

UPDATE ON GCP INFRASTRUCTURE
INVESTMENTS LIMITED



Gravis

PRESENTERS



Philip Kent

Director, CEO

Phil joined Gravis in 2015 and serves as the CEO. Phil is actively involved in the management of Gravis' direct infrastructure and real asset investments, and has led investments across a range of energy, renewable and social infrastructure asset classes.

Phil has 20 years of experience in the energy and environmental sectors having joined Gravis from Foresight Group. Prior to Foresight, Phil has experience across a number of energy and commodity sectors.



Max Gilbert

Investment Director

Max joined Gravis in 2018 having previously spent 2 years working at Cambridge Associates, a global investment consultancy, advising U.S. and European Pension funds on their private investments. He was responsible for consulting on potential new investments and detailed private fund due diligence, as well as ongoing investment monitoring.

AN ACTIVE CALENDAR OF GCP SHAREHOLDER ENGAGEMENT



2nd Annual Capital Markets Day



114 shareholder meetings



38 prospect meetings & 7 external events



6 webinars hosted



Best-in-class portfolio disclosure



2 Asset site visits



12 Gravis newsletters



Quarterly factsheets



Perception study



3rd party partnerships

Note(s): Calendar year 2024

CAPITAL ALLOCATION – OBJECTIVES

The Company has progressed against the objectives for the use of the disposal proceeds.



Demonstrate NAV

Disposals on average around NAV



Reduce leverage

Debt reduced from £104m to £57m¹



Minimum £50m capital return

Share buybacks commenced, 3.1m purchased FY25 to date



Portfolio rebalancing

Transactions and pipeline in target sectors

Note(s): ¹30 September 2023 vs. 30 September 2024



CAPITAL ALLOCATION – DISPOSALS

Progress has been made with capital recycling in a market that has been challenging for disposals.



**Blackcraig
Wind Farm
(April 2024)**

- £31 million
- 8.1% Net IRR
- 1.3x MOIC¹



**Rooftop
Solar
(October 2024)**

- £7 million
- Realised at NAV



**Onshore Wind
Disposal
(January 2025)**

- £18 million
- 10.3% Net IRR
- 1.7x MOIC¹



Realisation Pipeline

- Supported Living
- Waste-wood Biomass
- Solar
- Anaerobic Digestion (Gas-to-Grid)

Additional £340 million of realisation opportunities

c. £57 million

**£150m
Target
Realisations**

c. 40% completed, large pipeline of disposals could materially change this

Note(s):¹ MOIC – Money on Invested Capital.

CAPITAL ALLOCATION – FUTURE DISPOSAL OPPORTUNITIES

Further pipeline of disposal opportunities, focusing on exiting supported living exposures and reducing merchant electricity price exposure.

	Assets
Supported Living	Portfolio of c. 80 properties to be refinanced
	Portfolio of c. 55 properties to be disposed of
	Acquirer reviewing majority of the portfolio
	Disposal of a portfolio 33 supported living assets
Onshore Wind	Large onshore wind farm (exploring disposal options with co-located business)
Solar	Solar project expansion (development extension & existing operating asset)
	Refinancing of a portfolio of ground mounted solar projects
Anaerobic Digestion	Gas-to-grid portfolio sale (sales process in progress)
Biomass	Disposal of waste-wood biomass enforcement position (expected to commence in H2)
	Waste-wood biomass refinancing

c. £340m

Estimated total proceeds

ONSHORE WIND DISPOSAL

- On 30 January 2025, the Company disposed of its interest in the Pates Hill and Milton Keynes Wind Farms. The Company originally invested in 2017, part of a wider portfolio of five assets with c. 70MW total capacity.
- The projects each had seven Vestas V80 2.0MW turbines, benefitting from Renewable Obligation (RO) subsidy support, and had been operational since 2010.
- OnPath Energy, a subsidiary of Brookfield Asset Management is acquiring the projects. With proceeds of the disposal to be used by the Company to commence the return of £50 million to shareholders through a share buyback programme.



c.£18m¹

Proceeds



10.3%

Net IRR



1.7x

MOIC

Note(s):¹ Includes deferred amounts, the payment of which is linked to milestones.



ROOFTOP SOLAR DISPOSAL

- In October the Company disposed of its interest in a portfolio of domestic rooftop solar assets, with generating capacity of c. 8.3MW installed across rooftops with six UK housing associations. Original investment was made in 2018 as part of a wider c. 130MW portfolio.
- Portfolio represented 2,916 systems, benefitting from Feed-in-Tariff (FiT) subsidy support and had been operational since 2016.
- Disposal was completed materially in line with carrying valuation, with proceeds used to repay drawn balances under the Company's RCF.



