GCP
ASSET
BACKED

GCP ASSET BACKED INCOME FUND LIMITED

Half-yearly report and unaudited interim condensed financial statements for the period ended 30 June 2021

Gravis

CONTENTS

ABOUT THE COMPANY

GCP Asset Backed Income Fund Limited is a listed investment company which focuses predominantly on investments in UK asset backed loans.

The Company seeks to provide shareholders with attractive risk-adjusted returns through regular, growing distributions and modest capital appreciation over the long term.

The Group is currently invested in a diversified portfolio of asset backed loans across the social infrastructure, property, energy and infrastructure and asset finance sectors, located predominantly in the UK.

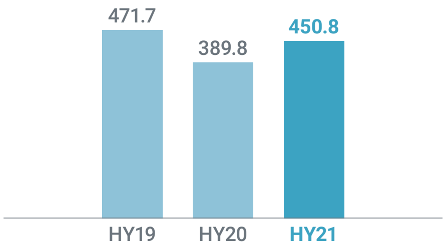
The Company is a closed-ended investment company incorporated in Jersey. The Company has a premium listing on the Official List of the FCA with its shares admitted to trading on the Premium Segment of the Main Market of the LSE since 23 October 2015.

At 30 June 2021, its market capitalisation was £450.8 million. The Company is a constituent of the FTSE All-Share Index.

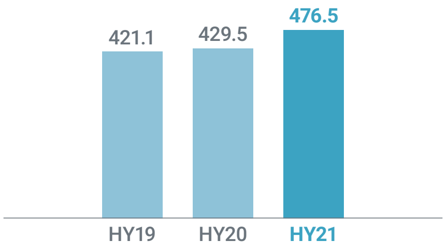
www.gcpassetbacked.com

AT A GLANCE – 30 JUNE 2021

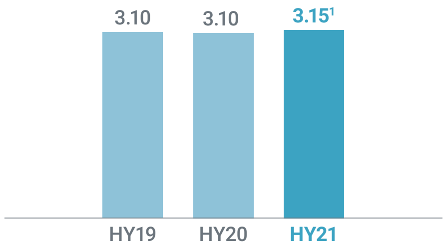
MARKET CAPITALISATION £m



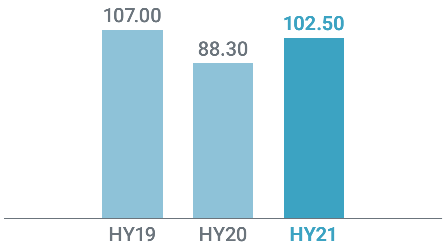
VALUE OF INVESTMENTS £m



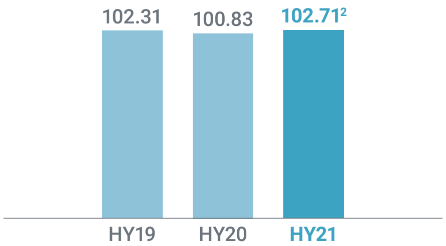
DIVIDENDS FOR THE PERIOD p



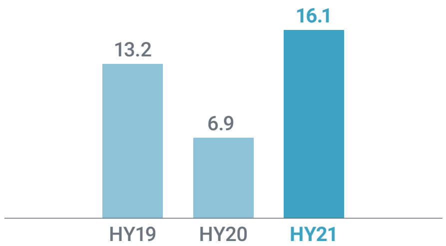
ORDINARY SHARE PRICE p



NAV PER ORDINARY SHARE p



PROFIT FOR THE PERIOD £m



HIGHLIGHTS FOR THE PERIOD

- Dividends of 3.15[1] pence per share declared for the period.
- Total shareholder return[3] for the period of 16.0% (prior period: -16.0%) and an annualised total shareholder return since IPO[3] of 6.2%.
- Profit for the period of £16.1 million, increased from £6.9 million in the prior period where discount rate adjustments impacted valuations due to the Covid-19 pandemic. Early repayment fee income of £2.4 million was received in the period.
- NAV per ordinary share of 102.71[2] pence at 30 June 2021.
- Loans of £69.4 million advanced and repayments of £37.6 million received in the period.
- Exposure to a diversified, partially inflation and/or interest rate protected portfolio of 54 asset backed loans with a third party valuation of £473.5 million at 30 June 2021.
- Post period end, the Group advanced £16.3 million secured against 17 projects and received repayments totalling £33.8 million. Further, the fair value of the Group's co-living loan decreased with an estimated consequent reduction in the NAV of 3.69 pence per share.

1. Includes a quarterly dividend of 1.575 pence per share for the quarter to 30 June 2021, which was declared and paid post period end.
2. Does not include a provision for the dividend in respect of the quarter to 30 June 2021, which was declared and paid post period end.
3. Alternative performance measure – refer to pages 45 and 46 for definitions and calculation methodology.

INVESTMENT OBJECTIVES AND KPIs

The Company's purpose as a closed-ended investment company is to meet its investment objective, which is to generate attractive risk-adjusted returns through regular, growing distributions and modest capital appreciation over the long term.

ATTRACTIVE RISK ADJUSTED RETURNS

To provide shareholders with returns that are attractive with regard to the level of risk taken.

REGULAR, GROWING DISTRIBUTIONS

To provide shareholders with regular, growing dividend distributions.

CAPITAL APPRECIATION

To achieve modest appreciation in shareholder value over the long term.

KEY PERFORMANCE INDICATORS

The Group is exposed to a diversified, partially inflation and/or interest rate protected portfolio of loans secured against contracted medium to long-term cash flows and/or physical assets.

54

Number of investments at 30 June 2021

7.8%

Weighted average annualised yield[1] on investment portfolio

The Company is paying dividends at the target[2] rate set for 2021. The Company has declared dividends totalling 3.15[3] pence per ordinary share for the period.

3.15p[3]

Dividends in respect of the period to 30 June 2021

44%

Percentage of portfolio by value with inflation and/or interest rate protection

The Company's ordinary shares closed at 102.50 pence per share at the period end and have traded at an average discount[1] to NAV for the period of 6.4%.

102.50p

Ordinary share price at 30 June 2021

0.2%

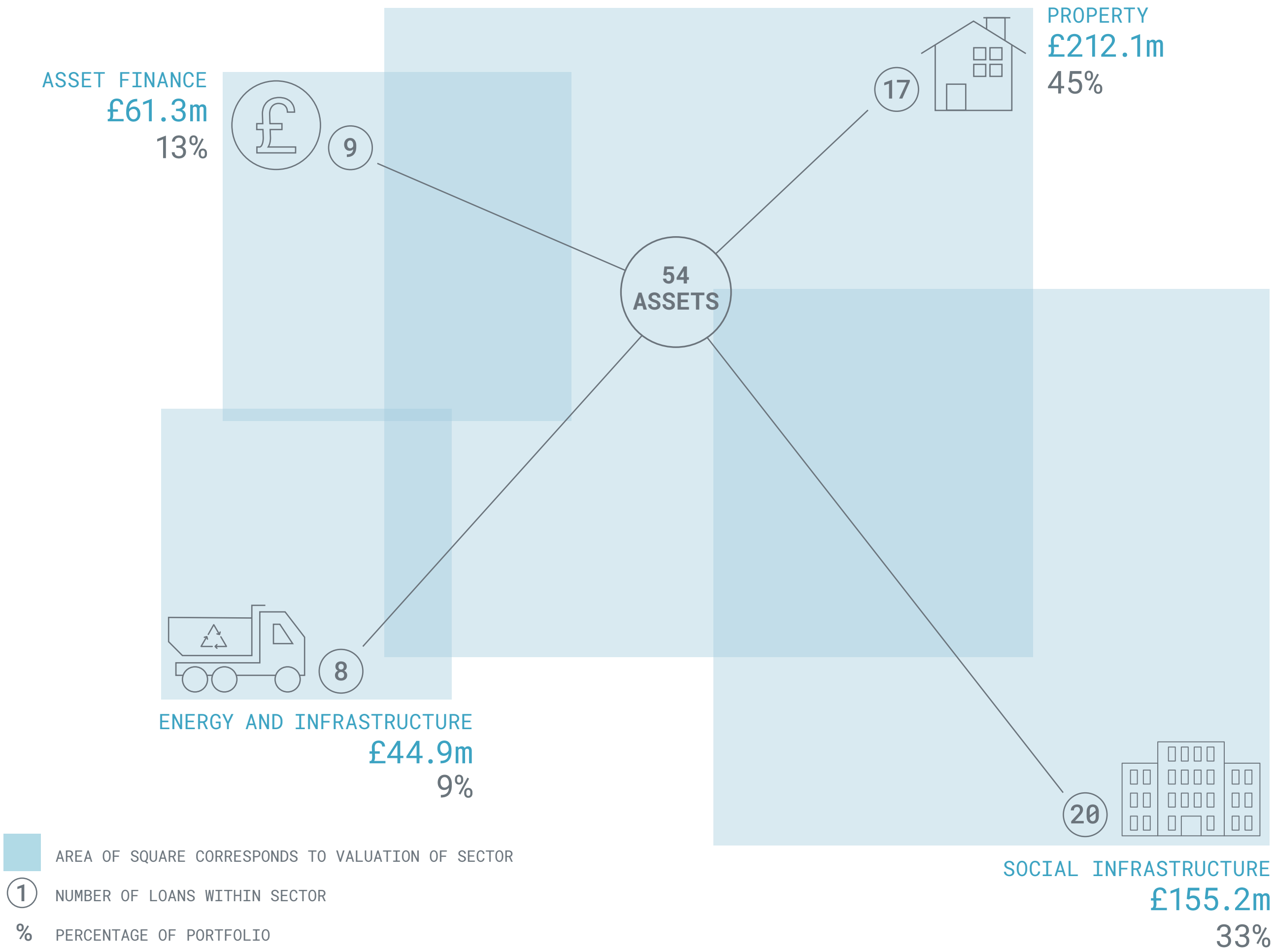
Discount[1] to NAV at 30 June 2021

Further information on Company performance can be found on page 19.

1. Alternative performance measure – refer to pages 45 and 46 for definitions and calculation methodology.
2. Information in relation to dividends set out above is for illustrative purposes only and is not intended to be, and should not be taken as, a profit forecast or estimate.
3. Includes a quarterly dividend of 1.575 pence per share for the quarter to 30 June 2021, which was declared and paid post period end.

PORTFOLIO AT A GLANCE

A portfolio of 54 asset backed loans with an average life of five years which are partially inflation and/or interest rate protected. The loans fall within the following sectors and are secured predominantly against assets and cash flows in the UK:



SENIOR RANKING SECURITY	WEIGHTED AVERAGE ANNUALISED YIELD[1]	INFLATION AND/OR INTEREST RATE PROTECTION
70%	7.8%	44%

1. Alternative performance measure – refer to pages 45 and 46 for definitions and calculation methodology.

CHAIRMAN'S INTERIM STATEMENT

This period of change has brought both challenges and opportunities for the Company. Whilst some sectors have seen disruption, there have been opportunities for new investment which match the strong levels of repayment.

Alex Ohlsson
Chairman

Introduction

The past 18 months have presented significant challenges for all of us and the Company is no exception. The Covid-19 pandemic continues to create significant uncertainty, notwithstanding the vaccination programmes and other measures under way in the countries in which the Group invests. We continue to strive to actively manage our portfolio of loans to protect capital value and produce attractive total returns for our shareholders.

Overall, the first half of the year has been largely positive for the Company. All but one of our 54 investments continued to perform in the period, all expected payments of interest have been made[1] and excess principal repayments received with several loans repaying early. These early repayments continue to have a positive impact for the Company, with £2.4 million of repayment fees being received in the period.

As set out on the adjacent page, our co-living loan, which had been flagged as being impacted by the Covid-19 pandemic, had liquidity issues in the period. As a result, the co-living group appointed a large investment bank to run a sales process, which unfortunately post period end failed to produce a satisfactory result for the lenders. Subsequent to the period end and to maximise recovery, the consortium of lenders formed a credit bid vehicle backed by highly experienced developers and operators of student accommodation and co-living assets.

The Investment Manager and Board are disappointed with the estimated consequent reduction in NAV of 3.69 pence per share. However, we believe this estimate to be conservative and will collectively work hard to recover additional value for the Group. We remain satisfied that the unique characteristics of this loan within the Group's portfolio of loans means there is no read-across to our other loans, which, as these results highlight continue to perform.

In light of the continued uncertainties caused by the Covid-19 pandemic, the Board, Investment Manager and Valuation Agent have continued to be prudent with regard to the discount rates applied to a number of loans, reflecting the perceived market risk of assets in those sectors. Notwithstanding this, during the period 14 loans had their risk premium reduced due to the strong performance of the underlying assets. Over the period, four loans (including the co-living loan) had their market risk premium increased. The net impact of these adjustments was a negative impact of 0.46 pence per share in the period.

The Company generated earnings of 3.67 pence per share on an IFRS basis, which includes the adjustment to discount rates as detailed above. EPS excluding these discount rate adjustments (adjusted EPS[2]) was 4.13 pence per share, which more than fully covered the dividend of 3.15 pence for the period.

1. As previously reported by the Company, the CHP loan was in default and, as such, no payments were expected until the sale completed in April 2021.
2. Alternative performance measure – refer to pages 45 and 46 for definitions and calculation methodology.

