Proposed C Share Issue

RNS Number : 6521O
GCP Asset Backed Income Fund Ltd
22 August 2017

GCP Asset Backed Income Fund Limited

("GCP Asset Backed" or the "Company")

LEI 213800FBBZCQMP73A815

Proposed C Share issue

The Board of GCP Asset Backed, which invests in asset backed loans, today announces that it is considering increasing the Company's capital base through a pre-emptive offer of C shares at a price of 100 pence per C share, targeting gross proceeds in excess of £70 million (the "Issue").

Any issue of C shares will be used to take advantage of a pipeline of attractive investment opportunities which have been identified by Gravis Capital Management Limited (the "Investment Manager").

It is expected that any such issue would broaden the Company's investor base, improve secondary market liquidity for shareholders, reduce the Company's ongoing charges ratio by providing a larger equity base over which its fixed costs are spread and further diversify its portfolio of investments.

The Company is taking legal, tax and financial advice and will make a further announcement in due course.

Any issue of C shares will be subject to the approval of a prospectus in connection with the Issue by the UK Listing Authority. It is currently expected that, should the Company proceed with the Issue, a Prospectus in connection with the Issue will be published in late September 2017 and trading in the C shares will commence in mid-October 2017 ("Admission").

On 13 January 2017 the Company announced it had entered into a two year £15 million revolving credit facility (the "RCF") with Royal Bank of Scotland International Limited. The net proceeds of any Issue may be used to repay any monies drawn down by the Company under the RCF which have been used to fund the whole or part of new investments in the period from the date of this announcement to Admission.

If net proceeds of the Issue are deployed in this manner, the relevant investments (or part thereof, as appropriate) and interest accrued thereon will be allocated to the pool of assets and NAV attributed to the C shares and will be accounted for in this separate pool of C share assets until the C shares convert into new ordinary shares.

This announcement contains Inside Information as defined under the Market Abuse Regulation (EU) No. 596/2014.

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Notes to Editors

The Company

The Company is a closed ended investment company traded on the Main Market of the London Stock Exchange. Its investment objective is to generate attractive risk-adjusted returns primarily through regular, growing distributions and modest capital appreciation over the long term.

The Company seeks to meet its investment objective by making investments in a diversified portfolio of predominantly UK based asset backed loans which have contracted, predictable medium to long term cash flows and/or physical assets.

This information is provided by RNS
The company news service from the London Stock Exchange

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