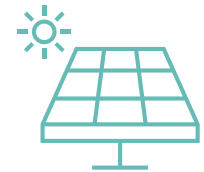
£6.8m

Realised
proceeds



2,916

Rooftop
Installations



8.3MW

Generating
Capacity

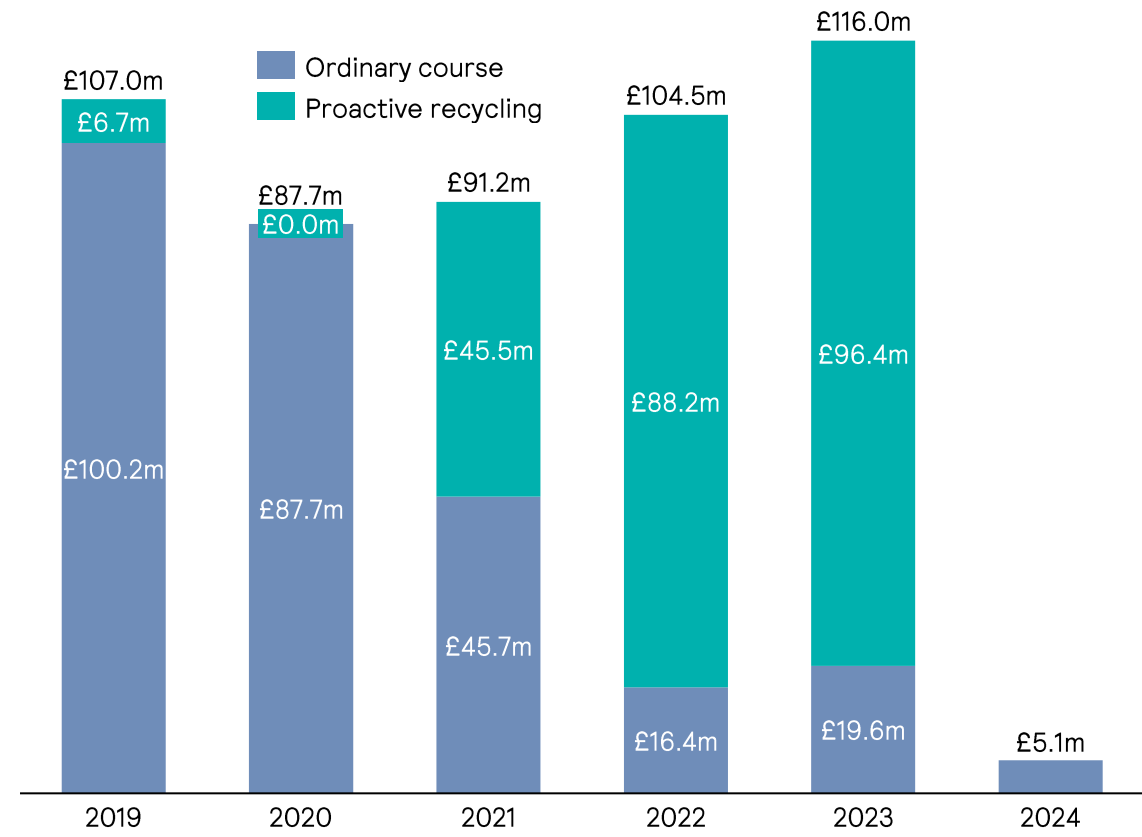
Note(s): Disposal completed in October 2024.

DISCIPLINED CAPITAL MANAGEMENT

Returns requirements for new investment has increased significantly in recent months. Any investment decisions must be weighed against the investment opportunity offered by buying back shares and the benefits of repaying the RCF.

- During FY24, the Company made limited new investments (£5.1m).
- 3.1m shares repurchased FY25 to date¹.
- RCF has been repaid by c. £50m FY24.

