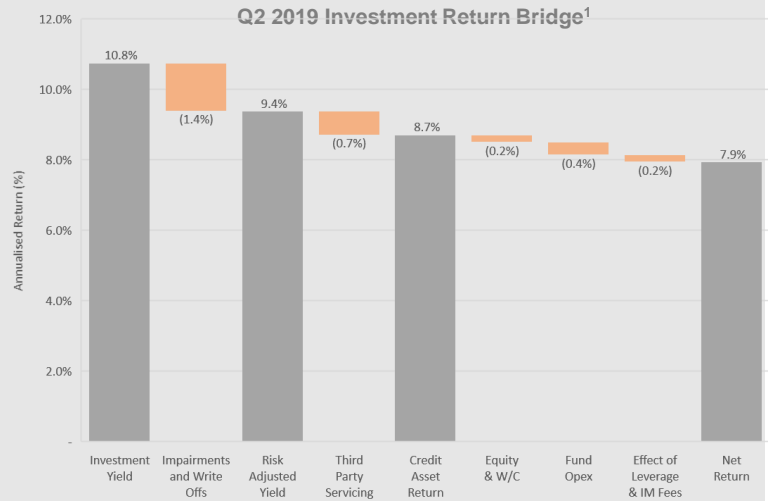


Honeycomb Investment Trust plc

Investment Returns

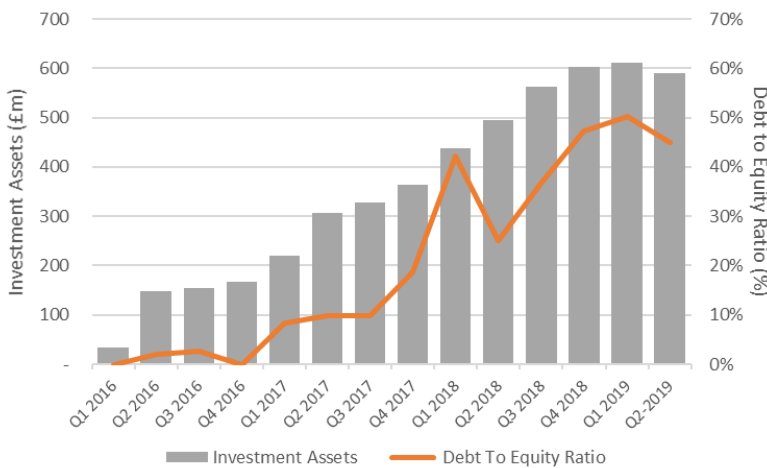
The Company continued to deliver strong results in Q2 2019 generating 7.9% NAV return per share on an annualised basis, which is 1.97% for the quarter. This brings the year to date return to 3.77% and 29.02% since inception.

The underlying portfolio performance for Q2 2019 remained stable with investment yield of 10.8%, bad debt expense of 1.4% and risk adjusted yield of 9.4%. The effect of expenses & leverage were modest, resulting in a NAV return of 7.9%.



¹ Investment Yield calculated as Q2 2019 income net of amortised acquisition costs over average credit assets for Q2 2019, annualised.

Investment Asset Growth & Leverage



The Company closed 4 new deals in the quarter, all of which are either secured against property assets or structured with the originator taking first loss. The pipeline remains strong with several new opportunities with attractive risk adjusted returns.

Investment Assets have remained broadly stable with some reductions arising from Structured facilities due to timing differences between repayments and new advances.

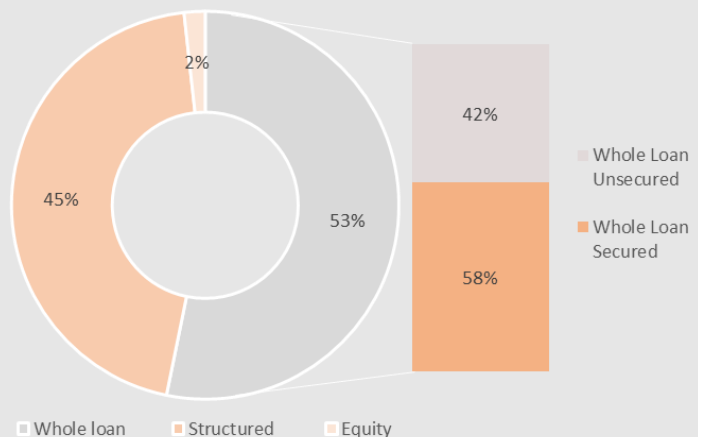
The Company established a 12 month placing programme in December 2018, allowing for further issuances of Ordinary Shares in accordance with authorities granted at its latest annual general meeting.