Covid-19 impact

The Investment Manager has been closely monitoring the performance of investments and the impact that the Covid-19 pandemic continues to have on the portfolio. At the period end, the Group's investments were categorised into the following broad headline risk bands:

COVID-19 IMPACT ON BORROWER	DESCRIPTION	VALUATION AT 30 JUNE 2021	% OF PORTFOLIO 30 JUNE 2021	VALUATION AT 30 JUNE 2020	% OF PORTFOLIO 30 JUNE 2020
High	Significant impact on how the business of the borrower operates, increases in costs or reductions in revenues. Expected disruption to the business model in the medium term.	£38.2 million[1]	8.1%	£37.2 million	8.7%
Medium	Some impact on how the business of the borrower operates, some increases in costs or reductions in revenues. Limited expected disruption to the business model in the medium term.	£172.9 million	36.5%	£257.1 million	60.1%
Low	No major impact to the way the business of the borrower operates, with revenue and costs remaining in line with previous periods. No expected disruption to the business model in the long term.	£262.4 million	55.4%	£133.6 million	31.2%

The 'high' impact investments detailed in the table on page 16 comprise co-living assets and two operational multi-use community facilities, all of which have a public-facing element and continue to be exposed to a greater impact from the Covid-19 pandemic.

Co-living loan

In May 2021, our loan to a co-living developer and operator breached a liquidity covenant, leading to the co-living group appointing a large investment bank to run a sales process. This was considered the optimal process for the lenders due to the upcoming working capital requirements of the co-living group, principally as a result of their large development pipeline. Initial offers were received at the end of June 2021, which informed the increased discount rate adjustment at this time, and the fair value.

A preferred bidder was appointed at the end of July on the same price point as the initial bids. Unfortunately the preferred bidder was unable to agree a business plan with certain of the co-living group's senior funders and co-investors. This led to them withdrawing from the process. The lending consortium considered a number of other bids for the co-living group. It was determined that the most deliverable recovery arose through a credit bid, targeting six of the co-living group's most attractive assets.

The bid was formulated with a group that is highly experienced in the development and operation of student accommodation and co-living assets. The assumed recovery under the proposed transaction has been based solely on a conservative view of the sales value of these assets. No recoveries from the other assets within the co-living group are reflected in the Company's determination of its net asset value.

These events have resulted in an estimated consequent reduction in NAV of 3.69 pence per share. The impact will be reflected in the forthcoming 30 September 2021 NAV and is disclosed as a post balance sheet event on page 44.

This is clearly a very disappointing result for the whole lender consortium, considering the security package and asset backed structure in place. The structure of this loan was unique in the portfolio and therefore, whilst we intend to take a note of lessons learned from this transaction, we do not believe that the impact should be read-across to other mezzanine positions in the portfolio. The remainder of the Company's portfolio continues to perform as expected. The Investment Manager has provided further information on page 11.

1. Following events which occurred post period end, the fair value of the co-living loan has decreased. Refer to note 16.

CHAIRMAN'S INTERIM STATEMENT CONTINUED

NAV and share price performance

At the period end, the net assets of the Company were £451.7 million. The NAV per ordinary share increased from 102.18 pence at 31 December 2020 to 102.71 pence[1] at 30 June 2021.

The Company's ordinary shares have traded at a discount[2] since the outset of the Covid-19 pandemic impacted financial markets, with an average discount[2] of 6.4% to NAV in the period. Since IPO, the shares have traded at an average premium[2] to NAV of 1.1%. At 30 June 2021, the shares were trading at 102.50 pence, representing a 0.2% discount[2] to NAV.

The Board sought to manage the discount[2] over the period through a number of methods, including releasing more detailed portfolio information in shareholder communications, hosting quarterly webinars and meeting shareholders on an individual basis. The Board also approved the repurchase of shares as the share price discount[2] to NAV offered value to shareholders. A total of 325,000 shares were bought back in the period at an average price of 90.22 pence per share.

On 24 September 2021, the closing share price per ordinary share was 98.40 pence with the shares trading at a 4.2% discount[2] to NAV.

Investments

During the period, the Group advanced £69.4 million secured against 25 projects. The Group continues to target and invest into key sectors with existing borrowers who have demonstrated strong governance and stewardship of their businesses.

A total of £37.6 million of principal was repaid in the period. As the Company matures, it is expected that the rate at which principal is repaid will continue to increase. The Company factors this return of principal when considering its funding needs, ensuring it utilises its RCF where necessary to mitigate against the impact of cash drag.

Post period end, a further £16.3 million was advanced and £33.8 million was repaid.

Credit facility

Post period end, the Company extended its RCF with RBSI which is now due to mature in August 2023, with all commercial terms remaining the same as the previous £50 million facility.

Dividend policy

The Company set a dividend target[3] of 6.30 pence per share for 2021. The Directors are pleased to confirm that the Company is on track to meet this target[3], with dividends totalling 3.15[4] pence per ordinary share being declared in respect of the period.

Market overview and outlook

As noted in the 2020 annual report, the Covid-19 pandemic continues to present significant uncertainties and challenges for underlying borrowers and the global economy.

The biggest impact has been felt in the portfolio by assets with public-facing elements (being the co-living and multi-use community facility assets) which have been directly impacted by lockdown regulations restricting hospitality and travel sectors from operating. Certain additional conditions impacting travel remain in place and there continues to be speculation over whether lockdowns will be reintroduced later in the year, giving continued uncertainty to these asset operators.

Whilst we have not been immune to the difficulties presented by the pandemic, we believe that the portfolio is in a good position, with the Investment Manager working hard to recover additional value in the co-living loan.

Across the portfolio, 44% of the loans have inflation or interest rate protection in place. Typically, we will look to ensure there is protection on loans with a longer tenor and where the cash flows of the underlying business are exposed to inflation risk.

1. Does not include a provision for the dividend in respect of the quarter to 30 June 2021, which was declared and paid post period end.
2. Alternative performance measure – refer to pages 45 and 46 for definitions and calculation methodology.
3. The dividend target set out above is a target only and not a profit forecast or estimate and there can be no assurance that it will be met.
4. Includes a quarterly dividend of 1.575 pence per share for the quarter to 30 June 2021, which was declared and paid post period end.

The Investment Manager continues to see opportunities for investment in a variety of sectors which remain underserved by mainstream lenders and has a strong pipeline to deploy funds returned through repayments.

Taking lessons learned over the five and a half years since the launch of the Company, the Investment Manager remains focused on identifying and executing transactions which will enhance the portfolio and deliver shareholder returns.

ESG

ESG and responsible investing are key priorities for the Board this year and during the period the Directors have been developing a policy to ensure ESG issues are considered throughout the Company and to help guide decisions, processes and policies wherever possible with the aim of operating a sustainable business model not detrimentally impacting the environment and providing benefits to society.

It is intended that the policy will use the framework of the PRI principles, to which our Investment Manager is a signatory, and will ensure alignment across the Company, its investments and its service providers.

The Board looks forward to sharing the policy with shareholders prior to the year end.

Governance and compliance

The Board recognises the importance of a strong corporate governance culture and continues to maintain principles of good corporate governance as set out in the AIC Code.

Principal risks and uncertainties

The Directors consider that the principal risks and uncertainties facing the Company, in particular the uncertainties relating to the impact of Brexit and the Covid-19 pandemic, remain unchanged since the publication of the Company's 2020 annual report. The principal risks and uncertainties are expected to remain relevant to the Company for the next six months of its financial year. The principal risks include (but are not limited to) credit risk, economic risk, key resource risk, regulatory risk and execution risk.

Further details can be found on page 15 and on pages 44 to 49 of the 2020 annual report.

Going concern statement

The Directors have made an assessment of the Company's ability to continue as a going concern and are satisfied that the Company has adequate resources to continue in operational existence for a period of at least twelve months from the date on which the half-yearly report and unaudited interim condensed financial statements are approved.

In making the assessment, the Directors have considered the continued likely impacts of the ongoing Covid-19 pandemic on the Company, operations and the investment portfolio.

The Directors, Investment Manager, Administrator and other service providers have put in place contingency plans to minimise disruption. Furthermore, the Directors are not aware of any material uncertainties that may cast significant doubt on the Company's ability to continue as a going concern, having taken into account the liquidity of the Group's investment portfolio and the Company's financial position in respect of its cash flows, borrowing facilities and investment commitments (of which there are none of significance). Therefore, the financial statements have been prepared on a going concern basis.

On behalf of the Board

Alex Ohlsson
Chairman

27 September 2021

FOR MORE INFORMATION, PLEASE REFER TO THE INVESTMENT MANAGER'S REPORT ON PAGES 8 TO 18.

INVESTMENT MANAGER’S REPORT

The Company’s investment objective is to generate attractive risk-adjusted returns through regular, growing distributions and modest capital appreciation over the long term.

3.15p[1]

Dividends declared for the period

16.0%

Total shareholder return[2] for the period

The Investment Manager

Gravis Capital Management Limited provides discretionary investment management and risk management services to the Group which includes investment identification, investment due diligence and structuring, investment monitoring, the management and reporting of the existing loan portfolio and financial reporting support. Investment decisions are made on behalf of the Group by the Investment Manager's investment committee, with an update provided to the Board on a quarterly basis and additional updates when significant events have occurred. The Board has overall responsibility for the Group's activities, including the review of investment activity, performance, control and supervision of the Investment Manager.

The Investment Manager also provides advice regarding the Company's equity and debt funding requirements. The Investment Manager is the AIFM to the Company. The basis of the remuneration of the Investment Manager is set out in note 15 to the unaudited interim condensed financial statements.

Summary investment policy

The Company makes investments[3] in a diversified portfolio of senior and subordinated debt instruments which are secured against, or comprise, contracted, predictable medium to long-term cash flows and/or physical assets.

The Company's investments will typically be unquoted and will include, but not be limited to, senior loans, subordinated loans, mezzanine loans, bridge loans and other debt instruments. The Company may also make limited investments in equities, equity-related derivative instruments such as warrants, controlling equity positions (directly or indirectly) and/or directly in physical assets.

The Company will at all times invest and manage its assets in a manner which is consistent with the objective of spreading investment risk. This will include diversification by asset type, counterparty, locality and revenue source.

At the AGM in May 2021, the Company's shareholders approved an amendment to the Company's investment policy to increase the maximum overseas exposure from 20% to 30% of gross assets. The Company's investment objective, other policies and restrictions are set out in its 2020 annual report and financial statements, which is available on the Company's website.

Asset backed lending overview

Asset backed lending is an approach to structuring investments used to fund infrastructure, industrial or commercial projects, asset financing and equipment leases. Asset backed lending relies on the following to create security against which investment can be provided:

- the intrinsic value of physical assets; and/or
- the value of long-term, contracted cash flows generated from the sale of goods and/or services produced by an asset.

Asset backed lending is typically provided to a Project Company, a corporate entity established with the specific purpose of owning, developing and operating an asset. Financing is provided to the Project Company with recourse solely to the shares held in, and assets held by, that Project Company.

Cash generation to service loans and other financing relies on the monetisation of the goods and/or services the Project Company's assets provides. Lenders implement a security structure that allows them to take control of the Project Company and its assets to optimise the monetisation of goods and/or services associated with such assets if the Project Company has difficulties complying with its financing terms.

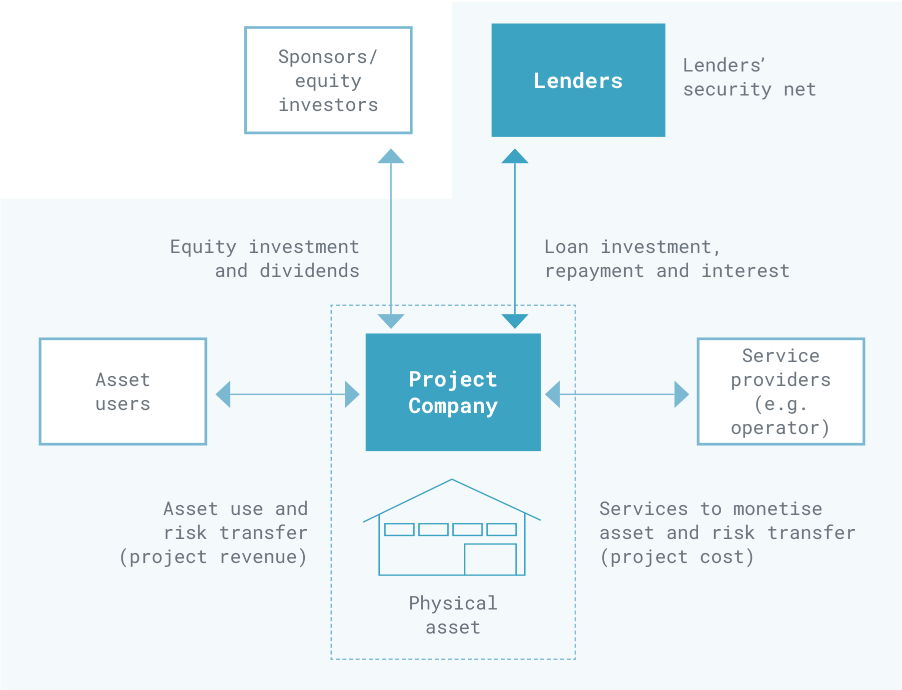
1. Includes a quarterly dividend of 1.575 pence per share for the quarter to 30 June 2021, which was declared and paid post period end.
2. Alternative performance measure – refer to pages 45 and 46 for definitions and calculation methodology.
3. The Company makes its investments through its wholly owned Subsidiary. Refer to note 1 for further information.

INVESTMENT MANAGER'S REPORT CONTINUED

Asset backed lending overview continued

Typically, an asset backed lending structure involves a number of counterparties, who enter into contractual relationships with the Project Company that apportion value and risk through providing services (e.g. operations and maintenance) associated with the development, ownership and/or operations of an asset. In structuring an asset backed loan, the Project Company will seek to ensure risks (and associated value) are apportioned to those counterparties best able to manage them. This ensures the effective pricing and management of risks inherent in the asset. Further, it also means the residual risks (and potential rewards) being taken by the Project Company are well understood by the parties providing finance to such company.