Company investment level through time (cash²), financial year ending

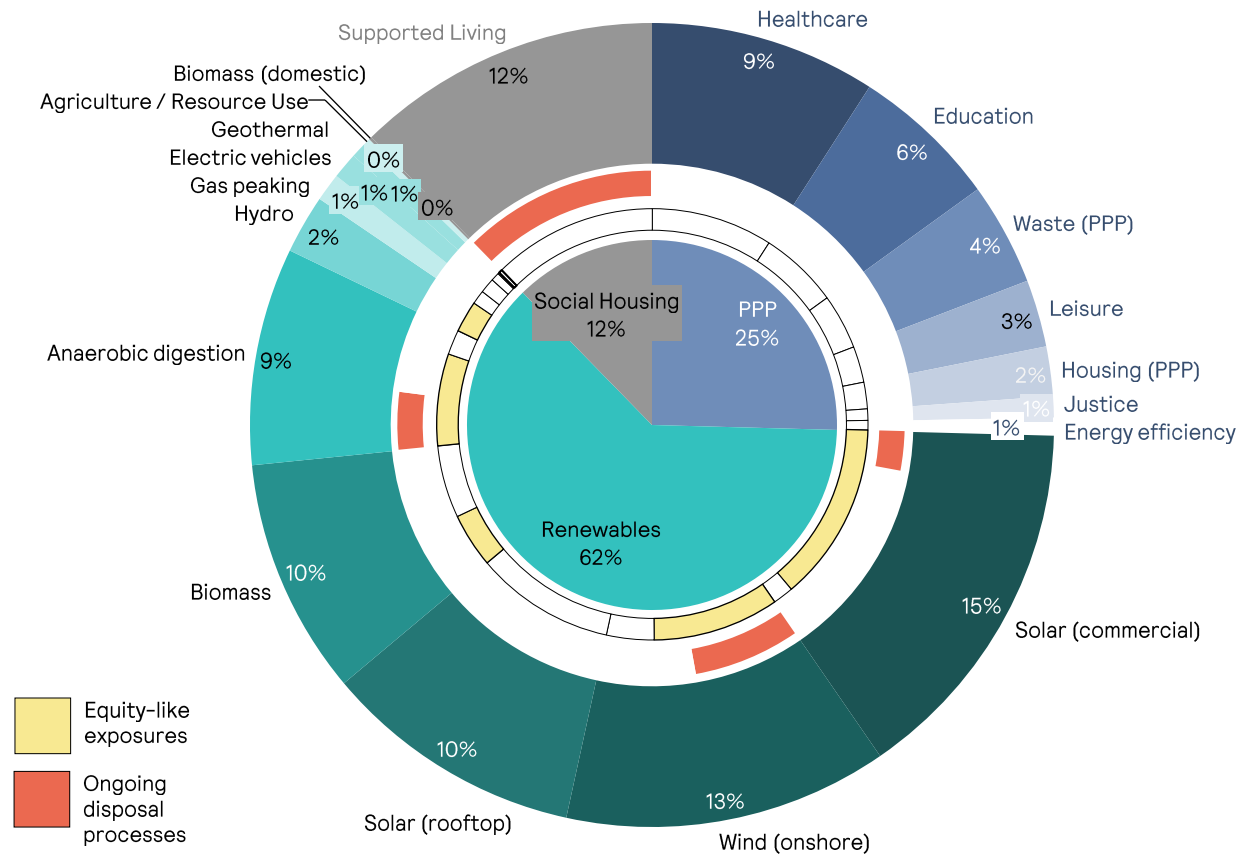


Note(s): ¹ As at 28 January 2025. ² Excludes capitalised interest. Refinance investments represent transactions where the Company has chosen to refinance / re-structure existing portfolio investments.

PORTFOLIO OVERVIEW

A mature, diverse and operational portfolio of UK infrastructure projects that is well positioned to benefit from the macro trends of population dynamics, decarbonisation and energy security.

Portfolio by sector (%)



Note(s): Portfolio as at 30 September 2024.

£960m

Portfolio valuation

50

Investments

11 years

Weighted average life of loans in the portfolio

7.8%

Weighted average annualised portfolio yield

1%

Construction exposure (as % of total assets)

62%

Renewable energy project exposure (as % of total asset valuation)

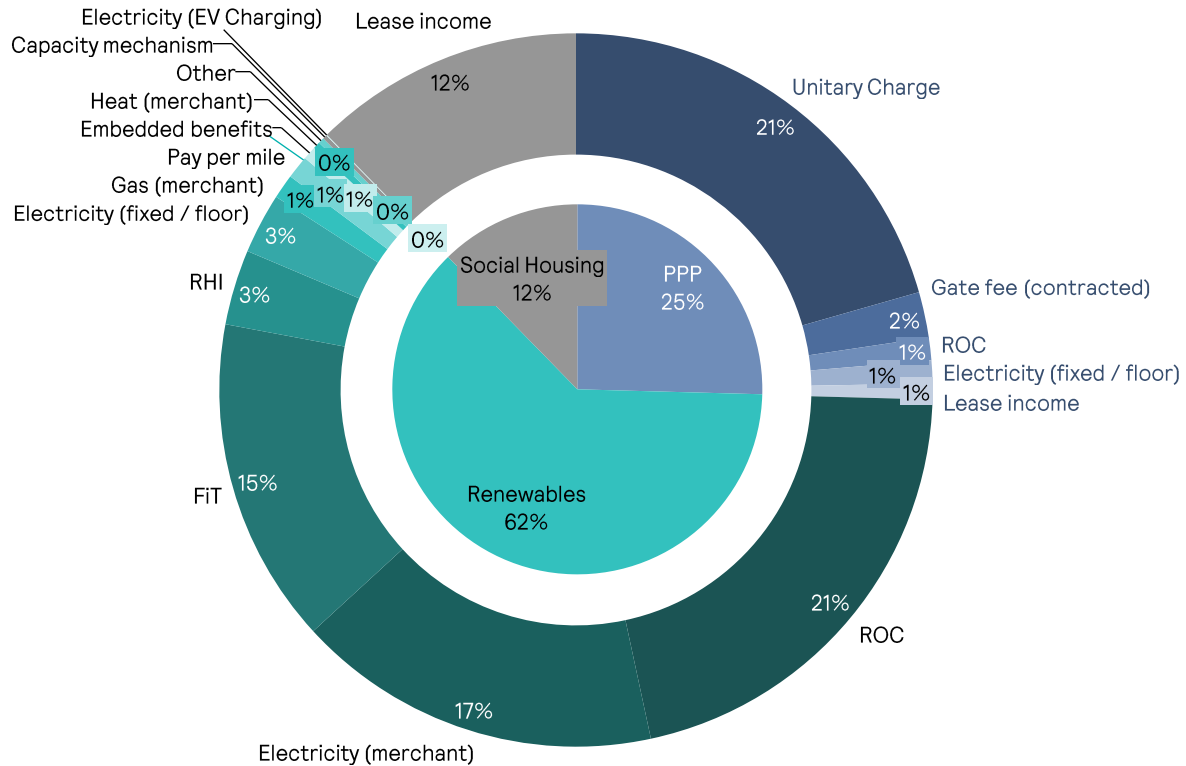
47%

Loans benefit from inflation protection (as % of total asset valuation)

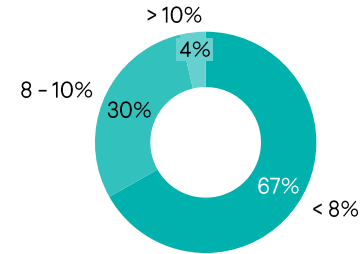
PORTFOLIO OVERVIEW (CONT.)

