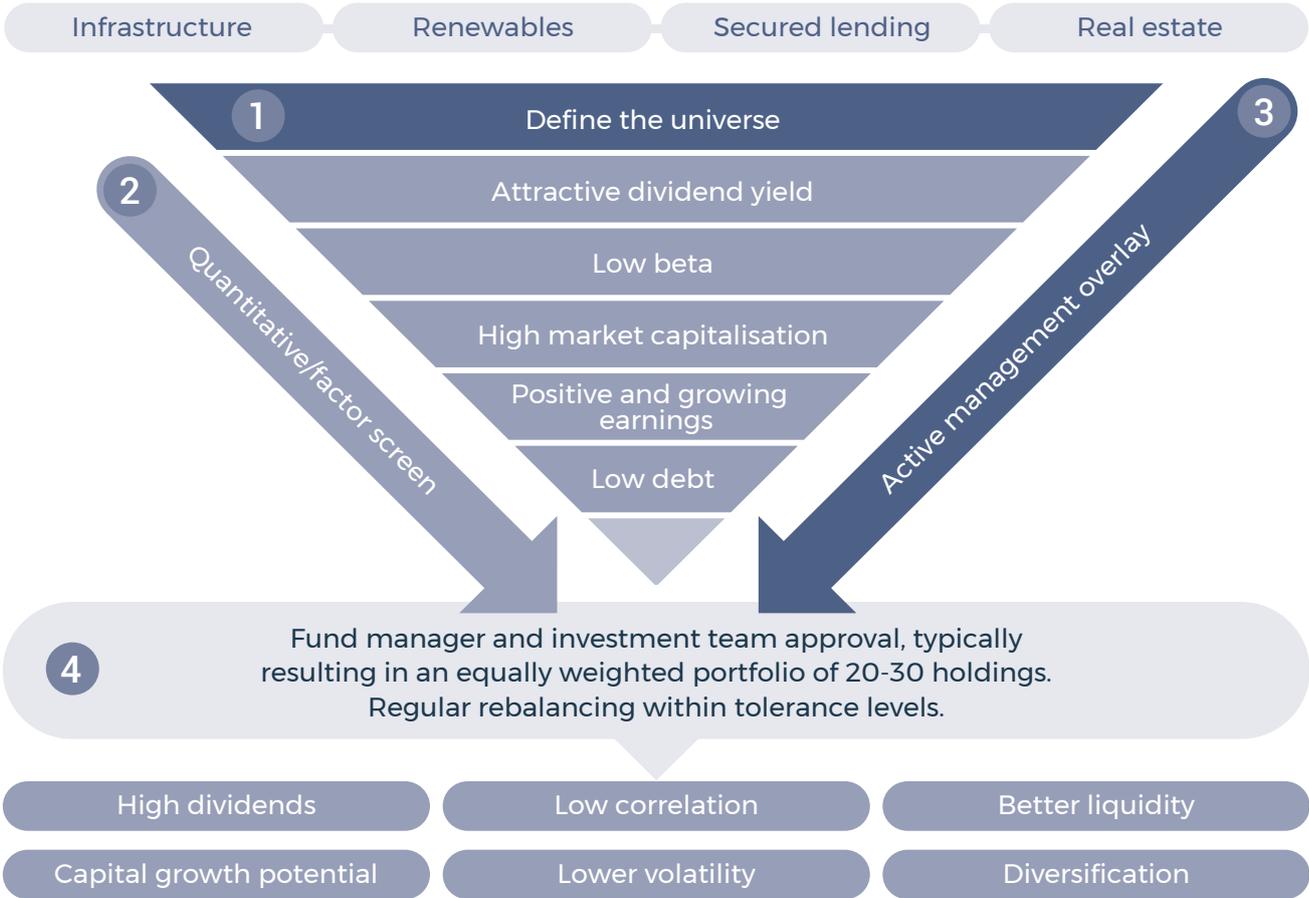
Source: UK Commercial Real Estate Economic Footprint, August 2019.



**Our aim is to achieve a consistent income return, together with the potential for capital growth.**

### Investment process

We use a unique and proven investment process utilising a combination of active and factor-based investment strategies:



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### Fund structure

TIME:UK Infrastructure Income is daily dealt and sits under a Non-UCITS Retail Scheme (NURS) structure. This is a type of Open Ended Investment Company (OEIC) that is authorised by the FCA and accessible to UK retail investors.

Launch date	Distribution	Base currency	Initial charge	Ongoing charge
3 April 2018	Quarterly	GBP	Up to 1%	0.75% p.a.