TYPICAL INVESTMENT STRUCTURE



The benefits associated with asset backed debt investments

Investment in asset backed loans offers relatively secure and predictable returns to their lenders when compared with general corporate or unsecured lending. Further, the reduction since 2007 in the availability of mainstream debt (primarily from banks) has created the potential for more attractive pricing on debt investments, particularly where such investments have been originated and structured to accommodate the borrowers' specific requirements.

In particular, where borrowers may not have access to mainstream financing for reasons other than the creditworthiness of the relevant proposition, such as loan size, tenure, structure or an understanding of the underlying cash flows and/or asset, attractive rates are available for those willing to commit the resource, innovation and time to understanding and identifying a solution for a specific borrower's requirements.

A loan secured against a specific asset (within a Project Company established specifically for that asset) is capable of analysis broadly by reference to a set of known variables such as:

- how an asset generates cash flow;
- its current value;
- expected future value;
- the competence of its service providers; and
- the availability of alternative parties in the event of a failure by one or more service providers.

The need to fully understand the risks associated with a given asset and structure arrangements with experienced service providers to effectively manage those risks requires specialist skills and resources.

For this reason, the Company's target market remains underserviced by mainstream lenders, therefore offering an attractive risk-adjusted return for parties with relevant experience and access to the required resources.

INVESTMENT PORTFOLIO

Portfolio performance

We are pleased to report that despite the ongoing economic disruption caused by the Covid-19 pandemic impacting the co-living group and the multi-use community facilities, the portfolio performed in line with the Investment Manager's expectations during the first half of the financial year, with all expected interest and principal payments received[1]. The limited impact of the Covid-19 pandemic on the Company's cash flows over the period illustrates both the highly cash-generative nature of the portfolio as well as the strong performance of the portfolio's underlying loans.

During the period, the portfolio experienced a number of positive developments. Firstly, there was a positive resolution to the CHP loan. This loan defaulted in March 2019 and we worked with a number of different parties to achieve a sale of the asset, which closed in the period. The sale resulted in an immediate repayment of £1.1 million, with a further £1.1 million held in escrow subject to any potential warranty claims, which together represent slightly more than the fair value after it was revalued downwards.

The £1.1 million held in escrow is expected to be released in two tranches in December 2021 and March 2023. We are not anticipating any successful warranty claims but given the time elapsed since default, a small reduction in fair value is being retained against the loan.

Secondly, at the AGM in May 2021, the Company's shareholders approved an amendment to the Company's investment policy to increase the maximum overseas exposure from 20% to 30% of gross assets. The Investment Manager made two further investments in overseas assets and additional drawdowns under committed projects.

The Company ended the period with an overseas exposure of 20% of gross assets. The Investment Manager aims to grow the overseas exposure slowly, where investments present good risk diversification and return.

In the portfolio, the co-living group and the multi-use community facilities have been most heavily impacted by the Covid-19 pandemic and have encountered further difficulties over the period.

The co-living group provides a mixture of long stay and short stay accommodation. The loan represents 6.9% of the portfolio by value. As announced in the Company's updates on 13 and 15 September 2021, there was a subsequent deterioration of bid levels for the group and it was decided that a credit bid would offer the best route for the lender consortium. This resulted in an estimated consequent reduction in the NAV of 3.69 pence per share.

The lender consortium has proposed to fund an acquisition vehicle with the intention of completing a credit bid for six of the co-living group's assets, to be operated by an experienced operator. Given the complexity of the group and the immediate funding needs of the underlying projects, we believe this structure offers the best path to realising value in the assets. We will continue to work with the other lenders in the consortium to complete this transaction and hope to recover additional value from other assets in the co-living group, which remain subject to security. We remain confident that the circumstances and structuring of this loan, which led to losses for the whole lender consortium, are unique to this asset and do not reflect the quality of protections in the Company's portfolio.

The multi-use community facilities host food outlets, community spaces, artist studios, bars, and event and co-working areas. The facilities represent a combined 1.1% of the portfolio by value. These assets have faced significant challenges through the multiple lockdowns and are also experiencing liquidity issues at the group level. Therefore, we are engaged with the borrower in an ongoing sales process. At the time of writing, three bidders are actively engaged in the process and undergoing due diligence on the group.

The Company's dividend continues to be fully covered on an adjusted EPS[2] basis. The total dividend was 117% covered by EPS of 3.67 pence and 131% covered by an adjusted EPS[2] of 4.13 pence.

1. As previously reported by the Company, the CHP loan was in default and, as such, no payments were expected until the sale completed in April 2021.
2. Alternative performance measure – refer to pages 45 and 46 for definitions and calculation methodology.

INVESTMENT MANAGER'S REPORT CONTINUED

INVESTMENT PORTFOLIO CONTINUED

Portfolio performance continued

Exposure to assets under construction has increased from 12% at the year end to 13% of the portfolio. Where assets are in construction, the Investment Manager employs third party advisers to monitor progress against key milestones. The Investment Manager is pleased to report that the remaining assets under construction are proceeding materially on time and budget.

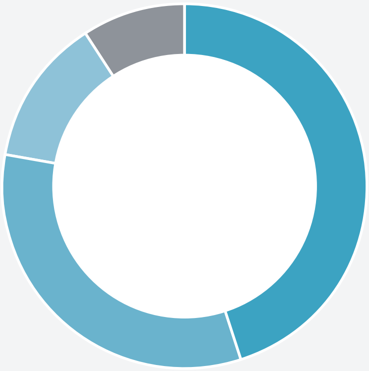
Property continues to represent the largest sector for the Company, making up 45% of the portfolio, across residential property, co-living and buy-to-let mortgages. In the period, there was significant regulatory change with the expiry of the stamp duty holiday relief. Nevertheless, we are pleased to see continued resilience in the UK residential property market with average house prices rising over the year.

The low average LTV[1] of c.65% against the property assets continues to provide significant security against market downturns.

The Investment Manager continues to see many positives across the Company's diversified portfolio, which continues to generate positive returns for shareholders, whilst recognising the challenges posed by a small number of assets.

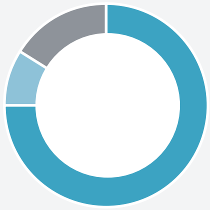
PORTFOLIO ANALYSIS

SECTOR TYPE

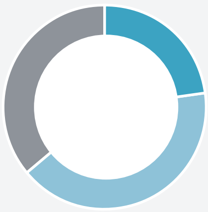


SECURITY RANKING

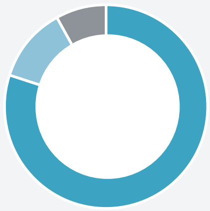
TERM PROFILE



INTEREST RATE PROFILE



LOCATION



1. Alternative performance measure – refer to pages 45 and 46 for definitions and calculation methodology.

TOP TEN INVESTMENTS BY VALUE

Key
1 Sector type
2 % of portfolio by value
3 Asset class
4 Multi/single asset exposure

1 Development Fin Co 6
1 Property
2 8.6%
3 Residential property
4 Multi asset

2 Co-living Co 3[1]
1 Property
2 6.9%
3 Co-living
4 Multi asset

3 Infrastructure 1
1 Energy and infrastructure
2 5.3%
3 Infrastructure
4 Multi asset

4 Student Accom 3
1 Social infrastructure
2 5.0%
3 Student accommodation
4 Single asset

5 Bridging Co 2
1 Property
2 4.8%
3 Residential property
4 Multi asset

6 Bridging Co 1
1 Property
2 4.6%
3 Residential property
4 Multi asset

7 Student Accom 2
1 Social infrastructure
2 4.2%
3 Student accommodation
4 Single asset

8 Property Co 2
1 Social infrastructure
2 3.7%
3 Social housing
4 Multi asset

9 Contract Income 3
1 Asset finance
2 3.2%
3 Contract income
4 Single asset

10 Property Co 7
1 Property
2 3.1%
3 Residential property
4 Multi asset

Further information on the portfolio can be found on the Company's website.

1. Following events which occurred post period end, the fair value of the co-living loan has decreased. Refer to note 16.

INVESTMENT MANAGER'S REPORT CONTINUED

INVESTMENT PORTFOLIO CONTINUED

Investment portfolio and new investments

At 30 June 2021, the Group was exposed to a diversified portfolio of 54 asset backed investments with a fair value of £473.5 million, of which 70% benefit from senior security and 44% from partial inflation and/or interest rate protection. The weighted average annualised yield[1] on the Group's investments was 7.8%, with a weighted average expected term of five years.

The key metrics above, principally yield and inflation and/or interest rate protection, are in line with the same period last year, demonstrating that the Company is continuing to deploy capital efficiently at rates that are value accretive to shareholders.

The portfolio is primarily backed by assets in the UK, representing 80% of such security, with the remainder of the Group's security provided by assets located in Europe, the USA, Australia and Hong Kong. The Company has minimal currency exposure (which is hedged) with 99% of investments either denominated in Pound Sterling or exposure hedged to Pound Sterling using rolling forward contracts. Post period end, the Company advanced a further £3.0 million secured against international projects.

During the period, the Group made investments totalling £69.4 million.

Investments have been made in a number of attractive asset classes over the period including football finance, infrastructure assets and new-build residential property developments. In addition, the impact of Covid-19 has opened up growth opportunities for some borrowers. In the period we have made further investments in new nursery projects and an additional CNG development station, allowing both of these borrowers to expand their businesses and providing additional security.

The Investment Manager continues to see a strong pipeline of attractive asset backed financing opportunities to deploy its remaining capital, including amounts available under the RCF.

INVESTMENTS AND REPAYMENTS DURING THE PERIOD[2]

SECTOR	AVERAGE TERM	SECURITY	STATUS	INVESTMENTS	REPAYMENTS
Asset finance	5 years	Senior	Operational	£17.1 million	£1.3 million
Energy and infrastructure	6 years	Senior	Operational	£27.7 million	£19.8 million
Property[3]	2 years	Senior/ Subordinated	Operational	£15.6 million	£16.1 million
Social infrastructure	8 years	Senior/ Subordinated	Operational/ Construction	£9.0 million	£0.4 million
			TOTAL	£69.4 MILLION	£37.6 MILLION

INVESTMENTS AND REPAYMENTS POST PERIOD END[2]

SECTOR	AVERAGE TERM	SECURITY	STATUS	INVESTMENTS	REPAYMENTS
Asset finance	6 years	Senior	Operational	£3.0 million	–
Energy and infrastructure	–	–	–	–	£14.7 million
Property	2 years	Subordinated	Operational	£10.5 million	£19.1 million
Social infrastructure	10 years	Senior	Operational	£2.8 million	–
			TOTAL	£16.3 MILLION	£33.8 MILLION

1. Alternative performance measure – refer to pages 45 and 46 for definitions and calculation methodology.
2. The Company makes its investments through its wholly owned Subsidiary. Refer to note 1 for further information.
3. Includes development projects that were subject to review by the Board under the Company's investment approval process, refer to page 21.

RISKS AND VIABILITY

Covid-19 impact

The Covid-19 pandemic continues to present a number of challenges to the Company, albeit that the principal risks and uncertainties faced by the Company remain unchanged from December 2020.

Whilst the UK has resumed unrestricted economic activity since July, other investment jurisdictions including Australia have recently seen increased restrictions resulting from rising cases and low vaccination rates. The situation is being closely monitored, with a particular focus on the impact of travel restrictions on the occupancy of operational student accommodation assets.

The Board, on advice from its Valuation Agent and Investment Manager, has continued to quantify any increase in risk through the discount rate applied to the loans in the portfolio. When assessing changes to discount rates, the Board, on advice from its Valuation Agent and Investment Manager, takes account of the movements in pricing of risk across the market as a whole, such as those caused by the uncertainties associated with the Covid-19 pandemic.

It also considers an asset-specific approach which takes into account a number of other variables that can impact the discount rate, such as:

- the underlying loan structure (senior or mezzanine);
- the operational stage (construction or operational);
- risk rating factors, such as each project's revenue and cost drivers which could impact the debt service loan cover ratios; and
- the value of the underlying security structure.

The table on page 16 sets out a summary of the risk rating factors and discount rate movements for each asset class experiencing a 'high, medium or low' impact from the Covid-19 pandemic, as set out on page 5.

It should be noted that whilst this prudent approach to value adjustment has been taken in respect of the portfolio, the principal amount of debt owed by the underlying borrowers has not changed.

In the event of non-payment of interest by a borrower, outstanding amounts would be added to the principal owed and therefore become recoverable in final repayments or against any enforcement proceeds, taking into account the value of the underlying security structure for each loan.

Changes to discount rates result in a revaluation of investments, which is reflected through fair value movements in the statement of comprehensive income. Where discount rate changes result in a downward revaluation, as the loans approach their maturity dates, income recognised in future years will be higher than the interest accrued on the loan due to a phenomenon known as 'pull-to-par' where loans converge on their par value at maturity. This phenomenon leads to an increase in the Company's dividend cover ratio[1] on an earnings basis (under IFRS). The opposite effect is noted on any loans which have been revalued upward. The Board and the Investment Manager consider this aspect when evaluating and declaring dividends.

The discount rate adjustments set out on page 16 had a 0.46 pence per share impact on the earnings and NAV of the Company.

1. Alternative performance measure – refer to pages 45 and 46 for definitions and calculation methodology.

INVESTMENT MANAGER'S REPORT CONTINUED

RISKS AND VIABILITY CONTINUED

Covid-19 impact continued

COVID-19 IMPACT ON BORROWER	% OF PORTFOLIO	IMPACTED ASSET CLASS	30 JUNE 2021 £'000	RISK RATING FACTORS	AVERAGE % DISCOUNT RATE CHANGE
High	8.1%	Co-living	32,827[1]	Occupancy levels and LTV	4.00%
		Multi-use community facilities	5,377	Regulatory risk and occupancy	9.00%
Total			**38,204**		
Medium	36.5%	Student accommodation	22,310	Occupancy, operating costs and construction timetables	1.25%
		Residential property	131,359	Default rates and LTV	0.15%
		Nurseries	18,157	Occupancy and operating costs	0.25%
		CHP	1,028	N/A	N/A
Total			**172,854**		
Low	55.4%	Various asset classes	262,485	Multiple factors	
Total			**262,485**		
Valuation of portfolio			**473,543**		

1. Following events which occurred post period end, the fair value of the co-living loan has decreased. Refer to note 16.