A mature, diverse and operational portfolio of UK infrastructure projects that is well positioned to benefit from the macro trends of population dynamics, decarbonisation and energy security.

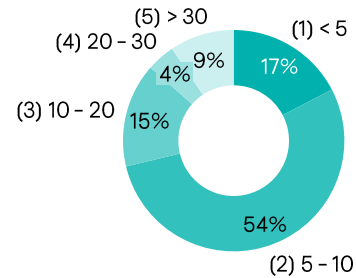
Portfolio by income type (%)



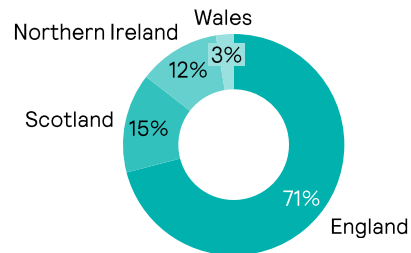
Portfolio by annualised yield



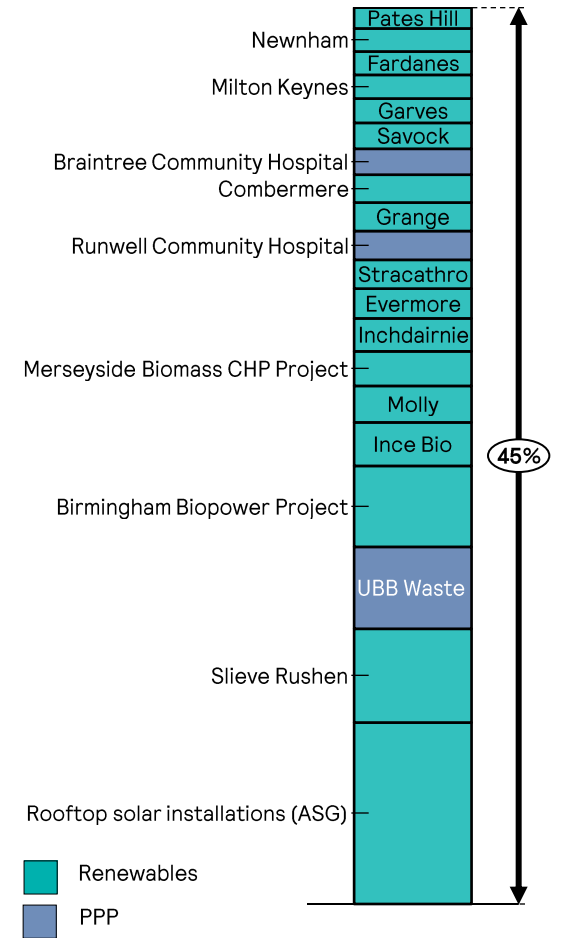
Portfolio by average life (years)



Portfolio by geography



Concentration (top 20 – 45%)