Sector	Investment type	Domicile	Liquidity	Available in ISA/SIPP
IA Specialist	NURS	UK	Daily	Yes

Platform availability: The fund is available on leading platforms; contact TIME Investments for details.

## Case studies

These case studies show some of the listed securities we invest in and examples of some of their assets.

### Infrastructure HICL Infrastructure



HICL Infrastructure Company Limited (HICL) is a long term equity investor in infrastructure projects.

HICL's main objective for shareholders is to deliver predictable, sustainable dividends from the stable, inflation-correlated cashflows of underlying infrastructure projects. The portfolio comprises more than 100 investments and is valued at over £2 billion. Projects span a range of sectors including education, health and transport, in the UK and overseas.

**Project:** The A249 road, UK

Erection of the 5km A249 Iwade Bypass and new high level fixed link crossing of The Swale, to improve access and journey times to the Isle of Sheppey. This project extends the existing dual carriageway road northwards to Queenborough.

### Renewable energy Bluefield Solar Income Fund



Bluefield invests in a diversified portfolio of UK solar energy assets, focusing on utility-scale assets and portfolios. Long life solar energy infrastructure is expected to generate stable, renewable energy over a 25-year period.

**Project:** Elms, Oxfordshire

Elms, Oxfordshire was acquired in February 2015 and involved a total commitment of £32.8 million from the Bluefield Solar Income Fund. Elms is expected to save nearly 12,450 tonnes of CO<sub>2</sub> annually, and provide green electricity for approximately 8,770 homes every year.

## Infrastructure

3i Infrastructure plc



3i Infrastructure invests across mid market economic infrastructure and greenfield projects in developed markets, particularly in the UK and Europe.

**Project:** Infinis

Infinis is the largest generator of electricity from landfill gas (LFG) in the UK, with a portfolio of 121 landfill sites and total installed capacity of over 300MW. Using LFG to generate power not only lessens the global warming effect of methane emissions, but also provides an efficient, secure source of energy for local communities.

## Real estate

Big Yellow Group



Big Yellow Group is one of the UK's market leading specialist self storage real estate companies, with a focus on occupancy, revenue and cash flow driving sustainable dividend growth.

The Group is made up of approximately 99 stores, mainly freehold, spanning 6.5 million square feet (when fully built). Big Yellow had £125 million annual revenue to 31 March 2019.

## Real estate

Tritax Big Box REIT



Tritax (BBOX) invests in and manages existing income producing assets, land suitable for Big Box development and pre-let forward funded developments.

Tritax customers are some of the biggest within retail, logistics, consumer products and automotive including Tesco, Sainsbury's, Next Group and DHL. Their approach underpins their ability to deliver secure, attractive and growing dividends together with capital protection and growth to shareholders..

## Secured lending

GCP Infrastructure Investment



GCP Infrastructure Investment Limited aims to provide shareholders with regular, sustained, long term distributions and to preserve capital over the long term by generating exposure to UK infrastructure debt and related assets.

GCP Infrastructure mainly targets investments in infrastructure projects, with long term, public sector backed, availability based revenues. Where possible, investments are structured to benefit from partial inflation protection.

## About TIME

At TIME Investments we have created a platform for predictability and consistency to help our clients rest easy. We provide carefully considered investments that seek to deliver consistent returns in an unpredictable world. We believe that caution is wise and that patience builds the best, most reliable products.

We offer market leading estate planning products and income funds that consciously strive to achieve the best risk adjusted returns for our investors. We concentrate on providing solutions that are backed by defensive, income producing investments; investments that are focused on real assets such as infrastructure and property. We do this to generate long-term, sustainable returns for our clients, who are at the heart of everything we do.

We support financial advisers, family offices and institutions and today manage over £3.5 billion of assets. We are proud of our excellent track record of delivering consistent returns.

We want to enable you to focus on the important things in life. We work hard with your money so you don't have to.

### Our business in a nutshell:

**Substantial:** The group manages over £3.5 billion of renewables, infrastructure, secured debt and property investments in both private and public vehicles.

**Experienced:** An in-house team of 27 investment specialists within renewables, infrastructure, secured debt and property.

**Proven:** £3 billion of our assets are in long income property and we have an outstanding track record across the sectors we invest in.

**Established:** Our management team has over 27 years' experience investing in long income real estate.

**Thriving:** We have more than 100 staff and growing.

**Successful:** We have been profitable every year since inception, with the benefit of a strong balance sheet and robust structure.