Asset Diversification


45% of the portfolio is composed of structured loans. These are facilities provided to lenders where the lender retains the first loss. The Company has built a diversified portfolio of 21 structured facilities. Each facility has been designed to deliver stable returns with downside mitigation and typically has 5 bespoke covenants per deal.

53% of the portfolio is composed of whole loans. These are pools of loans acquired from the loan originator by the Company. 58% of these loans are secured.

The Company is seeking to increase its exposure to loans that are either structured or whole loans secured against property assets.



The chart shows a stratification of Equity Assets and Credit Assets with the Credit Asset further stratified by structure: whole loans and structured loans



Honeycomb Investment Trust plc

Background and Investment Objective

Honeycomb Investment Trust plc (the “Company”) is a specialist lending fund whose investment objective is to provide shareholders with an attractive level of dividend income and capital growth through the acquisition of interests in loans made to consumers and small business as well as other counterparties.

The Company may also make selected equity investments that align with the Company’s strategy, and that present opportunities to enhance the Company’s returns from its investments.

The Company believes that consumer, property and SME loans are asset classes that have the potential to provide attractive returns for investors on a risk-adjusted basis. Changes in the focus of mainstream lenders together with the implementation of new models that utilise data, analytics and technology more effectively, provide an opportunity to deliver better products to borrowers while generating attractive returns for the Company.

The Company and the Investment Manager seek to acquire credit assets which meet the specified underwriting criteria through three routes; (1) organically originate and acquire through referral partners which source opportunities; (2) acquiring seasoned portfolios; and (3) providing senior and mezzanine structured loans secured on portfolios of consumer, property and SME loans.

Investment Features

- Investment team has a combined 100+ years credit underwriting and consumer lending experience.
- Highly granular and well diversified portfolio.
- Majority of portfolio benefiting from downside protection or seasoning.
- 8% targeted dividend on issue price when fully invested and leverage applied, payable quarterly.
- UK Investment Trust tax treatment.

Key Details

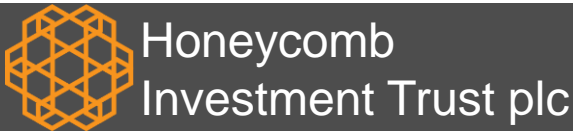
Monthly NAV Return (Annualised)	7.8%
Monthly NAV Return	0.65%
YTD NAV Return	3.77%
ITD* NAV Return	29.02%
NAV Cum. Income	£400.1m
NAV Ex. Income	£393.8m
Market Capitalisation	£437.9m
Investment Assets	£590.4m
Debt to Equity	45%
Shares in Issue	39,449,919
Share Price	1,110.0p
NAV Cum. Income per Share	1,014.1p
NAV Ex. Income per Share	998.2p
Premium (Discount) to NAV Cum Income	9.46%

*ITD: Inception to Date – excludes IPO Issue Costs

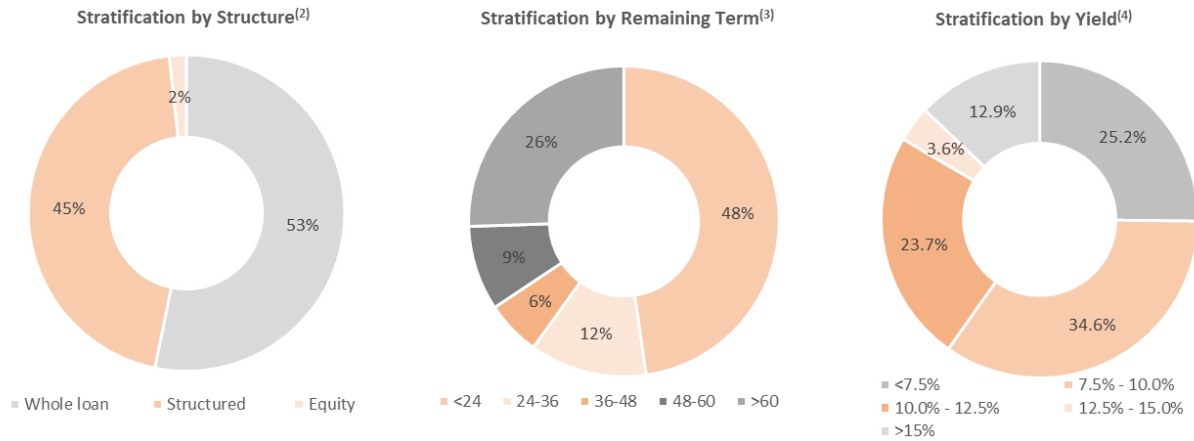
Fund Facts

Type of Fund	Closed – Ended Fund
Listing	Specialist Fund Segment of the London Stock Exchange
Ticker	HONY
ISIN	GB00BYZV3G25
Inception Date	23 December 2015
Dividend	Quarterly
NAV Calculation	As of last day of each month
Management Fee	1%
Performance Fee*	10%

