



# Invesco Enhanced Income Limited

As at 30 April 2021

[www.invesco.co.uk/enhancedincome](http://www.invesco.co.uk/enhancedincome)

Effective 22 July 2020 Rhys Davies was named lead Portfolio Manager and Edward Craven was appointed as deputy Portfolio Manager. The Board of Invesco Enhanced Income Limited is pleased to announce on 1 March 2021 it has signed Heads of Terms with the Board of City Merchants High Yield Trust Limited in respect of a proposed merger with City Merchants High Yield Trust Limited. For further details please refer to the Useful Documents page on our website.

## Investment objective

The Company's principal objective is to provide shareholders with a high level of income whilst seeking to maximise total return through investing in a diversified portfolio of high yielding corporate and government bonds. The Company may also invest in equities and other instruments that the Manager considers appropriate.

The Company seeks to balance the attraction of high yield securities with the need for protection of capital and to manage volatility. The Company generally employs gearing in its Investment Policy.

Further details of the Company's Investment Policy and Risk and Investment Limits can be found in the Directors' Report contained within the Company's Annual Financial Report.



**Portfolio Managers:** Rhys Davies (pictured) and Edward Craven (Deputy Portfolio Manager)

## Key facts

Launched	October 1999 <sup>1</sup>
Ticker	IPE.L
Total Assets	£158.7m
<b>Ordinary shares</b>	
Share Price	74.1p
Cum-Income NAV (debt at fair value)	75.2p
Discount	NaN%
Dividend Yield <sup>2</sup>	6.7%
Borrowing <sup>3</sup>	20.7%

## Fees and expenses

Ongoing charge (incl AMF)	1.03%
<b>Annual Management Fee (AMF)</b>	
On first £80m	0.8%
Next £70m	0.7%
Thereafter	0.6%

## Shares in issue

Ordinary shares	174,469,855
-----------------	-------------

## Gearing

The Company participates in repo financing up to a maximum of 50% of shareholders' funds.

## Ordinary share price and NAV cumulative performance

	6 months	1 Year	3 Years	5 Years	10 Years
Share Price	19.3	23.7	20.9	47.2	162.2
Net Asset Value	9.6	24.2	26.0	54.6	136.4

## Standardised rolling 12-month performance

	31.03.16 31.03.17	31.03.17 31.03.18	31.03.18 31.03.19	31.03.19 31.03.20	31.03.20 31.03.21
Ordinary Share Price	19.2	7.2	-4.0	-15.3	38.2
Net Asset Value	18.6	5.0	2.9	-7.5	31.4

**Past performance is not a guide to future returns.** Ordinary share price performance figures have been calculated using daily closing prices with dividends reinvested. NAV performance figures have been calculated using daily NAV with dividends reinvested. The NAV used includes current period revenue and values debt at fair.

All performance figures are in sterling as at 30 April 2021 except where otherwise stated. Standardised past performance figures are updated on a quarterly basis. Source: Morningstar.

<sup>1</sup> The Company was launched on 15 October 1999, originally as Invesco Leveraged High Yield Fund Limited; its name and investment policy were changed with the approval of shareholders on 11 November 2013.

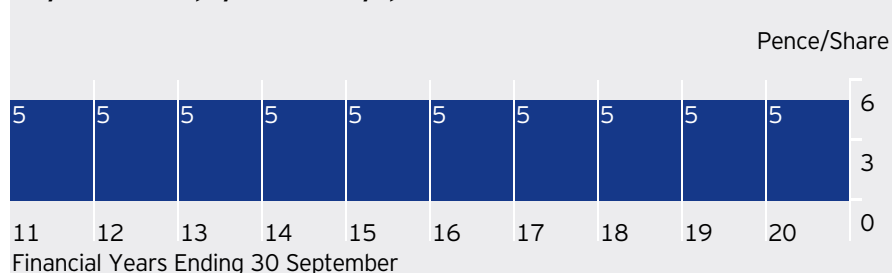
<sup>2</sup> The total declared and prospective dividends for the current financial year, expressed as a percentage of the trust's value calculated at the month end close price. The yield is indicative only and is not guaranteed.

<sup>3</sup> Reflects the amount of net borrowings invested, i.e. borrowings less cash. It is based on net borrowings as a percentage of shareholders' funds. The Board has prescribed that borrowings may be used to raise exposure to bonds and equities and that net borrowings may not exceed an amount equal to 50% of shareholders funds.

