



19 January 2023

3i Infrastructure plc – Q3 Performance update

Strong growth momentum across the portfolio

3i Infrastructure plc ('3iN' or the 'Company') is an investment company whose purpose is to invest responsibly in infrastructure, delivering long-term sustainable returns to shareholders and having a positive impact on our portfolio companies and their stakeholders.

This statement relates to the period from 1 October 2022 to 31 December 2022 (the 'Period').

Highlights

- **Portfolio performing strongly:** Overall the portfolio has performed well in the Period, exceeding the expectations we set in September 2022, and continues to deliver strong performance.
- **New contracts delivering portfolio company growth:** During the Period, strategically important contracts were signed by TCR, Ionisos, GCX, Tampnet and ESVAGT. Infinis and Valorem also made good progress in growing their respective renewable development pipelines.
- **Completion of further investment in TCR and partial syndication:** Following the completion of the acquisition of DWS's stake in TCR in October, 3iN completed the syndication of a 28% stake for proceeds of c.£190 million in November.
- **Portfolio company financings:** TCR signed a term loan to repay its revolving credit facility and secured a new capex facility to fund growth projects. Joulz has also raised additional fixed rate debt to repay its revolving credit facility.
- **FY23 dividend target:** The Company is on track to deliver the FY23 dividend target of 11.15 pence per share, up 6.7% from FY22, which we expect to be fully covered by net income.
- **Income exceeded expectations in the Period:** Total income and non-income cash of £55 million was received in the Period, ahead of expectations. This compares with total income and non-income cash of £26 million received in the same period last year.

Scott Moseley and Bernardo Sottomayor, Managing Partners and Co-Heads of European Infrastructure, 3i Investments plc, Investment Manager of the Company, commented: "We are pleased with the momentum in the portfolio, which continues to trade ahead of our expectations. The contracts we have announced demonstrate the growth our companies are experiencing, and their resilience, underpinned by the megatrends we have identified."



Portfolio update

Infinis's plans to develop solar energy generation and battery storage are progressing well. The company's combined development pipeline is now 1.5GW. Similarly, **Valorem** closed 74MW of wind projects in France and Greece during the Period and benefits from a healthy 5.7GW pipeline of mainly wind and solar projects in Europe.

We expect the additional details announced during the Period by UK and European governments regarding a levy or price cap on electricity generators to have a limited negative impact, which, when considered together with movements in power prices during the Period, will not result in a significant impact on the September 2022 valuation of 3iN's three renewable generation companies, **Infinis**, **Valorem** and **Attero**.

We have commenced preparations for a potential divestment of **Attero**. Attero is a high quality asset in the energy transition sector and we are expecting significant interest from potential purchasers. Any sale proceeds are expected to contribute towards partially repaying drawings on 3iN's Revolving Credit Facility ('RCF').

Following completion of the acquisition of the DWS stake in **TCR** and subsequent syndication, TCR now represents 14% of the portfolio. TCR had a number of significant contract wins in the Period and it continues to experience increasing demand for its full service rental model. During the Period TCR also completed the bolt-on acquisition of Adaptalift, an Australian headquartered ground service equipment lessor, adding incremental EBITDA to the business.

Ionisos has signed an agreement to acquire E-beam sterilisation facilities for c.€25 million, from Studer Cables AG, a manufacturer of cable solutions and systems located in Daniken, Switzerland. In a capacity constrained market, the acquisition will increase Ionisos's ability to address and meet strong underlying demand growth for sterilisation, whilst diversifying its technology mix and expanding the geographic footprint from which it will service its medical and pharma client base. We expect 3iN will invest c.€5 million into Ionisos to fund this acquisition, with the balance coming from Ionisos's own resources.

ESVAGT's offshore wind joint venture in the United States, CREST, signed its first contract in January 2023. Under the terms of the 15 year agreement with Siemens Gamesa, it will deliver and operate a new vessel to service the large Coastal Virginia Offshore wind park. This win represents an incremental step up in earnings and a key milestone in converting ESVAGT's promising wind farm Service Operation Vessel ('SOV') pipeline in the US market. The pipeline for further new SOVs in the North Sea and the United States is strong. Market conditions and contractual terms within ESVAGT's Emergency Rescue and Response Vessel segment also remain robust, underpinned by an increasing emphasis on security of energy supplies in the North Sea.

Tampnet continues to benefit from demand growth in its end markets, which is translating to strong growth in its underlying EBITDA. During the Period, Tampnet signed important contracts in both the North Sea and Gulf of Mexico, and announced that it has become a reseller of Starlink bandwidth as a complementary offering to its core fibre, cellular and private network products.

GCX has secured a significant Managed Services contract in the Period and is experiencing increasing demand for bandwidth capacity across its network. GCX and Tampnet have announced a strategically important partnership which supports the increasing network connectivity demands of the data centre market in the Nordics.



In line with expectations, we invested a further €18 million into **DNS:NET** in support of its continued fibre roll-out in the Berlin area. We are actively working with the company to optimise its business model and strengthen the management team in order to deliver our investment plan.

New debt finance continues to be available for high quality infrastructure companies. **TCR** and **Joulz** successfully raised further debt financing which will be utilised to repay and replenish their respective revolving credit facilities enabling the funding of further growth of their revenue generating asset bases.

Balance sheet

At 31 December 2022, the Company's cash balance was £75 million, with drawings of £555 million under the £900 million RCF. This cash balance was subsequently reduced by the payment of the interim dividend of £50 million in January 2023.

Ends

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About 3i Infrastructure plc

3i Infrastructure plc is a Jersey-incorporated, closed-ended investment company, an approved UK Investment Trust, listed on the London Stock Exchange and regulated by the Jersey Financial Services Commission. The Company's purpose is to invest responsibly in infrastructure, delivering long-term sustainable returns to shareholders and having a positive impact on our portfolio companies and stakeholders.

3i Investments plc, a wholly-owned subsidiary of 3i Group plc, is authorised and regulated in the UK by the Financial Conduct Authority and is the investment manager of 3i Infrastructure plc.

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This statement aims to give an indication of material events and transactions that have taken place in the period from 1 October 2022 to 31 December 2022 and their impact on the financial position of

3i Infrastructure plc. These indications reflect the Board's current view. They are subject to a number of risks and uncertainties and could change. Factors which could cause or contribute to changes include, but are not limited to, general economic and market conditions and specific factors affecting the financial prospects or performance of individual investments within the portfolio of 3i Infrastructure plc.