



HADRIAN'S WALL SECURED INVESTMENTS LIMITED

Quarterly Report – 31 March 2019

Overview

Hadrian's Wall Secured Investments Limited (the "Company") is a Guernsey-domiciled, closed-ended investment company, whose shares are traded on the Main Market of the LSE. The Company's investment objective is to provide Shareholders with regular, sustainable dividends and to generate capital appreciation through exposure, directly or indirectly, to primarily secured loans originated across a variety of channels, assets and industry segments. The Company initially targeted an annualised dividend of at least 6 pence per Ordinary Share, which is expected to grow over time.

The Company invests in loans, which are predominantly secured upon a variety of asset types. The types of loans that the Company targets includes the following:

- *General commercial Loans to businesses:* This type of lending may be secured against a range of business assets, including, but not limited to, real estate, plant and machinery, inventory, trade receivables and intellectual property rights.
- *Equipment finance:* The Company may finance equipment, including agricultural equipment, industrial and manufacturing machinery, marine vessels, power generation and vehicles. Such loans may be structured as equipment leases, as hire purchase contracts or as other types of loans and will typically be secured against the equipment.
- *Specialised Financial Services:* Specialised financial services companies provide finance to small businesses in the form of loans, leases or other financial. The Company may finance these financial services companies secured by the underlying loans, leases or other financial assets.

For complete information about the Company and its investment objectives, refer to the prospectus and other documents available on www.hadrianswallcapital.com/fund.

Company Update

The Company had a very strong quarter in terms of new business and closed investments totalling £36,100,000. The Company has drawn on its £25m liquidity facility to partially fund these investments and the Company's capital is therefore fully deployed. This is a positive step in the Company's previously announced goal of minimizing the amount of uninvested cash balances.

The Company has a very strong pipeline of new investment opportunities. The Company will continue to monitor these and the Company's liquidity requirements, which may include raising further equity capital in order to finance the ongoing pipeline of opportunities and/or to pay down amounts drawn under the liquidity facility to enable the Company to continue to grow.

The weighted average annualised portfolio yield before expenses and excluding upfront or other fees on invested assets is 9.3%. In respect of the first quarter of 2019, the Company has declared a dividend of 1.5 pence per Ordinary Share which is expected to be paid in June 2019.

Investment Portfolio | Largest Investments

Borrower Industry	Loan Amount (£)	% of NAV	Initial WAL	Initial LTV
Engineering	13,000,000	9.24%	4.7 years	46%
Property Trading	10,500,000	7.46%	3.0 years	52%
Manufacturing	6,748,828	4.80%	6.7 years	76%
Retail	5,535,000	3.93%	4.0 years	71%
Manufacturing	5,184,783	3.68%	6.6 years	76%
Manufacturing	4,800,000	3.41%	5.4 years	76%
Auto Leasing	4,500,000	3.20%	5.0 years	93%

Note

The net asset values and gross yields continue to be reported on an effective interest rate ("EIR") basis excluding certain adjustments which principally relate to upfront fees received. EIR reconciliations are provided in the Company's year end and interim financial statements.

Company Overview as at 31 March 2019

Registered number	61955
Financial year end	30 June
Dividend frequency	Quarterly
Traded on	LSE Main Market
NAV frequency	Monthly

Ordinary Shares

Listing date	20 June 2016
ISIN	GG00BYMYC345
Ticker	HWSL
Shares in issue	145,170,463
Share price	95.50p
Market cap	£138.6m
Total net assets	£140.7m
NAV per share	96.92p
Share price discount	1.47%
Gearing	16.35%

Management & Administration

Investment advisor	Hadrian's Wall Capital Limited
Management Fee	1% of net assets
AI FM	International Fund Management Limited
Administrator	Praxis Fund Services
Board	David Warr – Chairman John Falla Paul Craig Nigel Ward

The Company

Hadrian's Wall Secured Investments Ltd
Le Truchot
St Peter Port
Guernsey GY1 1GR

Website

www.hadrianswallcapital.com/hwsil

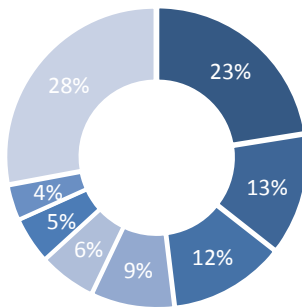
Contact Information

Ron Miao
Chief Operating Officer
Hadrian's Wall Capital Limited
rmiao@hadrianswallcapital.com
+44 (0)20 3026 8620



Investment Portfolio | Analysis

Borrower Industry



- Manufacturing
- Admin & Support
- Professional, scientific & technical
- Construction
- Property Trading
- Retail trade, except of motor vehicles
- Auto Leasing
- Other

Largest Loan	13,000,000
Portfolio Remaining Weighted Average Life	2.9 years
Portfolio Weighted Average Initial LTV and Advance Rate	76.0%
Investment Yield Range	7.5-15.0%
Weighted Average Yield on Invested Assets	9.3%

Ordinary Share Performance and Dividend Summary with Portfolio Composition

NAV (Cum Income) Performance	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	YTD	ITD
2016	-	-	-	-	-	-	-0.01%	-0.03%	-0.04%	-0.20%	0.01%	0.04%	-0.23%	
2017	0.08%	0.06%	0.22%	0.36%	0.34%	0.46%	1.95%	-0.98%	0.48%	0.54%	1.36%	0.84%	5.71%	-
2018	0.53%	0.34%	0.37%	0.37%	0.40%	0.40%	0.13%	0.35%	0.59%	0.46%	0.46%	0.32%	4.69%	
2019	0.39%	0.29%	-0.01%	-	-	-	-	-	-	-	-	-	0.67%	10.84%

Dividend Per Share	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	YTD	ITD
2016	-	-	-	-	-	-	-	-	-	0.20p	-	-	0.20p	-
2017	0.40p	-	-	0.60p	-	-	1.50p	-	-	1.50p	-	-	4.00p	-
2018	-	1.50p	-	1.50p	-	-	1.50p	-	-	1.50p	-	-	6.00p	-
2019	-	1.50p	-	-	-	-	-	-	-	-	-	-	1.50p	11.70p

NAV Total Return, Share Price Total Return, Premium (Discount) since launch – Ordinary Shares



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