Update on principal risks and uncertainties

In light of the ongoing impact of the Covid-19 pandemic and Brexit, the Board is providing the update below on the uncertainties impacting the Company and their impact on the Company's principal risks for those risks where residual risk has changed since the year end.

UNCERTAINTY 1: COVID-19

The Board has continued to monitor and assess the impact of the Covid-19 pandemic on the Company's portfolio.

As noted on page 11, the co-living group and the multi-use community facilities have experienced direct impact through restrictions on their ability to operate due to UK Government legislation. Post period end, the majority of regulations impacting on operations of business in the UK were relaxed, allowing for increased activity.

The key risk to the portfolio remains any future waves of infections and the reintroduction of restrictions on the operations of businesses in the portfolio, as currently seen in Australia. It is important to note, however, that Australia's vaccination programme is ongoing, which should assist in limiting any future restrictions going forward.

The Board is aware of the ongoing impact of Covid-19 on staffing and supply chain management. To date, there has been no impact on the portfolio but this is an area of increased focus for the Company which will be monitored over the coming months.

The Covid-19 pandemic is an ongoing uncertainty which the Board continues to closely monitor.

UNCERTAINTY 2: BREXIT

As noted in the 2020 annual report, the Board considers Brexit to be a principal uncertainty for the Company.

Whilst the UK officially left the EU on 31 January 2020 and began a transition period that ended on 31 December 2020, there remains considerable uncertainty around the future relationship between the UK and the EU.

The Board continues to monitor the impact of Brexit on the portfolio's reliance on the EU for materials and/or labour, in particular for projects under construction in the UK. However, to date, no impact has been seen on the Company caused by Brexit or associated regulatory and political changes.

The Board will continue to monitor the potential macro-economic and political impacts of Brexit in the coming months to assess whether Brexit will continue to be an uncertainty for the Company.

INVESTMENT MANAGER'S REPORT CONTINUED

RISKS AND VIABILITY CONTINUED

In the period, none of the residual risk profiles of the principal risks of the Company have increased, including as a result of the Covid-19 pandemic (as set out below and on page 17) with the residual risk profile of one principal risk decreasing in the period and the rest remaining stable.

RISK 1: REGULATORY RISK

RISK	IMPACT	HOW THE RISK IS MANAGED	CHANGE IN THE RESIDUAL RISK IN THE PERIOD
Changes in laws, regulation and/or policy The Company, its operations and the underlying Project Companies are subject to laws and regulations enacted by national and local Governments.	Any change in the laws, regulations and/or Government policy affecting the Company or the underlying Project Companies may have a material adverse effect on the ability of the Company to successfully pursue the investment policy and meet its investment objective, which therefore may impact the value of the Company.	The Company has a comprehensive compliance monitoring programme relevant to its operations that ensures compliance with developments and change in legislation and regulation in the Channel Islands and the UK, including monitoring the impact of Brexit in the jurisdictions in which the Group invests. The programme also monitors compliance with listing and FCA marketing rules.	**Decreased** In the period, the stamp duty holiday relief introduced by the UK Government in July 2020 was phased out, resulting in an initial fall in UK house prices. However, this was outweighed by the significant increases in house prices over the last year and therefore did not have a material impact on the Company. Regulatory risk as a result of changing policy to manage the Covid-19 pandemic continues. However, there is more certainty than in earlier periods as the UK Government looks to reduce restrictions and regulation. The Investment Manager will continue to monitor the impact of any changes in policy across the portfolio. As noted above, the continued uncertainty around Brexit also poses risks to the underlying borrower businesses, particularly where those businesses rely on migrant labour or imported materials from the EU. To date, no impact has been seen as a result of changing regulation due to Brexit. The Investment Manager will continue to monitor the impact of any changes in policy on these borrowers.

Going concern and viability

In addition to the analysis set out on page 16 which informed changes to the discount rates of the assets, the Investment Manager has carried out a going concern and viability review. This analysed the impact of the Covid-19 pandemic on the equity financing, debt financing and investment portfolio of the Company, and which has been reviewed by the Board.

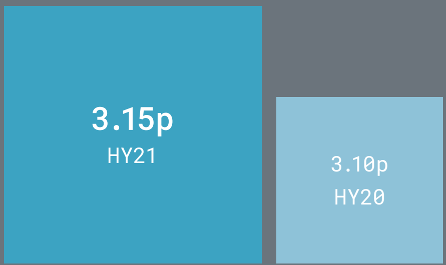
Following events which occurred post period end, the fair value of the co-living loan has decreased with an estimated consequent reduction in the NAV of 3.69 pence per share. The co-living loan had unique characteristics which means there is no read-across to other loans in the Group's portfolio, which continue to perform as expected.

As such, the Board remains of the view that none of the challenges identified impact the going concern or viability of the Company.

COMPANY PERFORMANCE

The Company continues to deliver regular income to shareholders.

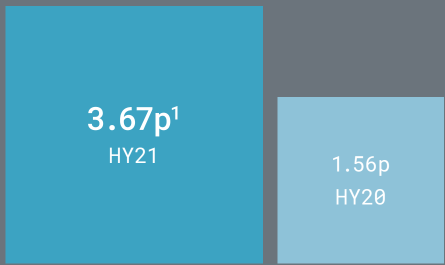
Dividends declared in respect of the period



Relevance to strategy

The dividend reflects the Company's ability to deliver regular, sustainable, long-term dividends and is a key element of total return.

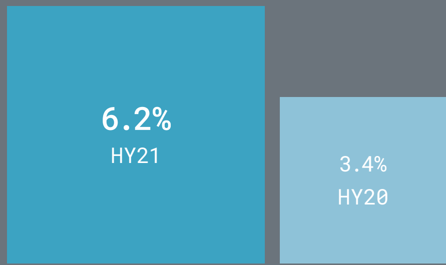
Basic earnings per share



Relevance to strategy

Basic EPS represents the earnings generated by the Group's investment portfolio in line with the investment strategy.

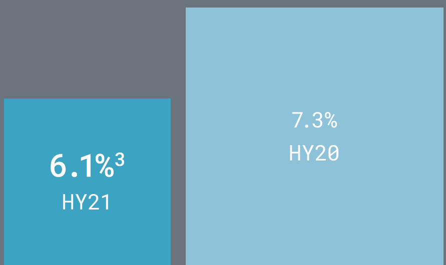
Annualised total shareholder return since IPO[2]



Relevance to strategy

Total return measures the delivery of the Company's strategy, to provide shareholders with attractive total returns in the longer term.

Dividend yield[2]



Relevance to strategy

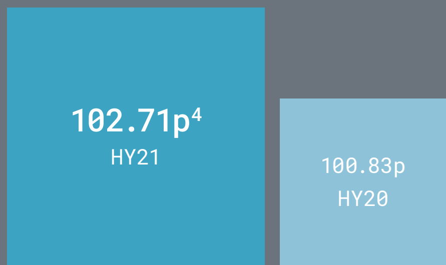
The dividend yield measures the Company's ability to deliver on its investment strategy of generating regular, sustainable, long-term dividends.

Profit for the period

Relevance to strategy

Profit for the period measures the Company's ability to deliver attractive risk-adjusted returns from its investment portfolio.

NAV per ordinary share



Relevance to strategy

Growth in NAV per share measures the Company's ability to deliver modest capital appreciation over the long term.

1. Includes an unrealised loss of 0.46 pence per share in respect of discount rate adjustments to reflect the uncertainties associated with the Covid-19 pandemic.
2. Alternative performance measure – refer to pages 45 and 46 for definitions and calculation methodology.
3. Total dividend declared for the period annualised, relative to the closing share price at the period end, expressed as a percentage.
4. Does not include a provision for the dividend in respect of the quarter to 30 June 2021, which was declared and paid post period end.

FINANCIAL REVIEW

The Company generated total income of £19.4 million, declared dividends of 3.15 pence per share and delivered a total shareholder return[1] of 16.0% for the period.

Financial performance

The Company has prepared its half-yearly report and unaudited interim condensed financial statements in accordance with IAS 34 Interim Financial Reporting.

In the period, the Company's portfolio generated total income of £19.4 million. Profit for the period was £16.1 million, with basic EPS of 3.67 pence. Adjusted EPS[1] for the period was 4.13 pence per share, which excludes changes in discount rates.

The dividend for the period was paid as 1.575 pence per share for the quarter to 31 March 2021 with a further dividend of 1.575 pence per share for the quarter to 30 June 2021, declared post period end, on 22 July 2021.

Ongoing charges

The Company's ongoing charges percentage for the period, calculated in accordance with the AIC methodology, was 1.2% annualised (30 June 2020: 1.2% annualised).

Investment valuation

The weighted average discount rate[1] across the portfolio at 30 June 2021 was 8.6%. The valuation of investments is sensitive to changes in discount rates applied. A sensitivity analysis detailing the impact of a change in discount rates is given in note 14.3.

The Valuation Agent carries out a fair market valuation of the Group's investments on behalf of the Board on a semi-annual basis. Any assets which may be subject to discount rate changes are valued on a quarterly basis. The valuation principles used by the Valuation Agent are based on a discounted cash flow methodology. A fair value for each asset acquired by the Group is calculated by applying a discount rate (determined by the Valuation Agent) to the cash flow expected to arise from each asset.

At the period end, the valuation of investments includes an adjustment to discount rates to reflect the uncertainties associated with the Covid-19 pandemic. These adjustments were first applied in March 2020 and contributed to an overall discount rate increase of 106 basis points across the portfolio. Since that date, the Board and the Valuation Agent have been able to take a more asset-specific approach in determining discount rates. This resulted in an overall decrease to the weighted average discount rate[1] of 13 basis points in the period, excluding the previously defaulted CHP loan. The decrease reflects tightened spreads and positive performance across the Company's property investments.

Changes to discount rates by asset class are presented in the table on page 16.

Cash position

The Company received interest payments of £17.2 million and capital repayments of £37.6 million in the period, in line with expectations. The Company paid cash dividends of £13.9 million during the period and a further £6.9 million post period end. Total cash reserves at the period end were £9.5 million.

Borrowings

During the period, the Company had access to an RCF with RBSI for an amount of £50 million, which matured in August 2021. Post period end, a 24 month extension option was exercised and, as a result, the facility will now expire in August 2023. All commercial terms remain the same as the previous £50 million facility.

Conflicts of interest

In the period, £1.0 million was drawn under existing facilities to finance student accommodation development projects in the UK and the USA. The directors of the Investment Manager directly or indirectly own an equity interest in these development projects. In accordance with the Company's investment approval process, the investments were reviewed and approved by the Board.

GCP Infra

Where there is any overlap for a potential investment with GCP Infra, GCP Infra has a right of first refusal over such investment.

During the period, no investments were offered to GCP Infra under its right of first refusal. To date, no investments offered to GCP Infra have been accepted.

1. Alternative performance measure – refer to pages 45 and 46 for definitions and calculation methodology.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Under the terms of the DTRs of the FCA, the Directors are responsible for preparing the half-yearly report and unaudited interim condensed financial statements in accordance with applicable regulations.

The Directors confirm to the best of their knowledge that:

- the unaudited interim condensed financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting;
- the Chairman's interim statement and the Investment Manager's report constitute the Company's interim management report, which includes a fair review of the information required by DTR 4.2.7R (indication of important events during the first six months and description of principal risks and uncertainties for the remaining six months of the year);
- the unaudited interim condensed financial statements include a fair review of the information required by DTR 4.2.8R (disclosure of related parties' transactions and changes therein); and
- the half-yearly report and unaudited interim condensed financial statements for the period ended 30 June 2021 give a true and fair view of the assets, liabilities, financial position and return of the Company.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in Jersey governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

On behalf of the Board

Alex Ohlsson
Chairman

Colin Huelin
Director

27 September 2021

INDEPENDENT REVIEW REPORT

To GCP Asset Backed Income Fund Limited

Report on the review of the unaudited interim condensed financial statements

Our conclusion

We have reviewed GCP Asset Backed Income Fund Limited's unaudited interim condensed financial statements (the "interim financial statements") in the half-yearly report and unaudited interim condensed financial statements of GCP Asset Backed Income Fund Limited (the "Company") for the six month period ended 30 June 2021. Based on our review, nothing has come to our attention that causes us to believe that the interim financial statements are not prepared, in all material respects, in accordance with International Accounting Standard 34, 'Interim Financial Reporting', and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority.

What we have reviewed

The interim financial statements comprise:

- the unaudited interim condensed statement of financial position as at 30 June 2021;
- the unaudited interim condensed statement of comprehensive income for the period then ended;
- the unaudited interim condensed statement of cash flows for the period then ended;
- the unaudited interim condensed statement of changes in equity for the period then ended; and
- the explanatory notes to the interim financial statements.

The interim financial statements included in the half-yearly report and unaudited interim condensed financial statements have been prepared in accordance with International Accounting Standard 34, 'Interim Financial Reporting', and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority.

As disclosed in note 2 to the interim financial statements, the financial reporting framework that has been applied in the preparation of the full annual financial statements of the Company is the Companies (Jersey) Law 1991 and International Financial Reporting Standards (IFRSs).

