



29 September 2023

3i Infrastructure plc – Pre-close update

Expected to deliver another period of outperformance

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 influence on our portfolio companies and their stakeholders.

This statement relates to the period from 1 April 2023 to 28 September 2023 (the 'Period').

Scott Moseley and Bernardo Sottomayor, Managing Partners and Co-Heads of European Infrastructure, 3i Investments plc, Investment Manager of the Company, commented:

"3i Infrastructure plc is unique in the infrastructure sector. The Attero realisation continues our extensive track record of creating value through successfully managed exit processes and provides further evidence of our ability to sell portfolio companies at a significant uplift to book value. Our portfolio continues to deliver strong earnings growth and attractive reinvestment opportunities across the majority of our assets. These factors are likely once again to drive performance ahead of 3iN's target return."

Highlights

- **Attero sale:** Represents a c.31% uplift to our latest valuation, demonstrating the resilient demand for high-quality infrastructure businesses. This exit also extends the Investment Manager's track record of achieving exits a material premium to NAV. Completion is expected in Q3 FY24 subject to regulatory approval.
- **Portfolio** continues to deliver strong earnings growth and reinvestment opportunities:
 - **ESVAGT** is experiencing high utilisation and day rates across all segments. A new ten-year contract with Ørsted was signed in July, under which ESVAGT will deliver an additional renewable-fuel-enabled Service Operation Vessel ('SOV') in support of the Hornsea 3 wind park. ESVAGT is the clear market leader in European SOV provision and is actively pursuing an attractive pipeline of additional contracts in both Europe and the US
 - **TCR** has delivered another period of strong performance, with earnings growth materialising more rapidly than envisaged in our valuation case. In the period, new contracts were won in multiple jurisdictions across Europe, the US and Australia. TCR is experiencing supportive structural tailwinds including an increasingly attractive product offering relative to finance leases, a continued push by airports to switch to electric equipment when available, as well as an increasingly global presence
 - **Tampnet** has again outperformed our expectations. Digitalisation of the offshore energy sector is gaining momentum and is supporting demand for Tampnet's critical industrial use cases, including private networks. The unique opportunity available for Tampnet in



facilitating the energy transition offshore is increasingly apparent, with noteworthy momentum starting to materialise in the carbon capture and offshore wind segments. During the Period, Tampnet acquired DasNetz AG, an operator in the North Sea offshore wind telecommunications segment

- **Future Biogas** has performed well since acquisition and is actively progressing its investment pipeline. The proof of demand for Future Biogas's offering was evidenced in the Period, as the company announced it had signed a gas supply agreement with AstraZeneca ('AZ'). 3iN subsequently invested a further £35 million in Future Biogas to fund the construction of the UK's first unsubsidised anaerobic digestion plant in support of the AZ contract. The plant will supply over 100GWh of biomethane to AZ's UK sites
 - **Ionisos** closed a €60 million debt raise and 3iN invested €5 million of additional equity to fund the acquisition of the E-beam facility in Daniken and other advanced projects
 - **Valorem and GCX** have also outperformed our investment case. Valorem successfully raised a €75 million Green Euro PP and is finalising the farm down of a minority stake in a subset of its French operational portfolio at attractive terms, despite the current volatile market environment. GCX is actively pursuing multiple opportunities which would maximise the value of its existing cables and reposition the business as a leading subsea platform for growth
 - On 15 June, 3iN made a further investment into **DNS:NET** of €24 million to fund the continued growth of its fibre network. DNS:NET continues to face a more challenging fibre sector outlook in Germany, resulting in significant delays in the rollout of its network around Berlin. As a result, we have effected significant organisational changes, impacting both processes and people, with the arrival of new CEO Ralph Steffens and an interim CFO. We will be reflecting their initial assessment of an achievable business plan in the September valuation
- **Income slightly ahead of expectations in the Period:** Total income and non-income cash in the Period was £103 million, up 5% from the same period last year.
 - **FY24 dividend target:** The Company is on track to deliver the FY24 dividend target of 11.90 pence per share, up 6.7% from FY23, which is expected to be fully covered by net income.
 - **No material near-term refinancing risk in the portfolio:** As disclosed in the FY23 results, there are no material refinancing requirements in the portfolio until 2026. As at the Period end date, c.92% of portfolio company debt is either hedged or fixed rate and we expect that c.88% of portfolio company debt will mature beyond the next three years.

Balance Sheet

At 29 September 2023, the Company was €724 million (£625 million) drawn into its £900 million Revolving Credit Facility ('RCF') and has a cash balance of £6 million. All drawings are in euros, with the cost of debt linked to Euribor. The €215 million proceeds expected from completion of the Attero realisation will be used to reduce the outstanding balance of the RCF. The RCF commitments run to November 2026, after we exercised the second one-year extension option available under the terms of the facility during the Period.



Ends

For information, please contact:

Thomas Fodor	Shareholder enquiries	+44 20 7975 3469
Kathryn van der Kroft	Media enquiries	+44 20 7975 3021

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 influence on our portfolio companies and their 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.

This press release is not for distribution (directly or indirectly) in or to the United States, Canada, Australia or Japan and is not an offer of securities for sale in or into the United States, Canada, Australia or Japan. Securities may not be offered or sold in the United States absent registration under the U.S. Securities Act of 1933, as amended (the 'Securities Act'), or an exemption from registration under the Securities Act. Any public offering to be made in the United States will be made by means of a prospectus that may be obtained from the issuer or selling security holder and will contain detailed information about 3i Group plc, 3i Infrastructure plc and management, as applicable, as well as financial statements. No public offering in the United States is currently contemplated.

This statement aims to give an indication of material events and transactions that have taken place in the period from 1 April 2023 to 28 September 2023 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.