Loan Repayment & Increased Return of Capital

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GCP Asset Backed Income Fund Ltd
03 June 2024

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FOR IMMEDIATE RELEASE

3 June 2024

GCP Asset Backed Income Fund Limited

("GABI" or the "Company")

LEI: 213800FBBZCQMP73A815

Further Significant Loan Repayment and Increased Initial Capital Distribution

Property Group Loan Repayment of £45.6 Million

Increased Initial Capital Distribution of £143.1 Million

The Company is pleased to announce the receipt of £45.6 million in cash proceeds from the full repayment of loans, secured against a portfolio of property investments, made to one borrower group (the "Group Loans"). This repayment, received on 31 May 2024, comprises £44.7 million in principal and £0.9 million in outstanding interest and fees. At 31 March 2024, the Group Loans accounted for 14.4 per cent. of the fair value of the Company's portfolio of investments.

As previously announced on 1 February 2024, the Company received an early partial repayment of £18.0 million and agreed to extend the maturity of the remaining Group Loans, totalling approximately £53.7 million, to no later than 29 June 2024. Between February and May, additional partial prepayments were made in the sum of £9.0 million, which further reduced the outstanding balance of the Group Loans.

We are pleased to confirm that there are no remaining outstanding amounts due from the borrower group, and the full repayment has been received without any write down. Following the full repayment of the Group Loans, the Company has achieved an IRR of 8.0 per cent. for the investments. This return is accretive to dividend coverage during the term of the Group Loans and represents, in the opinion of the Investment Manager, an attractive risk-adjusted return.

The Company appreciates the borrower group's commitment to repaying the Group Loans ahead of the agreed maturity date as the Company continues to focus on delivering an orderly realisation of the portfolio.

Following the repayment of the Group Loans, the Company is expected to have a cash balance of c. £144.5million.

Initial capital distribution

On 29 May 2024**,** the Company announced its intention to make an initial capital distribution totalling (after expenses) at least £85 million to the Company's shareholders by way of a compulsory partial redemption of ordinary shares at a price of 89.66875 pence per ordinary share (the "First Compulsory Redemption"), being the net asset value per ordinary share at 31 March 2024 of 91.25 pence, less the dividend of 1.58125 pence per ordinary share that has been declared in respect of the period to 31 March 2024 and that is due to be paid to shareholders on 4 June 2024. In light of the full repayment of the Group Loans, the Company now intends to set the initial capital distribution at £143.1 million.

Further, on 29 May 2024, the Company announced that the First Compulsory Redemption would be effected pro rata to holdings on the share register as at the close of business on 10 June 2024 (the "Redemption Date"), being the record date for the First Compulsory Redemption, by applying a redemption ratio which was anticipated to be 22.5 per cent. The Company intends to increase the redemption ratio to 37.5 per cent. (the "Redemption Ratio"). Fractions of ordinary shares produced by the Redemption Ratio will not be redeemed, so the number of ordinary shares to be compulsorily redeemed from each shareholder will be rounded down to the nearest whole number of ordinary shares. On the basis of a Redemption Ratio of 37.5 per cent., approximately 159.6 million of the Company's issued shares will be redeemed on the Redemption Date.

Payments of redemption monies are expected to be effected either through CREST (in the case of ordinary shares held in uncertificated form) or by cheque (in the case of ordinary shares held in certificated form) by 24 June 2024. Any certificates currently in circulation will be superseded by a new certificate which will be distributed to certificated shareholders by 24 June 2024.

The Company currently has 425,626,059 ordinary shares in issue (excluding shares held in treasury). All of the ordinary shares redeemed on the Redemption Date will be cancelled and accordingly will thereafter be incapable of transfer by shareholders or reissue by the Company.

The Company's ordinary shares will be disabled in CREST after close of business on the Redemption Date and the existing ISIN number, JE00BYXX8B08, (the "Old ISIN") will expire. A new ISIN number, JE00BMFX6989, (the "New ISIN") in respect of the remaining shares which have not been compulsorily redeemed will be enabled and available for transactions from 8.00 a.m. on 11 June 2024. The share price TIDM, "GABI.L", will remain unchanged. For the period up to and including the Redemption Date, shares will be traded under the Old ISIN and as such, a purchaser of such shares may have a market claim for a proportion of the redemption proceeds following the activation of the New ISIN. CREST will automatically transfer any open transactions as at the Redemption Date to the New ISIN.

This announcement contains inside information for the purposes of Article 7 of Regulation (EU) No 596/2014, as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (as amended) ("MAR"). Upon publication of this announcement, the inside information is now considered to be in the public domain for the purposes of MAR. The person

responsible for arranging the release of this announcement on behalf of the Company is Sophie Botterill, Associate Director at Apex Financial Services (Alternative Funds) Limited.

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Notes to the Editor

About GABI

GCP Asset Backed Income Fund Limited is a closed ended investment company. Its shares are traded on the Premium Segment of the Main Market of the London Stock Exchange. Its investment objective is to undertake a managed wind-down of the Company and realise all existing assets in the Company's portfolio in an orderly manner.

The Company's portfolio comprises a diversified portfolio of predominantly UK based asset backed loans which are secured against contracted, predictable medium to long term cash flows and/or physical assets.

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