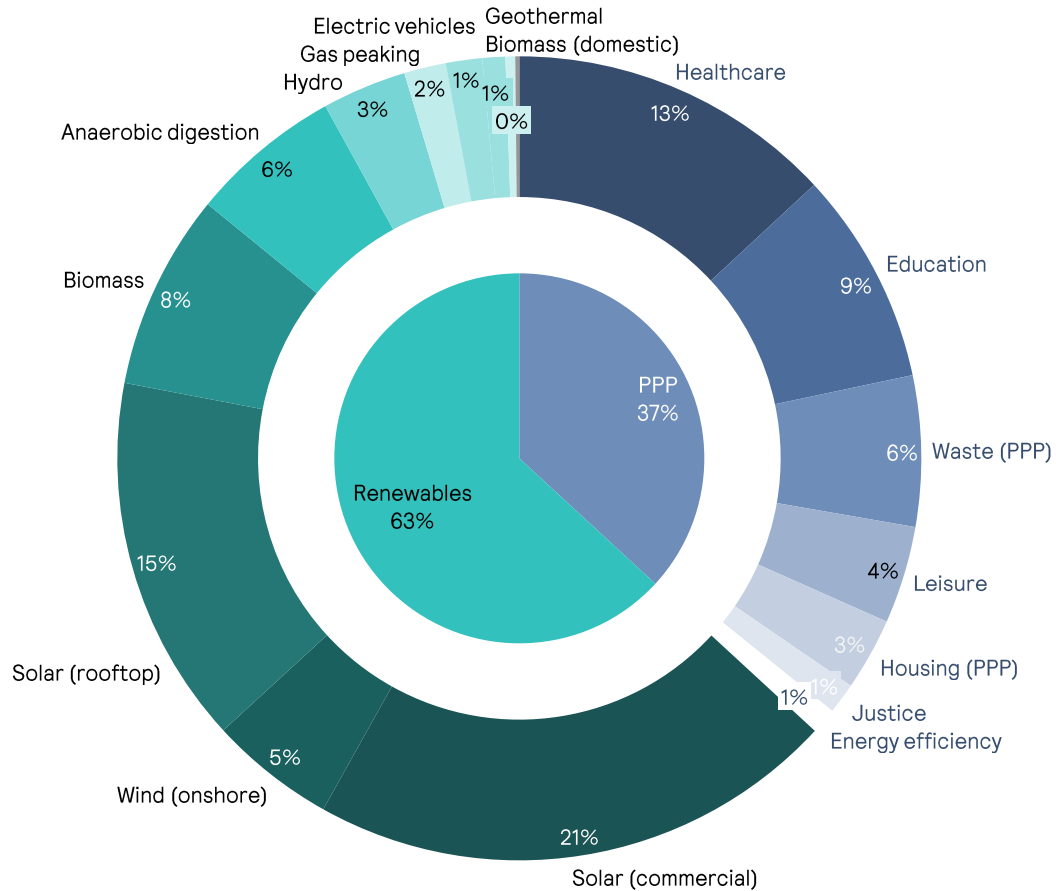


Note(s): Portfolio as at 30 September 2024.

CAPITAL ALLOCATION POLICY – RESULTING INDICATIVE PORTFOLIO

The Company has highlighted its intention to materially exit the Supported Living sector and reduce exposure to merchant electricity prices. Executing on this will have significant changes to the underlying portfolio characteristics.

Indicative portfolio allocations



7 years

Weighted average life of loans in the portfolio
(Down from **11 years**)

8.1%

Weighted average annualised portfolio yield
(Increased from **7.8%**)

Note(s): Assumes disposals of the Company's entire Supported Living exposure, as well as an exit from all equity positions in Onshore Wind, Biomass, and Anaerobic Digestion.

REVOLVING CREDIT FACILITY

- The Company refinanced its revolving credit facilities (RCF) ahead of the facility's expiry at the end of March 2024, reducing total commitments £150m from £190m.
- Supportive group of four lenders; Lloyds Bank, Mizuho Bank, Allied Irish Bank, and Clydesdale Bank (trading as Virgin Money) continue to finance the Company.
- Finance costs for FY24 were £7.5 million (vs. £9.4 million FY23). If the Company fully repays drawn balances, annual commitment fees would equate to £1.05 million.
- The reduction in the Company's finance costs has positively impacted on profitability and dividend coverage.



£57m

Drawn
Balance¹



200bps

Loan
Margin



70bps

Commitment Fee

Note: ¹ Drawn balance under the RCF as at 30 September 2024.



15
years

GCP
INFRA

Early mover
lending to solar, wind,
biomass, anaerobic
digestion and supported
social housing

IPO

2010

2010
2015

2011

Initial investments

Subordinated debt in
PPP / PFI

2017

GIB acquisition

c. £150m of assets acquired as
part of GIB purchase by Macquarie

2020

7 pps dividend target
established in May 2020

2024

Return of IPO subscriptions
through aggregate dividends paid

177%

Total NAV return¹

Note: ¹ Data as at 30 September 2024.

GCP INFRA

GRAVIS LENDING HISTORY

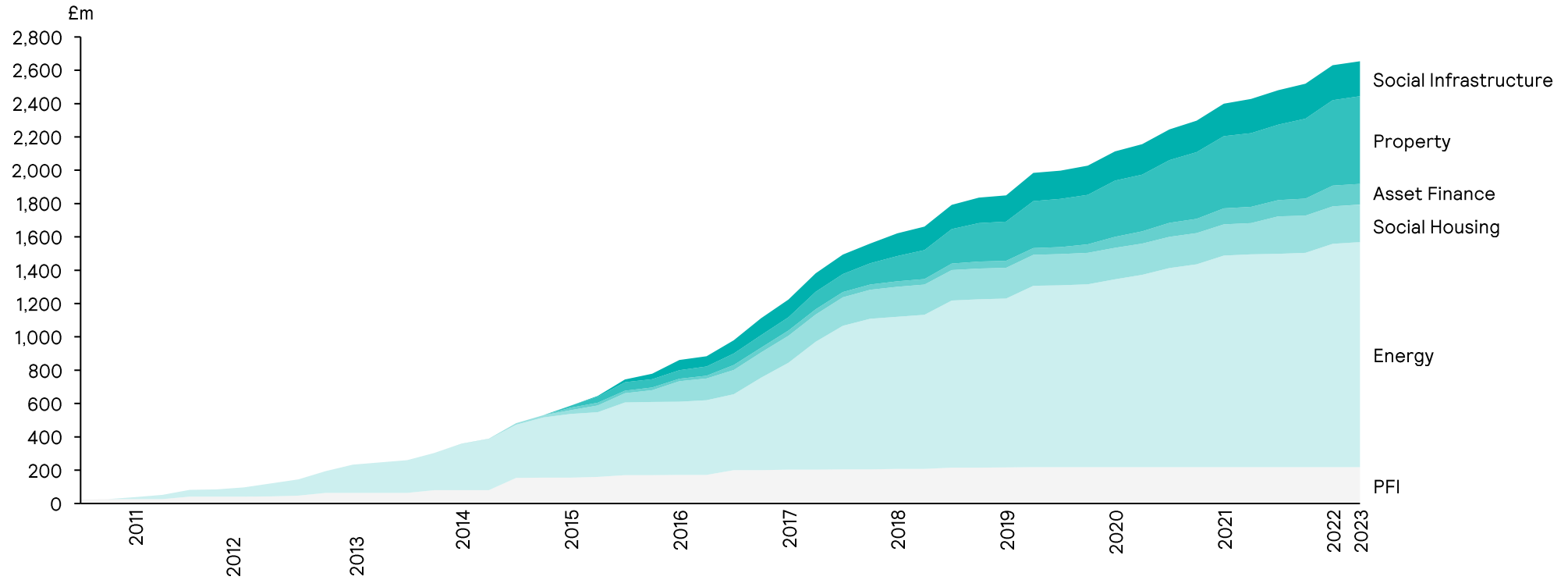
Gravis has a 14-year history of lending in the infrastructure and asset-backed sectors.

