

# Quarterly shareholder update

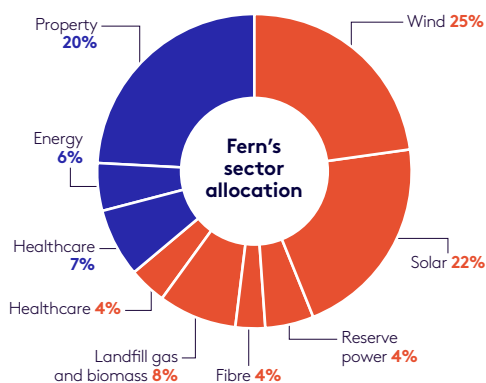
5 January 2021



**Paul Latham, CEO**  
**Fern Trading Limited.**

## About Fern Trading

Fern is the parent company of a large trading group made up of over 250 companies. Its business is currently focused on four core sectors: renewable energy generation, specialist property lending, healthcare infrastructure and fibre broadband.



**67% - Owning and operating assets**

**33% - Lending**

\*The chart above details Fern's business as at 31 December 2020. This will change over time and could include sectors not currently shown here.

## An update on Fern

Despite the very unusual times we have found ourselves in, operations continued to perform across the Fern Group and I am pleased that we have been able to contribute to the UK economic recovery.



### Renewables

Fern's energy business had another fairly unaffected quarter, as has been the case throughout the pandemic. Our staff are classified as 'key workers' allowing them to continue operating Fern's 200+ renewable energy assets.

We're committed in our role to battle climate change. Fern's renewable energy assets generate enough green electricity to power 1.1 million homes.



### Property lending

Encouragingly, the UK property lending sector had another quarter of increased activity. However, we remain cautious and are in no rush to deploy funds. Fern has been issuing loans but only when we deem the lending criteria suitable.

You can read about Fern's property lending business on the next page.



### Healthcare

The two private hospitals Fern owns continue to provide overflow capacity to the NHS and are expected to do so until at least the summer.



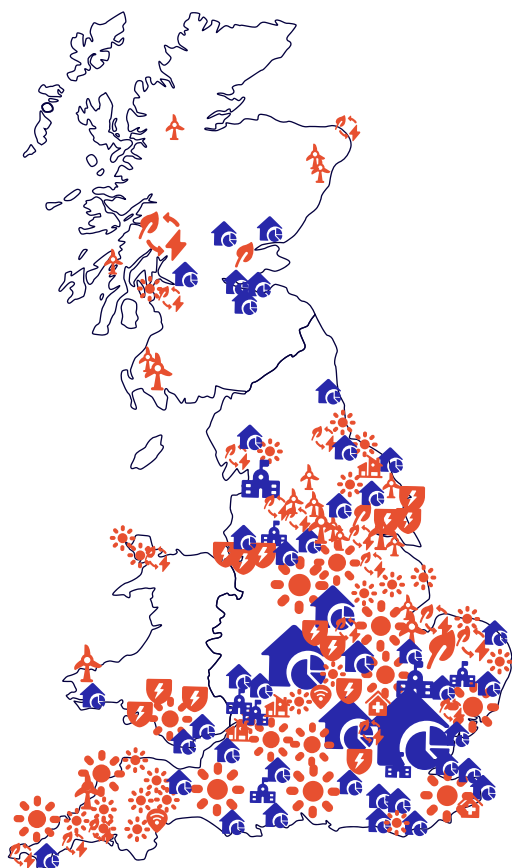
### Fibre networks

Fern's fibre businesses had another strong quarter as development of the networks in Devon, Somerset and across the Home Counties all progressed well.

The combined networks are accessible to over 300,000 homes and able to provide ultra-fast internet speeds to previously some of the most underserved areas of the country.




# Fern in focus

Fern is a £2.3 billion trading group that operates in sectors where it has extensive experience. The group comprises more than 250 subsidiary companies with its business split across four core sectors and 387 assets.



## Key

### Owning and operating assets

- |   |  |
|---|--|
|  150 solar farms worldwide |  10 reserve power sites       |
|  20 wind farms             |  3 fibre broadband businesses |
|  22 landfill gas sites     |  2 hospitals                  |
|  5 biomass sites           |  3 retirement villages        |

### Lending

- |   |  |
|---|--|
|  13 schools              |  2 healthcare loans       |
|  130 live property loans |  27 renewable asset loans |

## Spotlight on Fern's business: a property lending case study



In December, Fern funded a £2.26 million loan to assist the purchase of a site in Bedford and fund the development of 20 flats. The loan to development value ratio was 60%.

The development involves converting office space into twelve units and constructing an additional building to create a further eight units. The site is perfectly suited to conversion to flats and the assigned asset manager reports that the properties should receive a lot of interest from buyers.

The borrower behind this deal is a good example of the high-quality borrowers Fern lends to. The developer is a repeat borrower, with Fern previously supporting the development of 38 flats at another site in Bedford in 2017. The developers own their own construction company and are backed by wealthy individuals who provide some of the equity. Their most recent experience includes a 45-bed care home.

**The value of an investment in Fern, and any income from it, can fall as well as rise. Investors may not get back the full amount they invest. You can find out more about Fern at [ferntrading.com](https://ferntrading.com).**

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