

**Sygnus Credit Investments Ltd Announces Audited Annual Financial Results**

- Sygnus Credit Investments Limited (“SCI” or “The Company”), a private credit investment company, is pleased to report a net profit of US\$1,423,747 for the financial year ended June 30, 2018. This amounts to US\$0.009 in basic earnings per share. The results were driven by total income of US\$1,838,656 and total expenses of US\$414,909.
- Total comprehensive income was US\$1,511,250, comprising the net profit of US\$1,423,747 and US\$87,503 in unrealized gains.
- A meeting of the Board of Directors will be held on September 04, 2018 to consider, and if thought fit, pay an interim dividend to shareholders.
- The Company’s core activities are measured by net investment income which was US\$829,416 or US\$0.005 per share. This was driven by US\$1,194,330 in total investment income and US\$364,914 in operating expenses.
- Non-core activities amounted to US\$694,321 comprising US\$644,326 in fair value gains and US\$49,995 in foreign exchange losses. Net investment income plus non-core activities comprise the reported net profits.
- As of June 30, 2018, SCI had total assets of US\$37,004,578, total shareholder’s equity of US\$36,618,923 and book value per share of US\$0.1046.
- During the year ended June 30, 2018, SCI funded investments of US\$15,653,989 in 8 portfolio companies and successfully exited 1 portfolio company for a value of US\$682,895. SCI had an estimated net investment rate of US\$3,767,247 per quarter.
- As at June 30, 2018, the remaining 7 portfolio companies had a value of US\$15,702,924 and was diversified across five industries, comprising Energy (35%), Distribution (25%), Manufacturing (25%), Hospitality (8%) and Mining & Quarrying (7%). These companies play a leading role in their respective industries and align with SCI’s strategy to invest in medium-sized firms with attractive growth prospects that generate high free cash flows.
- The average tenor of investment in portfolio companies was 3.4 years with a weighted average yield of 10.9%. All portfolio company investments were performing as expected and the Company had no credit losses or delinquent investments.

- At June 30, 2018, SCI had undeployed cash or “dry powder” of US\$21,039,317 to invest in portfolio companies, mainly consisting of capital raised in its initial public offering during the June 2018 quarter.
- Net income can vary due to non-core activities, including changes in fair value gains, foreign exchange gains and losses, and changes to accounting standards that may affect how expected credit losses are reported. As a result, comparison of net income may not be meaningful from period to period.
- The Company is pleased to have generated a positive first year of operations, with strong growth in core earnings while providing risk adjusted returns with downside protection. SCI is a patient cash flow investor, seeking to invest in medium-sized firms with strong growth prospects and good management teams, by taking medium-risk exposure. The Company has made a great start with its current portfolio of investments and continues to see great opportunities to invest in medium-sized firms across the Caribbean region.

