Co-living Group Loan Update

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GCP Asset Backed Income Fund Ltd
16 September 2021

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GCP Asset Backed Income Fund Limited

(the "Company", "GCP Asset Backed" or "GABI")

LEI: 213800FBBZCQMP73A815

Co-living Group Loan Update

GCP Asset Backed, which invests in asset backed loans, announces an update in respect of its co-living group (the "Co-living Group") loan.

Further to the Company's announcement of 13 September 2021, the Company can announce that on 15 September 2021 certain entities within the Co-living Group were placed into administration.

The Company, together with the co-lenders, in its loan to the Co-living Group (the "Lender Syndicate") along with an operator (the "Operator"), have proposed to fund an acquisition vehicle with the intention of completing a credit bid in respect of six of the Co-living Group's assets to maximise their returns. The six assets are a split of three operational assets and three development assets. Five of the assets are situated in London with one asset in New York.

The Operator, is managed by a team that has developed and operated in excess of 25,000 student accommodation and co-living beds. As part of the proposed transaction, some of the existing debt from the Co-living Group would be assumed by the acquisition vehicle. This, together with the funding provided to the acquisition vehicle to fund the credit bid, is intended to be repaid as assets are disposed of. The terms of the proposed transaction are still being finalised and further information will be provided to investors as matters progress.

The Company's net asset value announced on 13 September reflects the anticipated return available to the Company following the sale by the acquisition vehicle of the assets subject to this credit bid. The Lender Syndicate will also be focussed on unlocking value from the remaining assets of the Co-living Group which are subject to the security provided to the Lender Syndicate. No recoveries from such remaining assets are reflected in the Company's determination of its net asset value.

The Investment Manager will be holding an investor webinar to discuss the Co-living Group loan on Monday 20 September at 10.00 am. Please contact zoe.french@graviscapital.com to register for the webinar. In addition, the Investment Manager will be available to hold one-to-one discussions with investors.

For further information, please contact:

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Notes to Editors

GCP Asset Backed (GABI) is a closed ended investment company traded on the Main Market of the London Stock Exchange. Its investment objective is to generate attractive risk-adjusted returns primarily through regular, growing distributions and modest capital appreciation over the long term.

The Group seeks to meet its investment objective by making investments in a diversified portfolio of predominantly UK based asset back loans which have contracted, predictable medium to long term cash flows and/or physical assets.

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