

<b>5.22%</b>	<b>32.25%</b>
1 year total return (C Acc GBP)	Total return since inception* (C Acc GBP)

### Key facts

Fund size	£73.8m
Launch date*	3 April 2018
Sector	IA Infrastructure
Base currency	GBP
Dealing frequency	Daily, 10am
Income return to 30 June 2022	4.34% 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

#### Depository

NatWest Trustee and Depository 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 manager



**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.

### 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 linkage

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	-2.54	-2.80	-2.26	5.22	11.88	32.25
IA Infrastructure GBP-3.50	-2.16	2.88	10.48	18.06	46.36	

#### Discrete annual performance (%)

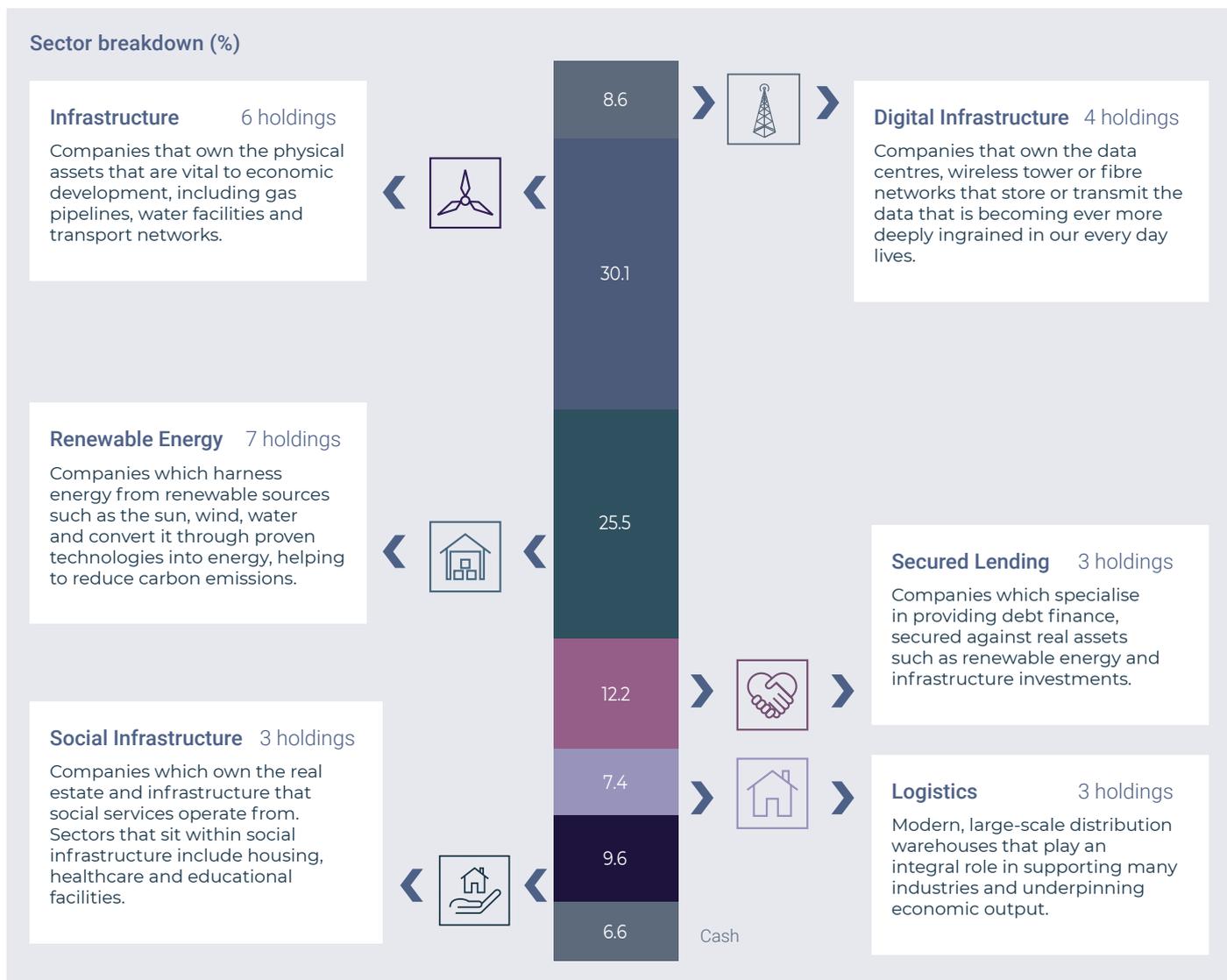
12 months to 30 June	2022	2021	2020	2019	2018
C Acc GBP	5.22	6.44	-0.10	11.90	-
IA Infrastructure GBP	10.48	9.27	-2.21	15.40	-0.09

#### Risk and return statistics - since launch

	Volatility	Sharpe ratio	Maximum drawdown
C Acc	10.53%	0.61	-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 (%)

International Public Partnership Limited	7.2
HICL Infrastructure Company Limited	7.1
BBGI SICAV S.A	6.5
Sequoia Economic Infrastructure Inc Ord NPV	6.4
The Renewables Infrastructure Group Limited	4.8
Greencoat UK Wind Plc	4.5
Assura PLC	4.1
3I Infrastructure Plc	3.9
Primary Health Properties PLC	3.8
Bluefield Solar Income Fund Limited	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](http://bip.brookfield.com)

## Fund manager commentary

In June, the Federal Reserve announced the largest increase in interest rates in 30 years in an effort to control inflation. The Federal Reserve's increase of 0.75% was followed by an 0.25% rate increase by the Bank of England. Further interest rate rises are expected over the coming months, with the European Central Bank also set to raise rates for the first time in 11 years.