Responsibilities for the interim financial statements and the review

Our responsibilities and those of the Directors

The half-yearly report and unaudited interim condensed financial statements, including the interim financial statements, is the responsibility of, and has been approved by, the Directors. The Directors are responsible for preparing the half-yearly report and unaudited interim condensed financial statements in accordance with International Accounting Standard 34, 'Interim Financial Reporting', and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority.

Our responsibility is to express a conclusion on the interim financial statements in the half-yearly report and unaudited interim condensed financial statements based on our review. This report, including the conclusion, has been prepared for and only for the Company for the purpose of complying with the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority and for no other purpose. We do not, in giving this conclusion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

What a review of interim financial statements involves

We conducted our review in accordance with International Standard on Review Engagements 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the International Auditing and Assurance Standards Board. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures.

A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We have read the other information contained in the half-yearly report and unaudited interim condensed financial statements and considered whether it contains any apparent misstatements or material inconsistencies with the information in the interim financial statements.

PricewaterhouseCoopers CI LLP
Chartered Accountants
Jersey, Channel Islands

27 September 2021

UNAUDITED INTERIM CONDENSED STATEMENT OF COMPREHENSIVE INCOME
For the period ended 30 June 2021

	Notes	**Period ended 30 June 2021 £'000**	Period ended 30 June 2020 £'000
Income			
Loan interest realised	3	**17,231**	17,889
Net unrealised loss on financial assets at fair value through profit or loss	3	**(1,225)**	(9,382)
Net gain/(loss) on derivative financial instruments	3	**773**	(382)
Net changes in fair value of financial assets and financial liabilities at fair value through profit or loss		**16,779**	8,125
Fee income	3	**2,634**	1,806
Deposit interest income		**—**	5
Total income		**19,413**	9,936
Expenses			
Investment management fees		**(1,972)**	(1,905)
Operating expenses		**(787)**	(657)
Directors' remuneration		**(100)**	(101)
Total expenses		**(2,859)**	(2,663)
Total operating profit before finance costs		**16,554**	7,273
Finance costs			
Finance expenses	4	**(426)**	(372)
Total profit and comprehensive income		**16,128**	6,901
Basic and diluted earnings per share (pence)	7	**3.67**	1.56

All items in the above statement are derived from continuing operations.

The notes on pages 28 to 44 form an integral part of the financial statements.

UNAUDITED INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION
As at 30 June 2021

	Notes	**As at 30 June 2021 £'000**	(Audited) As at 31 December 2020 £'000
Assets			
Financial assets at fair value through profit or loss	8	**476,546**	445,962
Other receivables and prepayments	9	**2,271**	108
Derivative financial instruments	14	**80**	158
Cash and cash equivalents	10	**9,455**	9,994
Total assets		**488,352**	456,222
Liabilities			
Other payables and accrued expenses	12	**(1,458)**	(1,604)
Derivative financial instruments	14	**(41)**	–
Revolving credit facilities	11	**(35,116)**	(4,856)
Total liabilities		**(36,615)**	(6,460)
Net assets		**451,737**	449,762
Equity			
Share capital	13	**442,607**	442,900
Retained earnings		**9,130**	6,862
Total equity		**451,737**	449,762
Ordinary shares in issue (excluding treasury shares)	13	**439,833,518**	440,158,518
NAV per ordinary share (pence per share)		**102.71**	102.18

The unaudited interim condensed financial statements were approved and authorised for issue by the Board of Directors on 27 September 2021 and signed on its behalf by:

Alex Ohlsson
Chairman

Colin Huelin
Director

The notes on pages 28 to 44 form an integral part of the financial statements.

UNAUDITED INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY
For the period ended 30 June 2021

	Notes	**Share capital £'000**	**Retained earnings £'000**	**Total equity £'000**
Balance as at 1 January 2021		**442,900**	**6,862**	**449,762**
Total profit and comprehensive income for the period		**—**	**16,128**	**16,128**
Share repurchases	13	**(293)**	**—**	**(293)**
Dividends paid	6	**—**	**(13,860)**	**(13,860)**
Balance as at 30 June 2021		**442,607**	**9,130**	**451,737**

UNAUDITED INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY
For the period ended 30 June 2020

	Notes	Share capital £'000	Retained earnings £'000	Total equity £'000
Balance as at 1 January 2020		443,915	7,931	451,846
Total profit and comprehensive income for the period		—	6,901	6,901
Equity shares issued	13	518	—	518
Share issue costs		(20)	—	(20)
Share repurchases	13	(386)	—	(386)
Dividends paid	6	—	(13,687)	(13,687)
Balance as at 30 June 2020		444,027	1,145	445,172

The notes on pages 28 to 44 form an integral part of the financial statements.

UNAUDITED INTERIM CONDENSED STATEMENT OF CASH FLOWS
For the period ended 30 June 2021

	Notes	**Period ended 30 June 2021 £'000**	Period ended 30 June 2020 £'000
Cash flows from operating activities			
Total operating profit before finance costs		**16,554**	7,273
Adjustments for:			
Net changes in fair value of financial assets and financial liabilities at fair value through profit or loss	3	**(16,779)**	(8,125)
Realised gains/(losses) on derivative instruments		**892**	(375)
Decrease in other payables and accrued expenses		**(120)**	(49)
(Increase)/decrease in other receivables and prepayments		**(2,163)**	32
Total		**(1,616)**	(1,244)
Interest received from Subsidiary	3	**17,231**	17,889
Investment in Subsidiary	8	**(69,433)**	(49,520)
Capital repayments from Subsidiary	8	**37,624**	64,533
Net cash flow (used in)/generated from operating activities		**(16,194)**	31,658
Cash flows from financing activities			
Proceeds from revolving credit facilities	11	**34,150**	11,399
Repayment of revolving credit facilities	11	**(4,000)**	(20,875)
Share issue costs		**–**	(20)
Share repurchases	13	**(293)**	(386)
Finance costs paid		**(342)**	(269)
Dividends paid	6	**(13,860)**	(13,169)
Net cash flow generated from/(used in) financing activities		**15,655**	(23,320)
Net (decrease)/increase in cash and cash equivalents		**(539)**	8,338
Cash and cash equivalents at beginning of the period		**9,994**	8,687
Cash and cash equivalents at end of the period		**9,455**	17,025
Net cash flow used in operating activities includes:			
Interest received from bank deposits		**–**	5
Interest received from Subsidiary	3	**17,231**	17,889
Non-cash items:			
Purchase of financial assets: indexation		**(24)**	(304)
Interest received from Subsidiary		**24**	304
Scrip dividend	6	**–**	(518)
Equity issue in respect of scrip dividend		**–**	518

The notes on pages 28 to 44 form an integral part of the financial statements.

NOTES TO THE UNAUDITED INTERIM CONDENSED FINANCIAL STATEMENTS
For the period ended 30 June 2021

1. General information

The Company is a public closed-ended investment company incorporated on 7 September 2015 and domiciled in Jersey, with registration number 119412. The Company is governed by the provisions of the Companies Law and the CIF Law.

The ordinary and C shares (when in issue) of the Company are admitted to the Official List of the FCA and are traded on the Premium Segment of the Main Market of the LSE.

The Company makes its investments through its wholly owned Subsidiary, by subscribing for the Secured Loan Notes issued by the Subsidiary. The Subsidiary subsequently on-lends the funds to borrowers.

At 30 June 2021, the Company had one wholly owned Subsidiary, GABI UK, (31 December 2020: one) incorporated in England and Wales on 23 October 2015 (registration number 9838893). GABI UK had two subsidiaries (31 December 2020: two): GABI Housing (registration number 10497254) incorporated in England and Wales on 25 November 2016 and GABI GS (registration number 10546087) incorporated in England and Wales on 4 January 2017. The Company, GABI UK, GABI Housing (including its subsidiary, GABI Blyth) and GABI GS comprises the Group. The registered office address for GABI UK, GABI Housing, GABI Blyth and GABI GS is 24 Savile Row, London W1S 2ES.

The Company, through its Subsidiary, seeks to meet its investment objective through a diversified portfolio of investments which are secured against, or comprise, contracted, predictable medium to long-term cash flows and/or physical assets.

On 30 June 2021, the assets held within GABI Blyth were transferred to its parent, GABI Housing. It is the Company's intention to wind-up GABI Blyth, the process of which is ongoing.

GABI GS holds shares as security for loans issued to underlying borrowers, where required. Its purpose is to isolate any potential liabilities that may arise from holding shares as security from the Company. During the year ended 31 December 2020, one of the loans was refinanced, leaving one such arrangement in place.

GABI Housing invests in five properties and the social income stream that is derived from these properties through letting them to specialist housing associations.

The Group's investments will predominantly be in the form of medium to long-term fixed or floating rate loans which are secured against cash flows and/or physical assets which are predominantly UK based.

The Group's investments will typically be unquoted and will include, but not be limited to, senior loans, subordinated loans, mezzanine loans, bridge loans and other debt instruments. The Group may also make limited investments in equities, equity-related derivative instruments such as warrants, controlling equity positions (directly or indirectly) and/or directly in physical assets.

The Group will at all times invest and manage its assets in a manner which is consistent with the objective of spreading investment risk.

Where possible, investments are structured to benefit from partial inflation and/or interest rate protection.

At the AGM in May 2021, the Company's shareholders approved an amendment to the Company's investment policy to increase the maximum overseas exposure from 20% to 30% of gross assets. The Company's investment objective, other policies and restrictions are set out in its 2020 annual report and financial statements, which is available on the Company's website.

2. Significant accounting policies

The principal accounting policies applied in the preparation of these unaudited interim condensed financial statements are set out below. In the current period, the Company has applied amendments to IFRS. These include improvements to IFRS, changes in standards, legislative and regulatory amendments, changes in disclosure and presentational requirements including updates related to Covid-19. The adoption of these has not had any material impact on these or prior years' financial statements and the accounting policies used by the Company followed in these condensed interim financial statements are consistent with the 2020 annual report.

2.1 Basis of preparation

The unaudited interim condensed financial statements for the period ended 30 June 2021 have been prepared in accordance with IAS 34 Interim Financial Reporting.

The unaudited interim condensed financial statements do not include all financial information required for full annual financial statements and therefore do not constitute statutory accounts as defined in Companies Law. They should be read in conjunction with the Company's annual report and financial statements for the year ended 31 December 2020 which were prepared in accordance with IFRS issued by the IASB and interpretations issued by IFRIC as approved by IASC (which remain in effect) and audited by the Independent Auditor, who issued an unqualified audit opinion. The accounting policies adopted in the unaudited interim condensed financial statements are the same as those applied in the annual report and financial statements for the year ended 31 December 2020.

The financial information for the period ended 30 June 2021 has been reviewed by the Independent Auditor, in accordance with International Standard on Review Engagements 2410, Review of Interim Financial Information performed by the Independent Auditor and were approved for issue on 27 September 2021.

The financial risk management objectives include (but are not limited to) market risk, interest rate risk, credit risk, currency risk and liquidity risk which are detailed in the Company's 2020 annual report and financial statements. The Board considers that these remain unchanged.

In accordance with the investment entities exemption contained in IFRS 10 Consolidated Financial Statements, the Directors have determined that the Company continues to meet the definition of an investment entity and as a result the Company is not required to prepare consolidated financial statements. The Company's investment in its Subsidiary is measured at fair value and treated as a financial asset through profit or loss in the statement of financial position (refer to note 2.2(b)).

The Company raises capital through the issue of ordinary shares and C shares. The net assets attributable to the C share class, when in issue, are accounted for and managed by the Company as a distinct pool of assets, with the Company ensuring that separate cash accounts are created and maintained. Expenses are either specifically allocated to an individual share class or split proportionally by the NAV of each share class. When in issue, C shares are classified as a financial liability.

Going concern

The Directors have made an assessment of the Company's ability to continue as a going concern and are satisfied that the Company has the resources to continue in business for the foreseeable future, being a period of at least twelve months from the date on which these unaudited interim condensed financial statements were approved.

In making the assessment, the Directors have considered the likely impacts of the ongoing Covid-19 pandemic on the Company, operations and the investment portfolio.

The Directors noted the cash balance exceeds any short-term liabilities and the Company is able to meet the obligations of the Company as they fall due. The surplus cash reserves in addition to the RCF will enable the Company to meet any funding requirements and finance future additional investments. The Company is a closed-ended investment company, where assets are not required to be liquidated to meet day-to-day redemptions.

Whilst the economic future is uncertain, and the Directors believe that it is possible the Company could experience further reductions in income and/or valuation of the underlying investment portfolio, this should not be to a level which would threaten the Company's ability to continue as a going concern.

The Directors, the Investment Manager and other service providers have enacted plans to minimise disruption from the Covid-19 pandemic. Furthermore, the Directors are not aware of any material uncertainties that may cast doubt upon the Company's ability to continue as a going concern, having taken into account the liquidity of the Company's investment portfolio and the Company's financial position in respect of its cash flows, borrowing and investment commitments. Therefore, the unaudited interim condensed financial statements have been prepared on a going concern basis.

2.2 Significant accounting estimates and judgements

The preparation of unaudited interim condensed financial statements in accordance with IFRS requires the Directors to make estimates and judgements that affect the reported amounts recognised in the unaudited interim condensed financial statements. However, uncertainty about these assumptions and judgements could result in outcomes that require a material adjustment to the carrying amount of the asset or liability in the future. There are no changes in estimates reported in prior financial statements that require disclosure in these financial statements.

