



Luxembourg
16th July 2021

Dear Investors,

We refer to our previous communication dated 28th April 2021 concerning Lombard 82 EMTN (the “Fund”) in which we gave the reasons for the delayed payment of interest coupons and capital redemptions. As previously indicated, this is due to cashflow pressure on the Fund originally triggered by investor concern about the ongoing Covid-19 pandemic, and the consequent effects on global financial markets.

Unfortunately, since April 2021 the Covid-19 pandemic has continued with new daily cases averaging 450,000 worldwide, whilst a third wave is currently evident – for example in UK where cases are up by a factor of 15 in the last 2 months and border controls remain in place. Whilst the roll out of vaccines is to be welcomed, this continues to put significant pressure on many investment funds worldwide.

As you may know, the Fund holds as its core assets securitised income receivables which it has acquired. These acquired income streams are assured by contracts in place between the parties, but the incomes have been lower than might otherwise have been expected due to the pandemic. Normally over an economic cycle we would expect income inflows from the assets to catch up with the outgoing payments of interest payments and redemptions, and this has been the case since the fund was established in 2011. However as explained in our last communication the volume of redemptions requested over the last 12 months equates to the same volume seen in the previous 5 years combined. This has created a significant liquidity shortfall, meaning the Fund has had to defer both coupons and redemptions.

At the present time it is not clear how long this situation will prevail, and as previously advised the Fund through its Manager, Xantis S.A. (“Xantis”), is currently undertaking an independent strategic review which is looking at several strategies designed to help overcome current challenges in the fastest possible timeframe. These include:

1. The disposal of some of the receivable’s contracts owned by Lombard 82 to a third party, in order to bring in a sum of money from the capital proceeds of sale of those assets.
2. A deferment of payment of outstanding redemptions and coupons by settling in instalments over a longer period of time. The Fund currently has 4 different Series and 16 different share classes, with different coupons and settlement periods. A detailed analysis is required on the timings of all payments due, and this is ongoing.

There are other options of course, and all are being considered.

Xantis understands that the deferral of redemptions and coupon interest payments is causing uncertainty for investors and we aim to address current challenges as soon as practically possible. In the meantime the Fund remains open and is continuing to accept new subscriptions.

Should an investor not wish to proceed with an already placed redemption, they may cancel the request. Cancellations should be communicated to the Fund Administrator via your nominee or product provider.

For further information in relation to the matters referred to in this update, or with any investor-specific questions please contact the Manager at fund.administration.manager.luxembourg@xantisfunds.com. A copy of the Investment Memorandum and the Key Features Document are available on request.

Issued by Xantis S.A., Manager of Lombard 82 Securitisation Fund