**Award-winning:** TIME:Commercial Long Income was the winner in the Property & Real Estate category at the 2019 Investment Week Specialist Investment Awards.

# Know the risks

No investment is risk free. You need to fully understand what these risks are and how they might affect you. Before deciding to invest, you should consult your adviser about the suitability and risks of TIME:UK Infrastructure Income. In the meantime, some of the key risks are outlined below.

## Investment performance

Achieving the Fund's aims 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 also be limited diversification across sectors and assets. Further details of these risks are available in the Prospectus.

Past performance does not provide an accurate guide to future performance. There is no guarantee that the investment and expected target return will be reached, and you should be aware that your capital is at risk and you may not get back what you invest.

Equity prices and returns from investing in equity markets are sensitive to various factors, including expectations of future dividends and profits, economic growth, exchange rates, interest rates and inflation. The value of any investment in equity markets is therefore volatile and it is possible, even when an investment is held for a long time, that an investor may not get back the sum invested.

The Fund's share price may be volatile due to movements in the prices of the underlying equity and fixed-interest security holdings.

Fixed-interest securities are particularly affected by trends in interest rates and inflation. If interest rates go up, the value of capital may fall, and vice versa. Inflation will also decrease the real value of capital. The value of fixed-interest security will fall in the event of the default or reduced credit rating of the issuer. Generally, the higher the level of income (yield) receivable, the higher the perceived credit risk of the issuer. High-yield bonds with lower credit ratings (also known as sub-investment grade bonds) are potentially more risky (higher credit risk) than investment grade bonds.

As a general rule, fixed-interest securities with an above average yield tend to be less liquid than securities issued by issuers with a higher investment grade. Investment in fixed-interest securities with a higher yield also generally brings

an increased risk of default on repayment by the issuer, which could affect the income and capital of the Fund. Furthermore, the solvency of issuers of such fixed-interest securities may not be guaranteed in respect of either the principal amount or the interest payments and the possibility of such issues becoming insolvent cannot be excluded. The value of a fixed-interest security may fall in the event of the default or a downgrading of the credit rating of the issuer.

The Fund may hold securities in companies involved in infrastructure investments so will be more susceptible to adverse economic or regulatory occurrences in that industry. Infrastructure issuers, including companies involved in infrastructure projects, may be subject to a variety of factors that may adversely affect their business or operations, including high interest costs in connection with capital construction programmes, high leverage, costs associated with environment and other regulations, the effects of economic slowdown, surplus capacity, increased competition from other providers of services, uncertainties concerning energy costs (among other things), the effects of energy conservation policies and other factors. Infrastructure issuers may also be subject to service interruption due to environmental, operational or other mishaps.

Infrastructure securities can be highly leveraged. As such, movements in the level of interest rates may affect returns from these assets more significantly than other assets in some instances. The structure and nature of the debt encumbering an infrastructure asset may therefore be an important element to consider in assessing the interest risk of the infrastructure asset. In particular, the type of facilities, maturity profile, rates being paid, fixed vs. variable components and covenants in place (including the manner in which they affect returns to equity holders) are crucial factors in assessing any interest rate risk. Due to the nature of infrastructure assets, the impact of interest-rate fluctuations may be greater for infrastructure issuers than for the economy as a whole in the country in which the interest rate fluctuation occurs.



“Speak to your financial adviser for a copy of the Application Pack.”

**Kerri Thomas**  
Client Services Manager  
TIME Investments

You should read the Key Investor Information Document and Prospectus to fully understand the risks involved. Then, together with your adviser, decide whether TIME:UK Infrastructure Income is right for you. Details of the cost for investing are outlined in the Share Class Summary document, which is available from your adviser.

When you are ready to invest, please complete the Application Form and return it to your adviser.

If you have any questions, please call one of the team on 020 7391 4747.

**Important information:** 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 Investments Advisers LLP, which is the Investment Manager of ARC TIME UK Infrastructure Income Fund (TIME:UK Infrastructure Income or the Fund) with delegated authority from Alpha Real Capital LLP, the authorised corporate director of ARC TIME UK Infrastructure Income is a sub-fund of ARC TIME:Funds. Both TIME Investments and Alpha Real Capital LLP are authorised and regulated by the Financial Conduct Authority (FCA). Please note 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 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 Non-UCITS Retail 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.

All information correct as at May 2020.



## Carefully Considered Investments

TIME Investments  
338 Euston Road, London NW1 3BG  
T: 020 7391 4747 F: 020 7391 4770  
[questions@time-investments.com](mailto:questions@time-investments.com)  
[time-investments.com](http://time-investments.com)

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