NOTES TO THE UNAUDITED INTERIM CONDENSED FINANCIAL STATEMENTS CONTINUED
For the period ended 30 June 2021

2. Significant accounting policies continued

2.2 Significant accounting estimates and judgements continued

(a) Critical accounting estimates and assumptions

Fair value of instruments not quoted in an active market

The Company's investments are made by subscribing for the Secured Loan Notes issued by the Subsidiary. The Subsidiary's assets consist of investments held by the Subsidiary, which represent secured loan facilities issued to the Project Companies. The Subsidiary's assets are not quoted in an active market and, therefore, the fair value is determined using a discounted cash flow methodology, adjusted as appropriate for market, credit and liquidity risk factors (refer to note 14.3 for further information). This requires assumptions to be made regarding future cash flows and the discount rates applied to these cash flows. The Subsidiary's investments are valued by a third party Valuation Agent on a semi-annual basis. Investments which may be subject to discount rate changes are valued on a quarterly basis.

The models used by the Valuation Agent use observable data to the extent practicable. However, areas such as credit risk (both own and counterparty), volatilities and correlations require estimates to be made. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

The determination of what constitutes 'observable' requires significant judgement by the Company. The Company considers observable data to be market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

The investment in the Subsidiary is held at fair value through profit or loss. Income distributions and interest payments from the Subsidiary are included as part of the fair value movement calculation, together with any unrealised movement in the fair value of the holding in the Subsidiary.

The value of the investment in the Subsidiary is based on the aggregate of the NAV of the Subsidiary and the value of the Secured Loan Notes issued by the Subsidiary. Refer to note 8 for further details.

(b) Critical judgements

Assessment as investment entity

The Directors have concluded that the Company continues to meet the definition of an investment entity.

Entities that meet the definition of an investment entity within IFRS 10 Consolidated Financial Statements are required to measure their subsidiaries at fair value through profit or loss rather than consolidate. The criteria which define an investment entity are as follows:

— an entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;

— an entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and

— an entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

The Directors have concluded that the Company continues to meet the characteristics of an investment entity, in that it:

— raises funds from investors through the issue of equity, has more than one investor and its investors are not related parties, other than those disclosed in note 15;

— invests in a portfolio of investments held by the Subsidiary for the purposes of generating risk-adjusted returns through regular distributions and modest capital appreciation; and

— the Company's investments are held at fair value through profit or loss with the performance of its portfolio evaluated on a fair value basis.

Accordingly, the Company's Subsidiary is not consolidated, but rather the investment in the Subsidiary is accounted for at fair value through profit or loss. The value of the investment in the Subsidiary is based on the aggregate of the NAV of the Subsidiary and the value of the Secured Loan Notes issued by the Subsidiary.

Assessment of co-living loan

The Directors have concluded that the course of events leading to a decrease in fair value of the co-living loan post period end, as disclosed in note 16, did not give rise to an adjusting event under IAS 10 Events after the Reporting Period.

At period end, the valuation of the co-living loan had been adjusted for all known risks based on the information available at the time.

It is thus the view of the Directors and the Investment Manager that the valuation of the co-living loan most accurately reflects the course of events, and as such the unaudited interim condensed financial statements have not been adjusted for the period ended 30 June 2021.

(c) Functional and presentation currency

The primary objective of the Company is to generate returns in Pound Sterling, its capital raising currency. The Company's performance is evaluated in Pound Sterling. Therefore, the Directors consider Pound Sterling as the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions.

The unaudited interim condensed financial statements are presented in Pound Sterling and all values have been rounded to the nearest thousand pounds (£'000) except where otherwise indicated.

(d) Segmental information

The Directors view the operations of the Company as one operating segment, being the investment portfolio of asset backed loans held through the Subsidiary, which is a registered UK company. All significant operating decisions are based on the analysis of the Subsidiary's investments as one segment. The financial results from this segment are equivalent to the financial results of the Company as a whole, which are evaluated regularly by the Directors.

3. Operating income

The table below analyses the operating income derived from the Company's financial assets and financial liabilities at fair value through profit or loss:

	Period ended 30 June 2021 £'000	Period ended 30 June 2020 £'000
Loan interest realised	**17,231**	17,889
Unrealised (loss)/gain on financial assets at fair value through profit or loss[1]		
Debt – Secured Loan Notes up to £1,000,000,000[2]	**(1,910)**	(10,596)
Equity – representing one ordinary share in the Subsidiary	**685**	1,214
Net unrealised loss on financial assets at fair value through profit or loss	**(1,225)**	(9,382)
(Loss)/gain on derivative financial instruments		
Unrealised loss on forward foreign exchange contracts	**(119)**	(7)
Realised gain/(loss) on forward foreign exchange contracts	**892**	(375)
Net gain/(loss) on derivative financial instruments	**773**	(382)
Net changes in fair value of financial assets and financial liabilities at fair value through profit or loss	**16,779**	8,125

1. Refer to note 8 for further information.
2. Includes unrealised losses in respect of discount rate adjustments made to reflect the uncertainties associated with the Covid-19 pandemic.

The table below analyses the fees income earned by the Company by type:

	Period ended 30 June 2021 £'000	Period ended 30 June 2020 £'000
Arrangement fee income	**163**	72
Commitment fee income	**35**	279
Early repayment fee income	**2,436**	1,451
Sundry income	**–**	4
Total	**2,634**	1,806

NOTES TO THE UNAUDITED INTERIM CONDENSED FINANCIAL STATEMENTS CONTINUED
For the period ended 30 June 2021

4. Finance expenses

	Period ended 30 June 2021 £'000	Period ended 30 June 2020 £'000
Arrangement fees relating to the RCF	**120**	133
Commitment fees relating to the RCF	**138**	180
Early repayment costs relating to the RCF	**–**	2
Interest expense relating to the RCF	**168**	57
Total	**426**	372

5. Taxation

Profits arising in the Company for the period ended 30 June 2021 are subject to tax at the standard rate of 0% (30 June 2020: 0%) in accordance with the Income Tax Law.

6. Dividends

Quarter ended	Dividend	Pence per share	**Period ended 30 June 2021 £'000**	Period ended 30 June 2020 £'000
Current period dividends				
30 June 2021[1] / 2020	Second interim dividend	**1.575** / 1.550	**–**	–
31 March 2021 / 2020	First interim dividend	**1.575** / 1.550	**6,927**	6,843
Total		**3.150** / 3.100		
Prior period dividends				
31 December 2020 / 2019	Fourth interim dividend	**1.575** / 1.550	**6,933**	6,844
Total		**1.575** / 1.550		
Dividends in the statement of changes in equity			**13,860**	13,687
Dividends settled in shares[2]			**–**	(518)
Dividends in the statement of cash flows			**13,860**	13,169

1. The second interim dividend was declared after the period end and is therefore not accrued for in the unaudited interim condensed financial statements.
2. Dividends settled in shares are where shareholders have elected to take the scrip dividend alternative.

On 22 July 2021, the Company declared a second interim dividend of 1.575 pence per ordinary share amounting to £6.9 million which was paid on 27 August 2021 to ordinary shareholders on the register at close of business on 30 July 2021.

The Board, at its discretion, suspended the scrip dividend alternative for the first and second interim dividends. The suspension was as a result of the likely discount between any scrip dividend reference price of the shares and the net asset value per share of the Company at the time. The Board intends to keep the payment of future scrip dividends under review.

7. Earnings per share

Basic earnings per share is calculated by dividing profit for the period attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares in issue during the period. Diluted earnings per share is calculated by dividing the profit attributable to ordinary shareholders by the diluted weighted average number of ordinary shares.

	Total profit £'000	Weighted average number of ordinary shares	Pence per share
Period ended 30 June 2021			
Basic and diluted earnings per ordinary share	**16,128**	**439,957,689**	**3.67**
Period ended 30 June 2020			
Basic and diluted earnings per ordinary share	6,901	441,581,106	1.56

8. Financial assets at fair value through profit or loss: investment in Subsidiary

The Company's financial assets at fair value through profit or loss comprise its investment in the Subsidiary, which represents amounts advanced to finance the Group's investment portfolio in the form of Secured Loan Notes and equity, in addition to derivatives (see note 14) utilised for the purpose of hedging foreign currency exposure. The Company's investment in the Subsidiary at 30 June 2021 comprised:

Debt – Secured Loan Notes up to £1,000,000,000	**30 June 2021 £'000**	(Audited) 31 December 2020 £'000
Opening balance	**443,855**	453,081
Purchase of financial assets	**69,433**	126,545
Repayment of financial assets	**(37,624)**	(130,610)
Unrealised (loss)/gain on financial assets and financial liabilities at fair value through profit or loss:		
Unrealised valuation loss[1]	**(2,023)**	(5,233)
Unrealised foreign exchange (loss)/gain	**(455)**	133
Other unrealised movements on investments[2]	**568**	(61)
Total unrealised loss on financial assets and financial liabilities at fair value through profit or loss	**(1,910)**	(5,161)
Total	**473,754**	443,855

1. Includes unrealised losses in respect of discount rate adjustments made to reflect the uncertainties associated with the Covid-19 pandemic.
2. Other unrealised movements on investments are attributable to the timing of the debt service payments and principal indexation applied.

NOTES TO THE UNAUDITED INTERIM CONDENSED FINANCIAL STATEMENTS CONTINUED
For the period ended 30 June 2021

8. Financial assets at fair value through profit or loss: investment in Subsidiary continued

The difference between the fair value of the Secured Loan Notes and the underlying investments of the Subsidiary is as a result of payment timings and differing application of the effective interest rate in respect of the underlying investments, as set out in the table below.

	30 June 2021 £'000	(Audited) 31 December 2020 £'000
Fair value of the underlying investments held by the Subsidiary	**473,543**	444,235
Principal received from the Subsidiary in respect of an underlying investment	**—**	(400)
Principal received from underlying investments and held by the Subsidiary	**149**	12
Interest rate differential	**62**	8
Fair value of Secured Loan Notes	**473,754**	443,855

Equity – representing one ordinary share in the Subsidiary	30 June 2021 £'000	(Audited) 31 December 2020 £'000
Opening balance	**2,107**	796
Unrealised gain on investment in Subsidiary	**685**	1,311
Total	**2,792**	2,107

Financial assets at fair value through profit or loss	**476,546**	445,962

The above represents a 100% interest in the Subsidiary at 30 June 2021 (31 December 2020: 100%).

9. Other receivables and prepayments

	30 June 2021 £'000	(Audited) 31 December 2020 £'000
Arrangement fees	**41**	49
Other income debtors	**2,206**	6
Prepayments	**24**	53
Total	**2,271**	108

10. Cash and cash equivalents

	30 June 2021 £'000	(Audited) 31 December 2020 £'000
Cash and cash equivalents	**9,455**	9,994
Total	**9,455**	9,994

11. Interest-bearing loans and borrowings

	30 June 2021 £'000	(Audited) 31 December 2020 £'000
Opening balance	**5,000**	9,476
Proceeds from amounts drawn on the RCF[1]	**34,150**	54,599
Repayment of amounts drawn on the RCF	**(4,000)**	(59,075)
RCF drawn at the period/year end	**35,150**	5,000
Loan arrangement fees unamortised	**(34)**	(144)
Total	**35,116**	4,856

1. Excluding the amount drawn down as an alternative to cash cover for the open forward foreign exchange contracts.

Any amounts drawn under the RCF are to be used in, or towards, the making of investments (including a reduction of the available commitment as an alternative to cash cover for entering into forward foreign exchange contracts) in accordance with the Company's investment policy.

On 19 August 2021, the Company entered into an agreement with RBSI to extend the existing RCF by 24 months to August 2023, with an additional one year extension option subject to lender approval.

A total of £120,000 of costs were amortised (30 June 2020: £25,000) as loan arrangement fees during the period and charged through the statement of comprehensive income.

Total drawdowns of £35.2 million were repayable at the period end (31 December 2020: £5.0 million).

During the period, utilisation requests were submitted to RBSI in relation to the open forward foreign exchange contracts. These utilisations restrict the amount available for drawdown on the RCF. At the period end, a utilisation request for the sum of £2.2 million (30 June 2020: £335,000) was in place, which limited the amount available for drawdown to £47.8 million.

Interest on amounts drawn under the RCF is charged at LIBOR plus 2.10% per annum. A commitment fee is payable on undrawn amounts of 0.84%.

The RCF with RBSI is secured against the investment in the Subsidiary.

At 30 June 2021, the Company is in full compliance with all loan covenants stipulated in the RCF agreement.

12. Other payables and accrued expenses

	30 June 2021 £'000	(Audited) 31 December 2020 £'000
Accruals	**402**	520
Loan commitment fee accrued	**61**	84
Loan interest accrued	**—**	2
Investment management fees	**995**	998
Total	**1,458**	1,604

NOTES TO THE UNAUDITED INTERIM CONDENSED FINANCIAL STATEMENTS CONTINUED
For the period ended 30 June 2021

13. Authorised and issued share capital

Share capital account	30 June 2021 Number of shares	30 June 2021 £'000	(Audited) 31 December 2020 Number of shares	(Audited) 31 December 2020 £'000
Ordinary shares issued at no par value and fully paid				
Shares in issue at beginning of the period/year	**442,033,518**	**444,414**	441,544,019	443,915
Equity shares issued through:				
Dividends settled in shares[1]	**–**	**–**	489,499	518
Total shares issued in the period/year	**–**	**–**	489,499	518
Share issue costs	**–**	**–**	–	(19)
Total shares in issue	**442,033,518**	**444,414**	442,033,518	444,414
Treasury shares				
Shares in treasury at beginning of the period/year	**(1,875,000)**	**(1,514)**	–	–
Total shares purchased and held in treasury in the period/year	**(325,000)**	**(293)**	(1,875,000)	(1,514)
Total shares held in treasury	**(2,200,000)**	**(1,807)**	(1,875,000)	(1,514)
Total ordinary share capital excluding treasury shares	**439,833,518**	**442,607**	440,158,518	442,900

1. Dividends settled in shares are where shareholders have elected to take the scrip dividend alternative.

The offer of a scrip dividend alternative was suspended at the Board's discretion, for all 2020 dividends and all 2021 dividends to date, as a result of the likely discount between the scrip dividend reference price and the quarterly NAV per share of the Company. The Board intends to keep the payment of future scrip dividends under review.