*subject to 5% preferred return hurdle and high watermark



Stratification of Gross Outstanding Balances



(1) Excludes equity positions

(2) Gross outstanding balance, stratified by the remaining balance of each loan

(3) Gross outstanding balance, excluding Equity Assets, stratified by the remaining term of each loan

(4) Gross outstanding balance, excluding Equity Assets, stratified by the headline interest rate of each loan

Performance and Dividend History

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	ITD*	
NAV Return IAS 39	2016	0.04%	0.13%	0.19%	0.92%	0.60%	0.79%	0.68%	0.70%	0.88%	0.89%	0.92%	0.94%	7.85%	7.83%
NAV Return IAS 39	2017	0.69%	0.69%	0.78%	0.62%	180% ⁽¹⁾	0.55%	0.65%	0.62%	0.63%	0.61%	0.61%	0.79%	9.11%	17.24%
NAV Return IFRS 9	2018	0.66%	0.59%	0.72%	136% ⁽³⁾	0.56%	0.60%	0.63%	0.67%	0.67%	0.67%	0.65%	0.60%	8.43%	25.12%
NAV Return IFRS 9	2019	0.58%	0.54%	0.67%	0.67%	0.64%	0.65%							3.77%	29.02% ⁽²⁾
Share Price Performance**	2016	150%	-	-	-	-	-	-	-	-	-	0.54%	2.05%	2.05%	
Share Price Performance**	2017	3.92%	3.72%	0.45%	181%	(0.89%)	4.93%	2.78%	0.42%	(124%)	(0.84%)	(0.63%)	(149%)	13.42%	15.75%
Share Price Performance**	2018	(194%)	-	-	(176%)	-	-	0.90%	-	0.89%	(0.44%)	-	-	(2.38%)	13.00%
Share Price Performance**	2019	-	-	-	-	(133%)	(0.45%)							(1.33%)	11.50%
Dividend Per Share (Pence)***	2016	-	-	-	-	2.11	-	-	-	19.66	-	23.13	-	44.90	44.90
Dividend Per Share (Pence)***	2017	-	-	23.5	-	24.50****	-	-	-	20.00	-	-	20.00	88.00	132.90
Dividend Per Share (Pence)***	2018	-	-	20.00	20.00	-	-	-	-	20.00	-	-	20.00	80.00	212.90
Dividend Per Share (Pence)***	2019	-	-	20.00	-	-	20.00							40.00	252.90

* ITD: Inception to Date – excludes IPO Issue Costs

** Based on IPO Issue Price of 1000p

*** Recognised in the month when marked ex-dividend

**** Based upon the number of shares at the ex-dividend date

(1) NAV return excluding effect of capital raise and issuance at a premium would have been 0.77%

(2) Inception to date NAV return affected by IFRS 9 initial recognition on 2018 bought forward retained earnings

(3) NAV return excluding effect of capital raise and issuance at a premium would have been 0.63%



Honeycomb Investment Trust plc

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Net Asset Value performance is not linked to share price performance and shareholders may realise returns that are lower or higher in performance.

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Glossary

“**NAV (Cum Income)**” will include all income not yet moved to reserves (both revenue and capital income), less the value of (i) any dividends paid in respect of that income and (ii) any dividends in respect of that income which have been declared and marked ex dividend but not yet paid.

“**NAV (Ex Income)**” will be the NAV (Cum-Income) excluding net income (both revenue and capital income) that is yet to be transferred to reserves as described below. For this purpose net income will comprise all income not yet moved to reserves (both revenue and capital income), less the value of (i) any dividends paid in respect of that income and (ii) any dividends in respect of that income which have been declared and marked ex dividend but not yet paid.

Any income in respect of a financial year, which is intended to remain undistributed will be moved to reserves on the first business day of the immediately following year, meaning that each figure for NAV (Ex-Income) reported during a financial year will equate to the NAV (Cum-Income) less undistributed income which has not been moved to reserves.

“**Share Price**” closing mid-market share price at month end (excluding dividends reinvested).

“**Premium / (Discount)**” the amount by which the price per share of an investment trust is either higher (at a premium) or lower (at a discount) than the net asset value per share (cum income), expressed as a percentage of the net asset value per share.

“**Net Assets**” total assets minus any liabilities.

“**Market Capitalisation**” the closing mid-market share price multiplied by the number of shares outstanding at month end.

“**Total NAV Return**” is calculated as NAV (Cum Income) at the end of the period, plus dividends declared during the period, divided by NAV (Cum Income) calculated on a per share basis at the start of the period.

“**Investment Yield**” is calculated as income net of amortised acquisition costs over average credit assets for, annualised. Previously this has been presented gross of acquisition costs