Annual Report and Accounts

RNS Number : 7231G
GCP Asset Backed Income Fund Ltd
30 April 2025

GCP Asset Backed Income Fund Limited

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

LEI: 213800FBBZCQMP73A815

Annual Report and Accounts

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The Company is pleased to announce the publication of its the annual report and financial statements for the year ended 31 December 2024 (the "**Annual Report and Accounts**") which are now available on the Company's website at: https://www.graviscapital.com/our-products/gcp-asset-backed/literature and will be posted to those shareholders who have elected to receive hard copy documents shortly.

Highlights for the year include:

- Dividends totalling 6.3[1] pence per share declared and paid in respect of the year. Aggregate dividend payments over the last twelve months represent a 8.3% yield on the Company's closing share price at 31 December 2024;
- All resolutions put to the AGM and EGM held in May 2024 were duly passed, which resulted in a change in the Company's investment objective to undertake a managed wind-down and realise all existing portfolio assets;
- Strong progress was made on the Company's managed wind-down. A total of 210.0 million shares redeemed in the year, returning £188.2 million to shareholders and representing 67.4% of the market capitalisation at 31 December 2023;
- Loss for the year of £10.3 million (31 December 2023: profit of £18.3 million). The reduction primarily reflects net valuation losses and write-downs on the portfolio of £25.9 million generally stemming from the accelerated redemption strategy. Further information on financial performance is included on page 18 of the Annual Report and Accounts;
- NAV per ordinary share of 81.80[2] pence at 31 December 2024, a decrease of 13.9% from the prior year due to discount rate and fair value adjustments applied to the portfolio by the independent Valuation Agent as part of the Orderly Realisation of the portfolio. Further information is included in the Investment Manager's report on pages 12 to 17;
- Exposure to a diversified, partially inflation and/or interest rate protected portfolio of 25 asset backed loans with a third-party valuation of £170.8 million[3] at 31 December 2024;
- Repayments of £166.5 million received in the year, generating repayment fees of £0.5 million and generating an average of IRR 8.1%. Interest amounts of £4.0 million were capitalised in accordance with contractual terms;
- Total NAV return[4] of -3.3% (31 December 2023: 5.0%) and total NAV return since IPO of 43.6%; and
- Post year end, the Group received repayments totalling £9.2 million.

1. Total dividends of 6.325 pence include a quarterly dividend of 1.58125 pence per share for the quarter to 31 December 2024, which was declared post year end.
2. Does not include a provision for the dividend in respect of the quarter to 31 December 2024, which was declared and paid post year end. Following consideration of valuation inputs as part of the year-end reporting process, the Board adopted a revised valuation of the Group's loans secured against a property asset prior to the finalisation of the Annual Report and Accounts which resulted in a decrease in the previously published NAV per ordinary share of 85.47 pence.
3. Valuation of the portfolio held by the Subsidiary. The Company makes its investments through its wholly owned Subsidiary. Refer to note 1 of the Annual Report and Accounts for further information.
4. Alternative performance measure - refer to pages 94 to 96 of the Annual Report and Accounts for definitions and calculation methodology.

On the release of the Annual Report and Accounts, Alex Ohlsson, Chairman of GCP Asset Backed, commented:

"Strong progress has been made on the Company's managed wind-down. A total of 210.0 million shares were redeemed in the year, returning £188.2 million to shareholders and representing 67.4% of the market capitalisation at 31 December 2023. This is a significant achievement and the Board remains committed to the continued delivery of the plan to maximise shareholder value. I would like to thank shareholders for their continued engagement and support during the Orderly Realisation process."

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Notes to Editors

GCP Asset Backed Income Fund Limited is a closed ended investment company. Its shares are traded on 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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