During the period, 325,000 (31 December 2020: 1,875,000) ordinary shares of no par value and fully paid were repurchased and held in treasury for an aggregate consideration of £293,000 (31 December 2020: £1,514,000).

The Company's share capital is represented by no par value ordinary shares. At 30 June 2021, the Company's issued share capital comprised 442,033,518 ordinary shares (31 December 2020: 442,033,518), 2,200,000 of which are held in treasury (31 December 2020: 1,875,000).

The ordinary shares carry the right to dividends out of the profits available for distribution as determined by the Board. Each holder of an ordinary share is entitled to attend meetings of shareholders and, on a poll, to one vote for each share held.

The Company may also issue C shares which, when in issue, are classified as a financial liability (refer to note 2.1).

14. Financial instruments

The table below sets out the classifications of the carrying amounts of the Company's financial assets and financial liabilities into categories of financial instruments.

	30 June 2021 £'000	(Audited) 31 December 2020 £'000
Financial assets		
Cash and cash equivalents	**9,455**	9,994
Other receivables and prepayments	**2,271**	108
Total financial assets at amortised cost	**11,726**	10,102
Derivative financial instruments	**80**	158
Financial assets at fair value through profit and loss	**476,546**	445,962
Total financial assets at fair value through profit and loss	**476,626**	446,120
Total financial assets	**488,352**	456,222
Financial liabilities		
Other payables and accrued expenses	**(1,458)**	(1,604)
Revolving credit facilities	**(35,116)**	(4,856)
Total financial liabilities at amortised cost	**(36,574)**	(6,460)
Derivative financial instruments	**(41)**	–
Total financial liabilities at fair value through profit or loss	**(41)**	–
Total financial liabilities	**(36,615)**	(6,460)

14.1 Derivative financial instruments

Derivative financial instruments comprise forward foreign exchange contracts for the purpose of hedging foreign currency exposure of the Company to four Euro and one US Dollar denominated investments made by the Subsidiary (for which the final repayment dates range from 31 March 2023 to 31 December 2024); the investments represent 6.0% of the portfolio by value. The Company intends to utilise the forward foreign exchange contract on a rolling three month basis for the term of the investment.

NOTES TO THE UNAUDITED INTERIM CONDENSED FINANCIAL STATEMENTS CONTINUED
For the period ended 30 June 2021

14. Financial instruments continued

14.1 Derivative financial instruments continued

The table below sets out the forward foreign exchange contracts held by the Company at the period/year end:

30 June 2021	Maturity	Principal amount	Hedged amount	Fair value £'000
Contract EUR/GBP	02 July 2021	(£14,482,390)	€16,779,297	80
Contract EUR/GBP	21 September 2021	(£3,778,844)	€4,403,487	(7)
Contract EUR/GBP	30 September 2021	(£3,521,482)	€4,115,556	(17)
Contract EUR/GBP	02 March 2022	(£8,094,808)	€9,401,310	(12)
Total EUR/GBP		**(£29,877,524)**	**€34,699,650**	**44**
Contract USD/GBP	30 September 2021	(£2,171,947)	$3,008,798	(5)
Total USD/GBP		**(£2,171,947)**	**$3,008,798**	**(5)**
Total		**(£32,049,471)**	**–**	**39**

31 December 2020 (audited)	Maturity	Principal amount	Hedged amount	Fair value £'000
Contract EUR/GBP	12 January 2021	(£9,931,464)	€10,945,467	96
Contract EUR/GBP	22 March 2021	(£4,618,223)	€5,064,806	62
Total		(£14,549,687)	€16,010,273	158

14.2 Capital management

The Company's capital is represented by share capital comprising issued ordinary share capital and its credit facilities, as detailed in note 13 and note 11 respectively.

The Company may seek to raise additional capital from time to time to the extent that the Board and the Investment Manager believe the Company will be able to make suitable investments. The Company raises capital only when it has a clear view of a robust pipeline of advanced investment opportunities to ensure the rapid deployment of capital.

The Company may borrow up to 25% of its NAV at such time any such borrowings are drawn down.

14.3 Fair value of financial assets

Valuation of financial instruments

The Company measures fair values using the following fair value hierarchy that reflects the significance of inputs used in making the measurements. Categorisation within the hierarchy has been determined on the basis of the lowest level input that is significant to their fair value measurement of the relevant assets as follows:

- Level 1: valued using quoted prices unadjusted in active markets for identical assets or liabilities;
- Level 2: valued by reference to valuation techniques using observable inputs for the asset or liability other than quoted prices included in Level 1; or
- Level 3: valued by reference to valuation techniques using inputs that are not based on observable market data for the asset or liability.

An investment is always categorised as Level 1, 2 or 3 in its entirety. In certain cases the fair value measurement for an investment may use a number of different inputs that fall into different levels of the fair value hierarchy. In such cases, an investment level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement requires judgement and is specific to the investment.

The Valuation Agent has carried out semi-annual fair valuations of the financial assets of the Subsidiary (quarterly for investments subject to discount rate changes). The same discount rates, determined by the Valuation Agent, are applied to the future cash flows of the Secured Loan Notes, to determine the fair value of the assets of the Company.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

The table below sets out fair value measurements of financial instruments at the year end, by the level in the fair value hierarchy into which the fair value measurement is categorised. The amounts are based on the value recognised in the unaudited interim condensed statement of financial position. All fair value measurements are recurring.

Financial assets at fair value through profit or loss at 30 June 2021	Level 1 £'000	Level 2 £'000	Level 3 £'000	**Total £'000**
Investment in Subsidiary	–	–	476,546	**476,546**
Derivative financial instruments	–	80	–	**80**
Total	–	80	476,546	**476,626**

Financial assets at fair value through profit or loss at 31 December 2020	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Investment in Subsidiary	–	–	445,962	445,962
Derivative financial instruments	–	158	–	158
Total	–	158	445,962	446,120

Financial liabilities at fair value through profit or loss at 30 June 2021	Level 1 £'000	Level 2 £'000	Level 3 £'000	**Total £'000**
Derivative financial instruments	–	(41)	–	**(41)**

Financial liabilities at fair value through profit or loss at 31 December 2020	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Derivative financial instruments	–	–	–	–

The derivative financial instruments are classified as Level 2 as observable market data is used for valuation and pricing.

The Directors have classified the financial instruments relating to 'Investment in Subsidiary' as Level 3 due to the limited number of comparable and observable market transactions in this sector. The current input for Level 3 at year end is the discount rates for these investments which are considered to be primarily modelled rather than market observed. The secured loan facilities that the Subsidiary has invested in are also classified as Level 3.

The following table shows a reconciliation of all movements in the fair value of financial instruments categorised within Level 3 between the beginning and end of the period:

	30 June 2021 £'000	(Audited) 31 December 2020 £'000
Opening fair value of financial instruments	**445,962**	453,877
Investment in Subsidiary	**69,433**	126,545
Capital repayments from Subsidiary	**(37,624)**	(130,610)
Unrealised (loss)/gain on financial assets at fair value through profit or loss[1]:		
Debt – Secured Loan Notes up to £1,000,000,000	**(1,910)**	(5,161)
Equity – representing one ordinary share in the Subsidiary	**685**	1,311
Closing fair value of financial instruments	**476,546**	445,962

1. Refer to note 8 for further information.

NOTES TO THE UNAUDITED INTERIM CONDENSED FINANCIAL STATEMENTS CONTINUED
For the period ended 30 June 2021

14. Financial instruments continued

14.3 Fair value of financial assets continued

Valuation of financial instruments continued

For the Company's financial instruments categorised as Level 3, changing the discount rate used to value the underlying instruments alters the fair value. In determining the discount rate for calculating the fair value of financial assets at fair value through profit or loss, reference is made to Pound Sterling interest rates, movements of comparable credit markets and observable yield on comparable instruments. Hence, movements in these factors would give rise to changes in the discount rate. A change in the discount rate used to value Level 3 investments would have the effect on the valuation as shown in the table on page 41.

The fair value of the investment in the Subsidiary is based on the aggregate of the NAV of the Subsidiary and the value of the Secured Loan Notes issued by the Subsidiary. At 30 June 2021, the NAV of the Subsidiary was as follows:

	30 June 2021 £'000	(Audited) 31 December 2020 £'000
GABI UK[1]	**2,792**	2,107

1. Refer to note 8 for further information.

The key driver of the NAV of the Subsidiary is the valuation of its portfolio of secured loan facilities issued to the Project Companies.

The Secured Loan Notes issued by the Subsidiary that the Company has subscribed for, are valued on a discounted cash flow basis in line with the methodology used by the Valuation Agent, applying the following discount rates:

	Fair value[1] £'000	Valuation technique	Key unobservable inputs	Discount rate
Financial assets at fair value through profit or loss 30 June 2021	**476,546**	**Discounted cash flow**	**Discount rate**	**8.6%**
Financial assets at fair value through profit or loss 31 December 2020 (audited)	445,962	Discounted cash flow	Discount rate	8.4%

1. Including the NAV of the Subsidiary.

The investments held by the Subsidiary are valued on a discounted cash flow basis, in line with the methodology used by the Valuation Agent. At the period end, discount rates ranged from 5-17% (31 December 2020: 6-17%).

The Directors review the valuation report provided by the Valuation Agent which includes reference to the inputs used in the valuation of investments and the appropriateness of their classification in the fair value hierarchy. In particular, the Directors are satisfied that the significant inputs into the determination of the discount rate adopted by the Valuation Agent are pursuant to the Valuation Agent engagement letter. Should the valuation approach change, causing an investment to meet the characteristics of a different level of the fair value hierarchy, it will be reclassified accordingly.

During the period, there were no transfers of investments between levels.

The table below shows how changes in discount rates affect the changes in the valuation of financial assets at fair value through profit or loss. The range of discount rate changes has been determined with reference to historic discount rates made by the Valuation Agent. In the period, discount rates were adjusted, giving an overall discount rate decrease of 13 basis points, excluding the previously defaulted CHP loan. The decrease reflects tightened spreads and positive performance across the Company's property investments.

30 June 2021 **Change in discount rates**	**(1.00%)**	**(0.50%)**	**0.00%**	**0.50%**	**1.00%**
Value of financial assets at fair value through profit or loss (£'000)	**491,344**	**483,790**	**476,546**	**469,589**	**462,898**
Change in value of financial assets at fair value (£'000)	**14,798**	**7,244**	**—**	**(6,957)**	**(13,648)**

31 December 2020 (audited) Change in discount rates	(1.00%)	(0.50%)	0.00%	0.50%	1.00%
Value of financial assets at fair value through profit or loss (£'000)	461,747	453,684	445,962	438,557	431,447
Change in value of financial assets at fair value (£'000)	15,785	7,722	—	(7,405)	(14,515)

14.4 Liquidity risk

The Directors have elected to present the liquidity disclosure table below to illustrate the net liquidity exposure of the Company. The Company ensures it maintains adequate reserves by continuously monitoring forecast and actual cash flows, matching the maturity profiles of financial assets and liabilities to ensure the Company is able to meet the obligations of the Company as they fall due. The Company is a closed-ended investment company, where assets are not required to meet day-to-day redemptions. The current cash balance plus available borrowing, through the revolving credit facility, enables the Company to meet any funding requirements and finance future investments. The table below analyses all of the Company's assets and liabilities into relevant maturity groupings based on the remaining period from 30 June 2021 to the contractual maturity date.

All cash flows in the table below are presented on an undiscounted basis.

30 June 2021	**Less than one month £'000**	**One to three months £'000**	**Three to twelve months £'000**	**Greater than twelve months £'000**	**Total £'000**
Financial assets					
Financial assets at fair value through profit or loss	**4,755**	**19,741**	**102,118**	**519,751**	**646,365**
Other receivables and prepayments	**2,247**	**17**	**7**	**—**	**2,271**
Derivative financial instruments	**80**	**—**	**—**	**—**	**80**
Cash and cash equivalents	**9,455**	**—**	**—**	**—**	**9,455**
Total financial assets	**16,537**	**19,758**	**102,125**	**519,751**	**658,171**
Financial liabilities					
Other payables and accrued expenses	**(7)**	**(1,352)**	**(99)**	**—**	**(1,458)**
Derivative financial instruments	**—**	**(29)**	**(12)**	**—**	**(41)**
Revolving credit facilities	**(35,116)**	**—**	**—**	**—**	**(35,116)**
Total financial liabilities	**(35,123)**	**(1,381)**	**(111)**	**—**	**(36,615)**
Net exposure	**(18,586)**	**18,377**	**102,014**	**519,751**	**621,556**

NOTES TO THE UNAUDITED INTERIM CONDENSED FINANCIAL STATEMENTS CONTINUED
For the period ended 30 June 2021

14. Financial instruments continued

14.4 Liquidity risk continued

31 December 2020 (audited)	Less than one month £'000	One to three months £'000	Three to twelve months £'000	Greater than twelve months £'000	Total £'000
Financial assets					
Financial assets at fair value through profit or loss	–	10,409	94,589	516,071	621,069
Other receivables and prepayments	55	7	46	–	108
Derivative financial instruments	96	62	–	–	158
Cash and cash equivalents	9,994	–	–	–	9,994
Total financial assets	10,145	10,478	94,635	516,071	631,329
Financial liabilities					
Other payables and accrued expenses	(179)	(1,378)	(47)	–	(1,604)
Revolving credit facilities	(4,856)	–	–	–	(4,856)
Total financial liabilities	(5,035)	(1,378)	(47)	–	(6,460)
Net exposure	5,110	9,100	94,588	516,071	624,869

15. Related party disclosures

As defined by IAS 24 Related Party Disclosures, parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the party in making financial or operational decisions. Subsidiary companies are also determined to be related parties as they are members of the same group of companies.