£ £2.8bn invested

Calendar icon Maturity of 2-40yrs

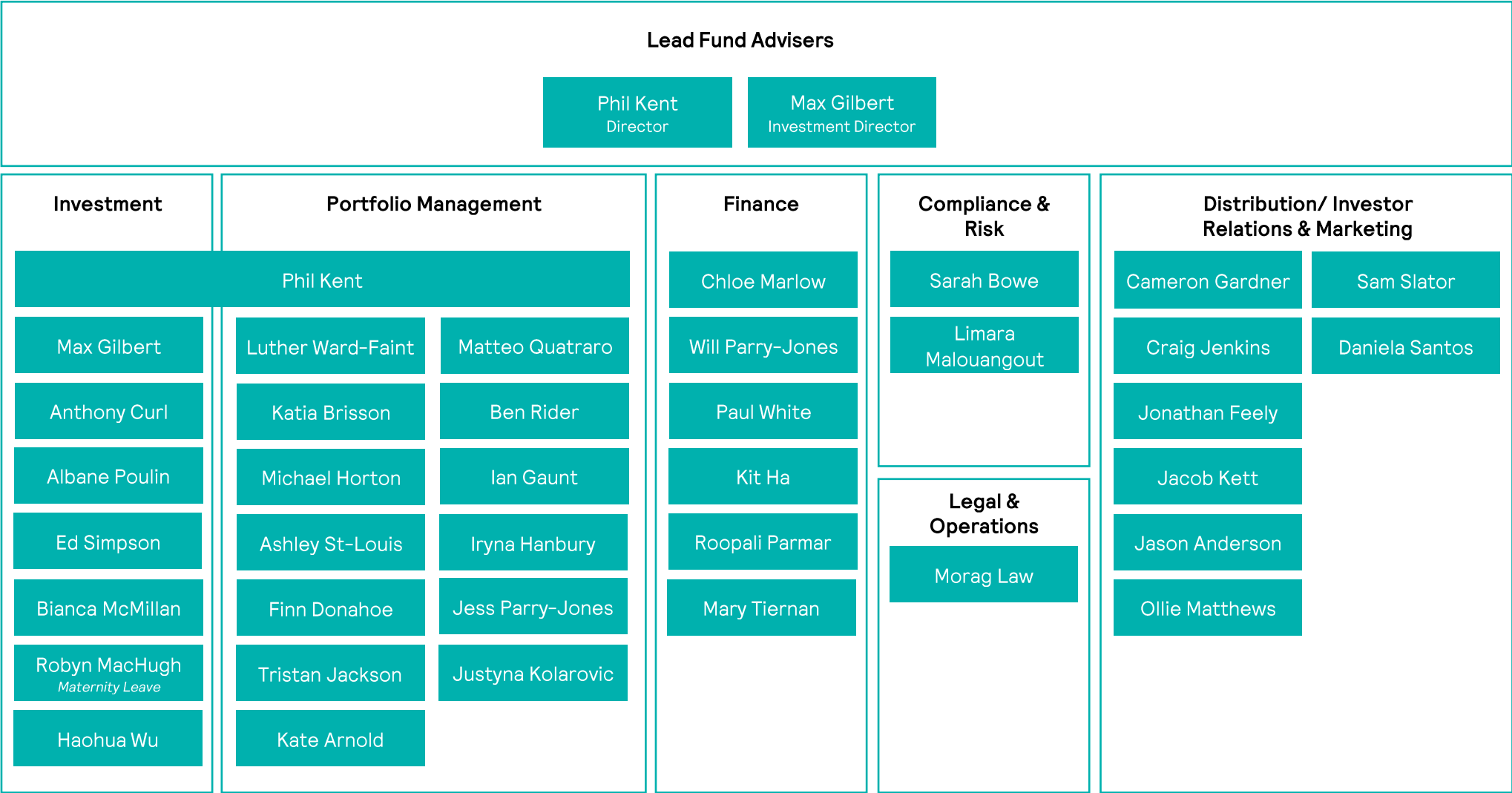
Pyramid icon IRR of 10.1% on exit for relevant assets*

Line graph icon Annualised loss ratio - 0.41% (Significantly lower than unsecured HY bonds [2.11%])**