Top 10 issuers	% portfolio
Codere Finance	10.75% 30 Sep 2023 (SNR), 6.75% 01 Nov 2021 (SNR), 7.625% 01 Nov 2021 (SNR)
Telecom Italia	5.303% 30 May 2024, 5.25% 17 Mar 2055
Lloyds Banking Group	7.875% FRN Perpetual, 7.625% FRN Perpetual, 7.5% FRN Perpetual, 6.375% FRN Perpetual
Teva Pharmaceutical Finance	7.125% 31 Jan 2025 (SNR), 6.75% 01 Mar 2028 (SNR), 6% 31 Jan 2025 (SNR)
Dell Technologies	6.2% 15 Jul 2030 (SNR), 5.45% 15 Jun 2023 (SNR), 6.1% 15 Jul 2027 (SNR)
Barclays	2.75% FRN Perpetual, 6.375% FRN Perpetual, 7.875% FRN Perpetual
Altice	7.5% 15 May 2026, SFR 7.375% 01 May 2026
Vodafone Group	1.5% Cnv 12 Mar 2022, 7% FRN 04 Apr 2079, 4.875% 03 Oct 2078, 6.25% 03 Oct 2078
Ziggo Bond Finance	4.875% 15 Jan 2030 (SNR), 3.375% 28 Feb 2030 (SNR), 6% 15 Jan 2027 (SNR)
NatWest	8.625% FRN Perpetual, 2.62788% FRN Perpetual, 8% Cnv FRN Perpetual
<b>Total</b>	<b>19.1</b>

Credit rating breakdown	% portfolio
A	0.8
BBB	20.1
BB	35.1
B	26.0
CCC	9.6
CC	2.5
Cash	2.5
<b>Total</b>	<b>96.6</b>

#### 10 year dividend payment history (pence/share) ■ Dividend



Source: Morningstar. Please note that this chart may include dividends declared but not yet paid. **Past performance is not a guide to future returns**

#### Financial calendar and dividend information

Year End	30 September
Annual Financial Report published	December
Half-Yearly Financial Report published	May
Dividend payment dates	January, April, July and October
Annual General Meeting	February

#### General information

The ordinary shares of the Company are listed on the London Stock Exchange. On an annual basis, shareholder approval is sought to authorise the buy back and issue of shares. This enables the Company to respond to an excess of supply or demand for the Company's shares in the market.

#### Continuation vote

A further resolution for the continuation of the Company as a closed ended Company is required every 5 years-this was passed at the 2019 AGM, with the next one due in 2024.

#### Further information

##### Client Services

Telephone 0800 085 8677  
Email [enquiry@invesco.com](mailto:enquiry@invesco.com)

Telephone calls may be recorded.  
[www.invesco.co.uk/enhancedincome](http://www.invesco.co.uk/enhancedincome)

Issued by Invesco Fund Managers Limited, Perpetual Park, Perpetual Park Drive, Henley-on-Thames, Oxfordshire RG9 1HH, UK  
Authorised and regulated by the Financial Conduct Authority

## Invesco Enhanced Income Limited

As at 30 April 2021

#### Investment risks

The value of investments and any income will fluctuate (this may partly be as a result of exchange rate fluctuations) and investors may not get back the full amount invested.

When making an investment in an investment company you are buying shares in a company that is listed on a stock exchange. The price of the shares will be determined by supply and demand. Consequently, the share price of an investment company may be higher or lower than the underlying net asset value of the investments in its portfolio and there can be no certainty that there will be liquidity in the shares.

The portfolio has a significant proportion of high-yielding bonds, which are of lower credit quality and may result in large fluctuations in the NAV of the product.

The product uses derivatives for efficient portfolio management which may result in increased volatility in the NAV.

The use of borrowings may increase the volatility of the NAV and may reduce returns when asset values fall.

The product may invest in contingent convertible bonds which may result in significant risk of capital loss based on certain trigger events.

As a result of COVID-19, markets have seen a noticeable increase in volatility as well as, in some cases, lower liquidity levels; this may continue and may increase these risks in the future.

#### Important information

This document is marketing material and is not intended as a recommendation to invest in any particular asset class, security or strategy. Regulatory requirements that require impartiality of investment/investment strategy recommendations are therefore not applicable nor are any prohibitions to trade before publication. The information provided is for illustrative purposes only, it should not be relied upon as recommendations to buy or sell securities.

Where individuals or the business have expressed opinions, they are based on current market conditions, they may differ from those of other investment professionals and are subject to change without notice.

Invesco Enhanced Income Limited is regulated by the Jersey Financial Services Commission.

For more information on our products, please refer to the relevant Key Information Document (KID), Alternative Investment Fund Managers Directive document (AIFMD), and the latest Annual or Half-Yearly Financial Reports. This information is available using the contact details shown.