

Cessation of combination discussions

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GCP Infrastructure Investments Ltd
18 September 2023

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THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION

GCP Infrastructure Investments Limited

18 September 2023

Cessation of combination discussions with GCP Asset Backed Income Fund Limited

GCP Infrastructure Investments Limited ("**GCP Infra**" or the "**Company**") notes the announcement issued today by GCP Asset Backed Income Fund Limited ("**GABI**") confirming that GABI is no longer in discussions regarding a proposed combination of GCP Infra with GABI (the "**Scheme**") and that the heads of terms ("**HoTs**") between GABI and GCP Infra have been terminated.

The Board of GCP Infra (the "**Board**") and Gravis Capital Management Ltd ("**Gravis**"), the Investment Adviser to the Company, are grateful for the engagement with, and feedback received from, the Company's shareholders since the announcement of the Scheme. The majority of shareholders recognise the Company's efforts to put forward constructive options that seek to accelerate: (i) the reduction of the Company's outstanding debt; (ii) the return capital to shareholders; and (iii) the reset of return and risk being generated by the Company's portfolio of investments.

We understand that a divergence of views exists regarding the merits of the Scheme amongst shareholders of GABI. The Board has no desire, were the Scheme to be successful, to create an enlarged entity with a significant minority of investors in such entity opposed to it. The Board considers that such circumstances would risk the ability of the Scheme to achieve its intended purposes.

Notwithstanding the cessation of the Scheme, GCP Infra remains committed to delivering a strategy that accelerates the Company's capital reallocation. The Company's priorities for the uses of its available cash reserves remain, in the first instance, a combination of reducing the Company's outstanding debt balance from the current £104 million to as low as possible; and buying back shares whilst the Company's share price trades at a material discount to its net asset value per ordinary share. Given these alternatives, the threshold for new investment activity remains a high hurdle.

The Board will continue to work with Gravis to accelerate the return of capital to the Company in addition to scheduled amortisation through refinances, disposals and other means that may be available to the Company from time to time.

As part of the HoT, Gravis has underwritten the costs incurred by the Company of progressing the Scheme up to a capped amount, and therefore there will be little or no cost to the Company and its shareholders for the consideration and development of the Scheme to date.

The Chairman of GCP Infra, Andrew Didham, commented:

"The Board would like to thank the Company's shareholders for their engagement with the Scheme and for providing their feedback. The Board negotiated the Scheme on the basis it would, if completed, accelerate the Company's ability to re-allocate capital. The Board recognises, however, that the Scheme's success in achieving these objectives is likely to be reduced in a scenario where the Scheme completes but a large minority of GABI shareholders were not supportive of such completion. In light of the feedback received we have agreed with GABI to terminate ongoing discussions relating to the Scheme.

The Company looks forward to progressing with its capital re-allocation strategy supported by accelerated and pro-active recycling of the portfolio where possible."

For further information please contact:

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About GCP Infra

GCP Infra is a closed-ended investment company and FTSE-250 constituent whose shares are traded on the main market of the London Stock Exchange. Its objective is to provide shareholders with regular, sustained, long-term distributions and to preserve capital over the long term by generating exposure to UK infrastructure debt and related and/or similar assets.

GCP Infra has been awarded with the London Stock Exchange's Green Economy Mark in recognition of its contribution to positive environmental outcomes.

Important Information

This announcement contains statements about the Company that are or may be deemed to be forward looking statements. Without limitation, any statements preceded or followed by or that includes the words "targets", "plans", "believes", "expects", "aims", "intends", "will", "may", "anticipates", "estimates", "projects" or words or terms of similar substance of the negative thereof, may be forward looking statements.

These forward looking statements are not guarantees of future performance. Such forward looking statements involve known and unknown risks and uncertainties that could significantly affect expected results and are based on certain key assumptions. Many factors could cause actual results to differ materially from those projected or implied in any forward looking statement. Due to such uncertainties and risks, readers should not rely on such forward looking statements, which speak only as of the date of this announcement, except as required by applicable law.

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Market Abuse Regulation

The information contained within this announcement would have, prior to its release, constituted inside information as stipulated under Article 7 of the Market Abuse Regulation (EU) No. 596/2014 as incorporated into UK domestic law by virtue of the European Union (Withdrawal) Act 2018 as amended by virtue of the Market Abuse (Amendment) (EU Exit) Regulations 2019 ("UK MAR"). Upon the publication of this announcement via a regulatory information service, this inside information will be considered to be in the public domain.

For the purposes of UK MAR, the person responsible for making this announcement is Satty Grewal-Carter, Manager at Apex Financial Services (Alternative Funds) Limited.

Legal Entity Identifier ("LEI")

GCP Infrastructure Investments Limited's LEI is 213800W64MNATSIV5Z47

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