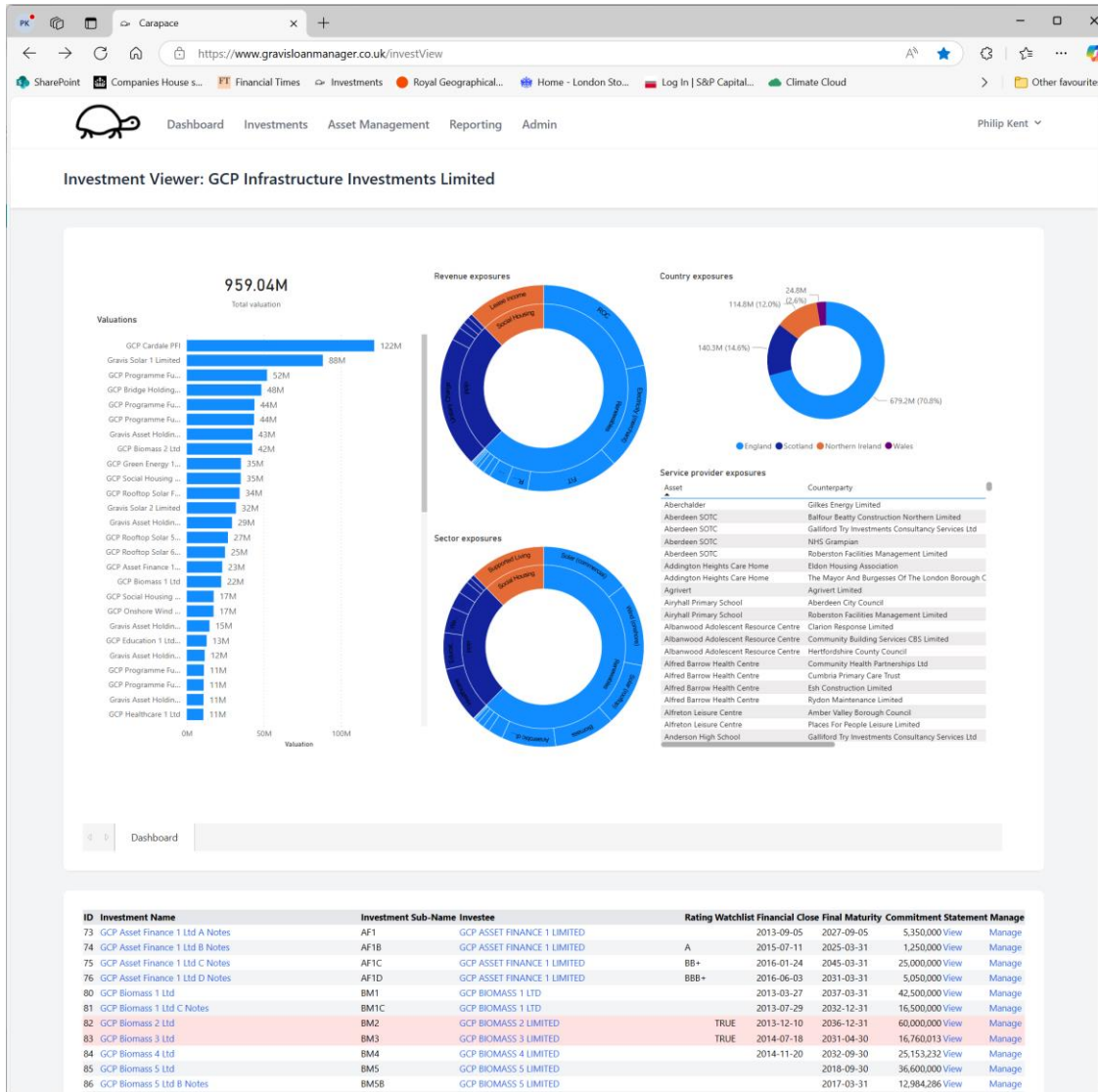


Source(s): Gravis, Bloomberg. Calculated as total realised losses for infrastructure loans and equity at 30/09/2024 divided by total invested capital, annualised since IPO **Moody's Average loss rate for unsecured bond and Speculative grade for 2011-2023 was 2.11% * Calculated as IRR on infrastructure loans exited across GCP Infra and GCP Asset Backed Income Ltd as of 30 June 2024

GRAVIS TEAM



SYSTEMS AND CONTROLS



- Gravis has developed proprietary systems for the management of the Company's investments and pipeline
- Engaged and active portfolio management – reporting, site visits, lender's advisers
- Processes and control framework audited by Deloitte annually
- Independent valuation agent

RESPONSIBLE INVESTMENT: IMPACT



3 GOOD HEALTH AND WELL-BEING
c.1,649
Hospital beds provided¹
40
Healthcare facilities in portfolio¹



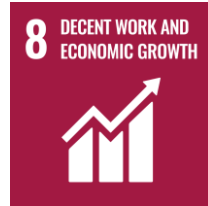
7 AFFORDABLE AND CLEAN ENERGY
1,320 GWH
Renewable energy exported by portfolio assets¹
488,842
Equivalent homes powered by portfolio assets^{1,2}



11 SUSTAINABLE CITIES AND COMMUNITIES
£202.8m
Investment in supported living projects since IPO
905
Social housing units in the portfolio³



