

Quarterly shareholder update

5 April 2021



Paul Latham, CEO
Fern Trading Limited.

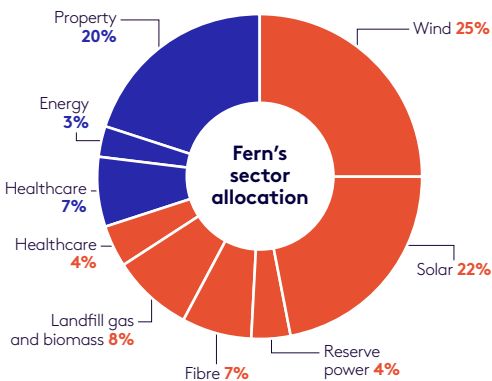
An update on Fern

With spring finally here and the vaccine rollout continuing to be a success, there is a growing optimism that the UK is ready to kick-start its economic recovery.

Fern and its group of businesses continue to perform as expected. You can read about some of the recent highlights below.

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.



70% - Owning and operating assets

30% - Lending

*The chart above details Fern's business as at 31 March 2021. This will change over time and could include sectors not currently shown here.

Renewables



Fern's energy business continues to run smoothly and all 200+ sites were fully operational throughout the quarter.

Fern is considering new opportunities in the wind and biomass sectors. Both are technologies Fern has significant knowledge of and will serve to further diversify the division.

Property lending



The property market continued its hive of activity, further supported by the extension of the stamp duty holiday now ending at the end of September.

Loans continue to be repaid and a prolonged period of market stability has given Fern confidence to relax its lending criteria closer to those seen pre-Covid and appropriate with current trading conditions in this sector.

Healthcare



Fern's two private hospitals have been providing overflow capacity to the NHS throughout the pandemic. Both are likely to be utilised for the remainder of this year to assist in tackling the backlog of non-critical procedures.

Fibre networks

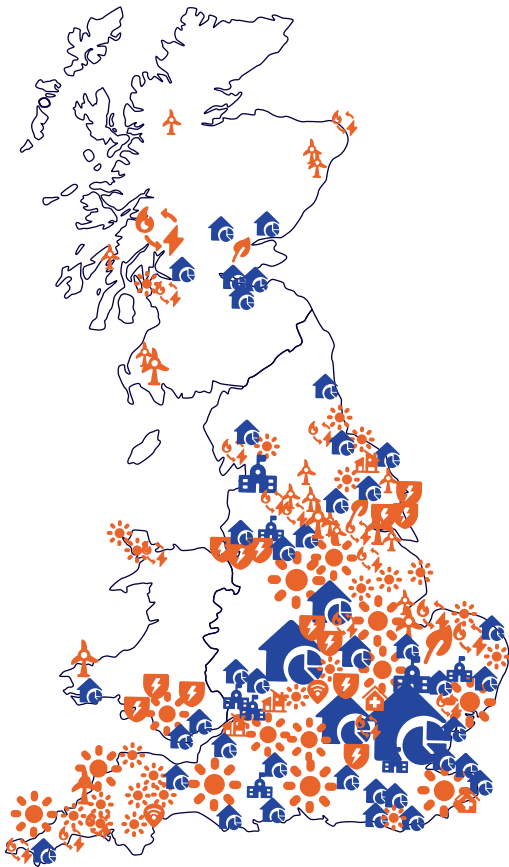


Fern completed the acquisition of its third fibre company, Vorboss. Vorboss specialises in supplying fibre connectivity to large businesses and offices in London and offers diversification within Fern's fibre division.

Fern's two existing fibre businesses, Jurassic and Swish, continue their solid performance as development of the networks progresses well.



Fern in focus

Fern is a £2.4 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 377 assets.



Key

Owning and operating assets

- | | |
|---------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------|
|  150 solar farms worldwide |  10 reserve power sites |
|  20 wind farms |  3 fibre broadband businesses |
|  19 landfill gas sites |  2 hospitals |
|  5 biomass sites |  3 retirement villages |

Lending

- | | |
|-------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------|
|  13 schools |  2 healthcare loans |
|  134 live property loans |  16 renewable asset loans |

Spotlight on Fern's business: a solar site case study



This quarter we're highlighting an example of a solar farm in Fern's portfolio.

Located in Dorset, Caswell Solar Farm covers more than 19 hectares – an area equivalent to more than 25 football pitches.

Caswell performed extremely well over the last 12 months. It's been able to make the most of the unexpectedly high rates of solar irradiation (the sun's power that can be harnessed for energy). In fact, Caswell generated 6,786 megawatt hours of renewable energy.

That's enough clean energy to power over 2,300 homes, avoiding carbon dioxide emissions sufficient to displace more than 900 cars. This is roughly the same impact in terms of carbon offsetting as planting close to 12,000 trees.

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.

0800 316 2295 | investorsupport@octopusinvestments.com | octopusinvestments.com

Fern Trading Limited is owned by investors in the Octopus Inheritance Tax Service. Octopus does not offer financial or tax advice. Issued by Octopus Investments Limited, which is authorised and regulated by the Financial Conduct Authority. Registered office: 33 Holborn, London EC1N 2HT. Registered in England and Wales No. 03942880. We record telephone calls. Issued: April 2021. CAM010908-2104