

Armstrong Secured Lending Limited is a specialist company providing short and medium term lending solutions to small and medium sized enterprises in the energy, infrastructure and real estate sectors. The company has a target growth of 5% per annum.

About Us

Armstrong is an experienced London based Asset Manager focused on the impact investment sector in the UK and Asia. To date, Armstrong has raised and managed over £140m in loan note funding.

Investment Policy and Strategy Summary

Armstrong Secured Lending (“ASL”) has been established to provide shareholders access to a diverse portfolio of lending opportunities. Loans by ASL may be in real estate, infrastructure or land, amongst other sectors. In order to reduce the risk to capital, any loan that ASL makes will be secured against the relevant assets.

Outlook

The Company and its Board have set a target to deliver long-term, stable growth in NAV with a target annual growth of 5.0%. Armstrong consider the market for secured lending to be strong in all sectors and is confident of originating suitable loans for the Company within the overall lending strategy. The Company has made loans of more than £29 million since 2014 with no defaults or impairments

Current Portfolio	Sector	Amount (£)	Interest Rate
UNA St Ives	Leisure / Real Estate	1,027,000	9%
Knoll House	Leisure / Real Estate	550,000	10%
UK Solar	Solar	1,000,000	6.5%
UK Solar	Solar	200,000	7%
Total		2,777,000	



Key Facts – As at 31 October 2019

Commenced Trading	May 2014
Target Growth	5.0% per annum
Fees	2.0% of GAV per annum (reduced to 1.0% if target return not achieved)
Security Trustee	Loan Note Debentures Limited
Auditors	Lubbock Fine
Tax advisors	Bespoke Tax Advisors, Philip Hare Associates
Legal Advisors	Michelmores LLP
Asset Managers	Armstrong

The key investment considerations for the investors are summarised below. The detailed investor guide of AEI is to be referred for finer details of investment.

<p>Asset Class</p>	<ul style="list-style-type: none"> Loans will be provided to UK energy infrastructure and real estate companies owning physical assets to provide strong security. A portfolio approach will offer investors a greater diversity of loan exposure compared to if they provided loan facilities to single asset-backed companies All loans ASL makes will benefit from either a Fixed (secured against specified assets) or Fixed and Floating (all assets) charge against physical assets, which will be registered at Companies House.
<p>Inheritance Tax (IHT) & Capital Gains Tax (CGT)</p>	<p>Business Property Relief (BPR)</p> <ul style="list-style-type: none"> 100% Inheritance tax relief is given on transfers of business assets which have been owned for at least two years and the business is trading <p>Capital Gains Tax (CGT)</p> <ul style="list-style-type: none"> Capital Gains within the allowance of £12,000 p.a. are tax free. Gains in excess are taxed at 10% for basic rate taxpayers. Any amount over the higher rate threshold will be taxed at 20%. CGT is not paid on death
<p>Fees</p>	<ul style="list-style-type: none"> Investors in ASL will be charged a 4% initial fee. The initial fee will be added to the subscription price and will cover all administration costs of the capital raise and stamp duty, where applicable Armstrong will charge an annual management fee of 2% of the gross asset value of ASL for managing the assets and administrative service. If the target return of 5% is not achieved Armstrong will reduce their annual fee within the period to 1% per annum. The finer details on fees are outlined in the fees section of the detailed investor guide.
<p>Liquidity</p>	<ul style="list-style-type: none"> It is the intention that ASL will offer shareholders regular liquidity to allow shareholders to redeem their investment in full or in part. Management will seek to facilitate liquidity on a quarterly basis, subject to the availability of funds to do so.



Armstrong Secured Lending Limited - Registration number – 08475070 - Registered office - 141-145 Curtain Road, Floor 3, London, England, EC2A 3BX

Important Notice

Your capital is at risk, and past performance and projected performance is not an indication of future performance and you may lose some, all or part of your original capital invested. Tax treatment depends on the individual circumstances of each investor and may be subject to change. The availability of tax reliefs depends on the company maintaining its qualifying status. Investments in smaller companies will normally involve greater risk or volatility than investments in larger, more established companies. Please refer to the investment memorandum and seek independent financial, legal and tax advice before investing.

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