Despite the best efforts of the world's key central banks, inflation remains at historically high levels across the major world economies. The last published figures (for May 2022) show 8.6% p.a. inflation in the USA, 9.1% p.a. in the UK, and 8.1% p.a. in Europe.

Equity markets remained volatile during the month, with the key US and UK market indices all ending the month in negative territory. In bond markets the UK ten-year gilt yield rose further to 2.19% at month end.

TIME:UK Infrastructure Income was down -2.54% in June with mixed performance across the sectors in which the Fund invests.

The UK renewable energy sector was the main positive contributor, following the easing of concerns that a windfall tax on the profits of electricity generators would be imposed by the UK Government. The fundamentals of the sector remain strong, with wholesale energy prices still high due to the ongoing conflict in Ukraine. Strong results were published by NextEnergy solar in the month, which reported a NAV total return of 15% for the financial year ended 31 March 2022. The company has expanded its portfolio of solar and battery storage assets during the period and benefited from high power prices and short-term inflation which increased the renewable energy subsidies. During the month Greencoat Renewables announced the forward purchase of a new 134MW wind farm in Sweden, which will become operational in Q4 2023. The project is the company's second investment in Sweden.

In the general infrastructure sector, International Public Partnerships published a portfolio update for the calendar year to date.

The company is committing a further £40 million to the Thames Tideway project and £7 million to the Gold Coast Light Rail project. Having raised £325 million of new equity earlier in the year, the company's management team remained confident in its ability to continue to source and develop quality opportunities, which deliver long-term, predictable cash flows with strong inflation-linkage. The company reiterated its previously announced dividend targets for 2022 and 2023.

3i Infrastructure announced that it was acquiring a further 48% stake in TCR, the airport ground handling business. The investment will double the company's holding in the business to 96% and give it de-facto control. The new investment is due to complete in October 2022 and once completed will represent around 20% of 3i Infrastructure portfolio.

The Federal Reserve's exceptional 0.75% increase in interest rates, combined with a general concern around falling economic

### 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.



growth rates sent shares in US listed companies lower in the month on limited news flow. Higher US interest rates are expected to result in higher borrowing costs for these companies in the future.

The logistics sector was again under pressure this month, following the announcement in May by Amazon about potential overcapacity in fulfilment centres. Prologis, the world's largest listed logistics real-estate owner announced in June its intention to acquire Duke Realty, a US industrial REIT, in an all-share transaction worth \$26 billion, with Duke Realty shareholders receiving 0.475 shares of Prologis for each share of Duke Realty. Duke Realty's portfolio primarily covers the eastern half of the USA and is felt to complement Prologis' existing real estate holdings. The transaction was not well received by the market, which pushed shares in Prologis lower on the day of the announcement.

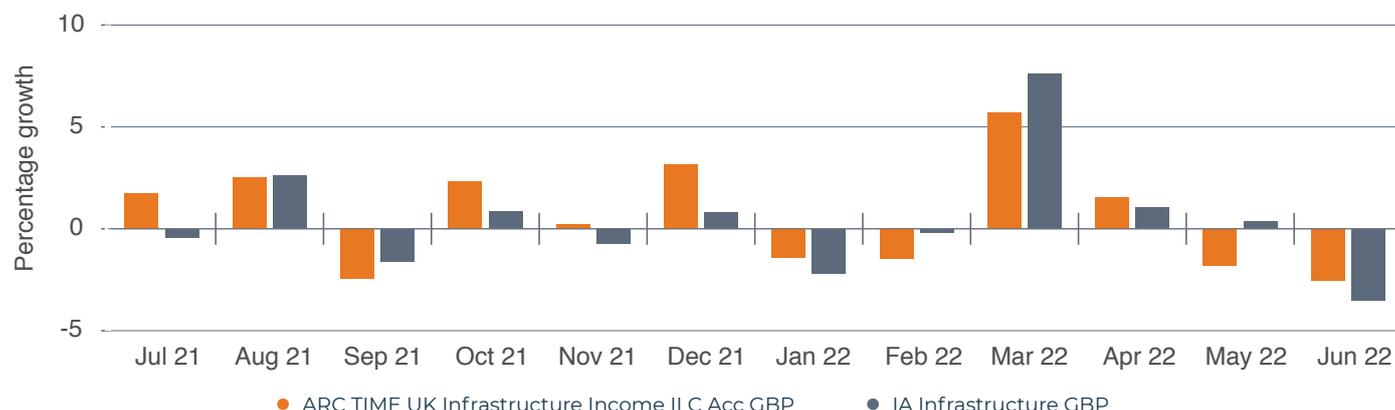
The markets are awash with negative sentiment, yet infrastructure assets in the year so far continue to deliver relatively consistent and attractive returns compared to global equity and fixed income markets.

In the UK, we can now add political uncertainty to the existing basket of risks that are driving market volatility.

Whether the economy goes into another recession, or if the central banks can deliver a 'soft landing', the risks to financial markets over the months ahead remain high. In either instance, investing with caution amidst this volatility is likely the prudent approach.

## 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) 4.34% per annum (based on the last 12 months)

Distribution frequency Quarterly

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

### Platform availability



### 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 third-party 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: July 2022

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