Directors

The non-executive Directors of the Company are considered to be the key management personnel of the Company. Directors' remuneration for the period (including reimbursement of Company-related expenses) totalled £100,000 (30 June 2020: £101,000). At 30 June 2021, liabilities in respect of these services amounted to £50,000 (31 December 2020: £50,000).

At 30 June 2021, the Directors of the Company held directly or indirectly, and together with their family members, 161,171 ordinary shares in the Company (31 December 2020: 141,521).

Alex Ohlsson is the managing partner of Carey Olsen, the Company's Jersey legal advisers. Carey Olsen has provided legal services to the Company during the period. Carey Olsen maintains procedures to ensure that the Chairman has no involvement in the provision of legal services to the Company. Additionally, the Company maintains procedures to ensure that the Chairman takes no part in any decision to engage the services of Carey Olsen. During the period, the aggregate sum of £2,000 was paid to Carey Olsen (30 June 2020: £17,000) in respect of legal work, of which £nil is outstanding at period end (31 December 2020: £nil).

Investment Manager

The Company is party to an investment management agreement with the Investment Manager dated 28 September 2015 and as amended and restated in December 2020, pursuant to which the Company has appointed the Investment Manager to provide discretionary portfolio and risk management services relating to the assets on a day-to-day basis in accordance with its investment objective and policies, subject to the overall control and supervision of the Board.

As a result of the responsibilities delegated under this investment management agreement, the Company considers it to be a related party by virtue of being 'key management personnel'. Under the terms of the investment management agreement, the notice period of the termination of the Investment Manager by the Company is twelve months.

For its services to the Company, the Investment Manager receives an investment management fee which is calculated and paid quarterly in arrears at an annual rate of 0.9% per annum of the prevailing NAV of the Company less the value of the cash holdings of the Company pro rata for the period for which such cash holdings have been held. The Investment Manager also receives an annual fee of £25,000 in relation to its role as the Company's AIFM, which has been increased annually at the rate of the RPI since IPO.

During the period, the Company incurred £1,985,000 (30 June 2020: £1,918,000) in respect of the services outlined above: £1,972,000 (30 June 2020: £1,905,000) in respect of investment management and advisory services and £13,000 (30 June 2020: £13,000) in respect of AIFM services provided by the Investment Manager. At 30 June 2021, liabilities in respect of these services amounted to £1,001,000 (31 December 2020: £1,004,000).

The Investment Manager, at its discretion, is entitled to an arrangement fee of up to 1% of the value of each investment made by the Company. The Investment Manager typically expects the cost of any such fee to be covered by the borrowers, and not the Company. To date, such fee in respect of all but eight of the Group's investments has been met and paid by borrowers. During the period, the Investment Manager received £99,000 (30 June 2020: £107,000) from arrangement fees which had been met by borrowers and £120,000 (30 June 2020: £nil) from arrangement fees which had been met by the Company. To the extent any arrangement fee negotiated by the Investment Manager with a borrower exceeds 1%, the benefit of any such excess is paid to the Company; for the period to 30 June 2021 the Company received £163,000 (30 June 2020: £72,000).

A number of the directors of the Investment Manager also sit on the board of the Subsidiary.

At 30 June 2021, the key management personnel of the Investment Manager held directly or indirectly, and together with their family members, 1,210,600 ordinary shares in the Company (31 December 2020: 1,244,982). During the period, there were three additions and one removal from the list of key management personnel within the Investment Manager.

The directors of the Investment Manager, and their family members, directly or indirectly own an equity interest in the student accommodation investments held by the Subsidiary. These investments are valued by the Valuation Agent in line with the rest of the portfolio and were approved by the Board at the time of acquisition.

NOTES TO THE UNAUDITED INTERIM CONDENSED FINANCIAL STATEMENTS CONTINUED
For the period ended 30 June 2021

15. Related party disclosures continued

Subsidiary

At 30 June 2021, the Company owned a 100% (31 December 2020: 100%) controlling stake in the Subsidiary. The Subsidiary is considered to be a related party by virtue of being part of the same group. The Company indirectly owns GABI Housing Limited, GABI GS Limited and GABI Blyth; for further information on the Group refer to note 1.

The following tables disclose the transactions and balances between the Company and the Subsidiary.

Transactions	**30 June 2021 £'000**	30 June 2020 £'000
Intercompany income received		
Other income	**2,471**	1,739
Arrangement fee income	**163**	72
Loan interest income received	**17,231**	17,889
Total	**19,865**	19,700

Balances	**30 June 2021 £'000**	(Audited) 31 December 2020 £'000
Intercompany balances receivable	**41**	49
Principal value of intercompany holdings within financial assets at fair value through profit or loss	**479,465**	447,657

16. Subsequent events after the report date

On 22 July 2021, the Company declared a second interim dividend of 1.575 pence per ordinary share amounting to £6.9 million, which was paid on 27 August 2021 to ordinary shareholders on the register on 30 July 2021.

On 19 August 2021, the Company extended the current RCF of £50 million so it will now expire in August 2023. Interest on amounts drawn under the facility will be charged at SONIA plus 2.10% per annum, a commitment fee is payable on undrawn amounts of 0.84% and an arrangement fee of £425,000 was paid, to be amortised over the period of the facility. All terms of the RCF remain the same as the previous £50 million facility except for the interest benchmark which changed from LIBOR to SONIA.

Post period end, the status of the Company's co-living loan and the current bid levels under the accelerated sales process subsequently deteriorated which led the Investment Manager to estimate a consequent reduction in the NAV of 3.69 pence per share. Further information is given in the Chairman's interim statement and Investment Manager's report on pages 5 and 11 respectively.

Further, the Group made three new investments and 14 further advances totalling £16.3 million post period end. The Group also received four repayments totalling £33.8 million. Refer to the Investment Manager's report and the financial review on pages 8 to 18 for further details.

17. Ultimate controlling party

It is the view of the Board that there is no ultimate controlling party.

ALTERNATIVE PERFORMANCE MEASURES ("APMs")

The Board and the Investment Manager assess the Company's performance using a variety of measures that are not defined under IFRS and are therefore classed as APMs. Where possible, reconciliations to IFRS are presented from the APMs to the most appropriate measure prepared in accordance with IFRS.

All items listed below are IFRS financial statement line items unless otherwise stated. APMs should be read in conjunction with the unaudited interim condensed statement of comprehensive income, the unaudited interim condensed statement of changes in equity, the unaudited interim condensed statement of financial position and the unaudited interim condensed statement of cash flows, which are presented in the financial statements section of this report. The APMs below may not be directly comparable with measures used by other companies.

Annualised total shareholder return since IPO

Total shareholder return[1] expressed as a time weighted annual percentage.

This is a standard performance metric across the investment industry and allows comparability across the sector.

Source: Refinitiv

Adjusted EPS

EPS adjusted to remove the effect of discount rate adjustments made to reflect the uncertainties associated with the Covid-19 pandemic.

Adjusted EPS	**Period ended 30 June 2021 (Pence per share)**
Basic and diluted earnings	**3.67**
Adjustments to discount rates in respect of the Covid-19 pandemic	**0.46**
Adjusted EPS	**4.13**

Average LTV

The ratio of a loan or mortgage to a property valuation, averaged across the Company's property investments, expressed as a percentage. This ratio demonstrates the headroom in the underlying asset values to absorb negative movements in property valuations.

Average NAV

The average net asset value of the Company over the reporting period.

Quarter ended	NAV per share (pence)	**Period ended 30 June 2021 £'000**	Period ended 30 June 2020 £'000
31 March 2021 / 2020	102.49 / 99.93	**450,804**	441,189
30 June 2021 / 2020	102.71 / 100.83	**451,737**	445,172
Average NAV	102.60 / 100.38	**451,271**	443,181

Discount

The amount, expressed as a percentage, that the Company's shares trade below the prevailing NAV per share.

Dividend yield

Total dividend declared for the period annualised, relative to the closing share price at the period end, expressed as a percentage.

IRR

IRR is the interest rate at which the net present value of all the cash flows (both positive and negative) from a project or investment equal zero.

The internal rate of return is used to evaluate the attractiveness of a project or investment.

Ongoing charges ratio

Ongoing charges ratio (previously "total expense ratios" or "TERs") is a measure of the annual percentage reduction in shareholder returns as a result of recurring operational expenses assuming markets remain static and the portfolio is not traded.

This is a standard performance metric across the investment industry and allows comparability across the sector and it is calculated in accordance with the AIC's recommended methodology.

1. Refer to relevant APM for further information.

ALTERNATIVE PERFORMANCE MEASURES ("APMs") CONTINUED

Ongoing charges ratio continued

Ongoing charges	30 June 2021 £'000	30 June 2020 £'000
Investment Manager	**1,985**	1,918
Directors' fees	**100**	101
Administration expenses	**775**	644
Total expenses	**2,860**	2,663
Non-recurring expenses	**(146)**	–
Total	**2,714**	2,663
Average NAV[1,2]	**451,270**	443,181
Ongoing charges ratio	**1.2**	1.2

Dividend cover ratio

Ratio of earnings to dividends calculated as dividends per share divided by EPS.

Dividend cover ratio	Period ended 30 June 2021	Period ended 30 June 2020
Total profit and comprehensive income (£'000)	**16,128**	6,901
Weighted average number of shares	**439,957,689**	441,518,106
Basic EPS (p)	**3.67**	1.56
Dividends[3] (p)	**3.15**	3.10
Dividend cover ratio	**1.17**	0.50

Total shareholder return

A measure of the performance of a company's shares over time. It combines share price movements and dividends to show the total return to the shareholder expressed as a percentage. It assumes that dividends are reinvested in the shares at the time the shares are quoted ex dividend.

This is a standard performance metric across the investment industry and allows comparability across the sector.

Source: Refinitiv

NAV total return

A measure of the performance of a company's shares over time. It combines NAV movements and dividends to show the total return to the shareholder expressed as a percentage. It assumes that dividends are reinvested in the shares at the time the shares are quoted ex dividend.

This is a standard performance metric across the investment industry and allows comparability across the sector.

Source: Bloomberg

Premium

The amount, expressed as a percentage, that the Company's shares trade above the prevailing NAV per share.

Weighted average annualised yield

The weighted average yield on the investment portfolio calculated based on the yield of each investment weighted by the principal balance outstanding on such investment, expressed as a percentage.

The yield forms a component of investment cash flows used for the valuation of financial assets at fair value through profit or loss under IFRS 9.

Weighted average discount rate

A rate of return used in valuation to convert a series of future anticipated cash flows to present value under a discounted cash flow approach. This approach is used for the valuation of financial assets at fair value through profit or loss under IFRS 9.

The average rate is calculated with reference to the relative size of each investment.

1. Refer to relevant APM for further information.
2. Based on average NAV for the six month period to 30 June 2021.
3. Includes a quarterly dividend of 1.575 pence per share for the quarter to 30 June 2021, which was declared and paid post period end.

GLOSSARY

Adjusted EPS
Refer to APMs on pages 45 and 46

AIC
The Association of Investment Companies

AIC Code
AIC Code of Corporate Governance

AIFM
Alternative Investment Fund Manager

Annualised total shareholder return since IPO
Refer to APMs on pages 45 and 46

APM
Alternative performance measure

Average LTV
Refer to APMs on pages 45 and 46

Carey Olsen
Carey Olsen Jersey LLP

CHP loan
A loan secured against combined heat and power engines

CIF Law
Collective Investment Funds (Jersey) Law 1988

Companies Law
Companies (Jersey) Law 1991, as amended

Company
GCP Asset Backed Income Fund Limited

Discount
Refer to APMs on pages 45 and 46

Dividend cover ratio
Refer to APMs on pages 45 and 46

Dividend yield
Refer to APMs on pages 45 and 46

DTRs
Disclosure Guidance and Transparency Rules of the FCA

EPS
Earnings per share

ESG
Environmental, social and governance

FCA
Financial Conduct Authority

GABI Blyth
GABI Housing (Blyth) Limited

GABI GS
GABI GS Limited

GABI Housing
GABI Housing Limited

GABI UK and/or the Subsidiary
GCP Asset Backed Income (UK) Limited

GCP Infra
GCP Infrastructure Investments Limited, a third party company advised by the Investment Manager

Group
The Company, GABI UK, GABI GS, GABI Housing and GABI Blyth

HY19
Six months ended 30 June 2019

HY20
Six months ended 30 June 2020

HY21
Six months ended 30 June 2021

IAS
International Accounting Standards

IASB
International Accounting Standards Board

IASC
International Accounting Standards Committee

IFRIC
International Financial Reporting Interpretations Committee

IFRS
International Financial Reporting Standards

Income Tax Law
Income Tax (Jersey) Law 1961, as amended

IPO
Initial public offering

IRR
Internal rate of return
Refer to APMs on pages 45 and 46

LIBOR
London inter-bank offered rate

LSE
London Stock Exchange

LTV
Loan-to-value

NAV
Net asset value

Ongoing charges ratio
Refer to APMs on pages 45 and 46

Premium
Refer to APMs on pages 45 and 46

Project Company
A special purpose vehicle which owns and operates an asset

RBSI
The Royal Bank of Scotland International Limited

RCF
Revolving credit facility

RPI
Retail Price Index

Secured Loan Notes
Loan notes issued to the Company by the Subsidiary

SONIA
Sterling Overnight Index Average

Total shareholder return
Refer to APMs on pages 45 and 46

Weighted average annualised yield
Refer to APMs on pages 45 and 46

Weighted average discount rate
Refer to APMs on pages 45 and 46

CORPORATE INFORMATION

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Joanna Dentskevich
Colin Huelin
Marykay Fuller

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