4 QUALITY EDUCATION
c.26,196
School places provided by the portfolio¹
49
Schools in portfolio⁴



8 DECENT WORK AND ECONOMIC GROWTH
54,493
Number of underlying assets in the portfolio⁵
801
FTEs at portfolio assets⁴



15 LIFE ON LAND
64%
Renewables portfolio reporting habitat gain or loss³
60%
SPVs reporting ESG as a board agenda item³



5 GENDER EQUALITY
50%
Board gender and ethnic diversity⁵
49%
Gender diversity of SPV company boards⁵



9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
£1.7bn
Total investment in infrastructure projects since IPO
21%
SPVs reporting energy conservation strategies²



17 PARTNERSHIPS FOR THE GOALS
£428.1m
Investments in PPP/PFI since IPO
35%
SPVs reporting local community initiatives³

Note(s): ¹ Twelve-month period to 30 June 2024. ² Source: Ofgem, average gas and electricity usage. ³ As at 30 June 2024. ⁴ Twelve-month period to 30 June 2023. ⁵ As at 30 September 2024.,

COMMONALITY OF HISTORIC CHALLENGES

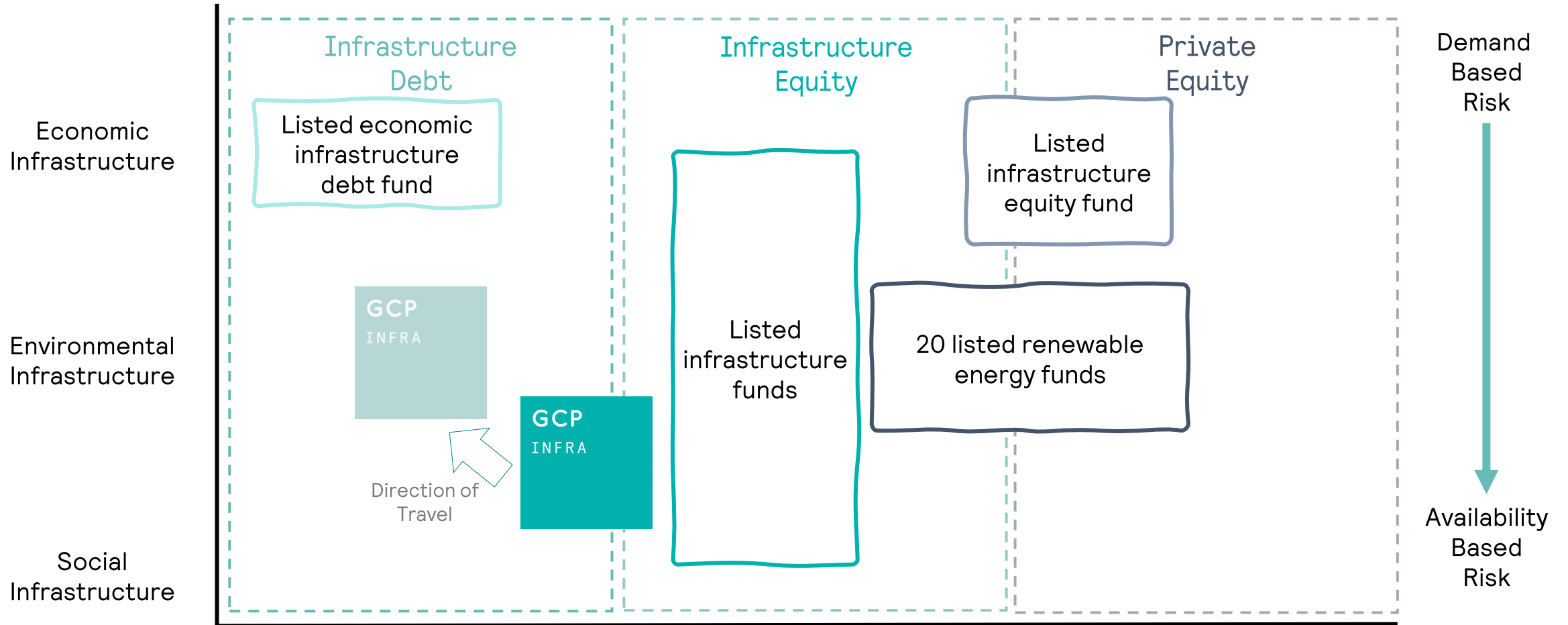
Technical risks and legislative interventions have accounted for the majority of the Company’s historic challenges.

Sector		Market	Credit	Construction	Operational	Legal / regulatory
Renewables	Solar	Market price volatility			Inverter replacements	RO audit issues
	Wind (onshore)	Market price volatility			Energy yield assessment adjustments	Constraint / curtailment
	Wind (offshore)				Cable protection system issues. Blockage effect.	
	Biomass	Feedstock market prices are volatile	Less mature supply chains for operations and feedstock	Construction and commissioning delays	Ongoing operational complexity	
	Anaerobic digestion		Less mature supply chains for operations and feedstock	Construction and commissioning delays Grid delays	Ongoing operational complexity	
	Hydro					
	Other					
PPP	PFI					
	Other		School default			Ultra-vires execution of capital lease
Social Housing				RP credit		Regulator intervention on governance and financial viability.

Medium impact
 High impact

PEER GROUP UNIVERSE – A DIVERSE LANDSCAPE

GCP Infrastructure Investments provides exposure to a diversified portfolio which is differentiated from its peers, with a repositioning expected over time.



Note(s): Gravis analysis.