



HICL Infrastructure PLC Interim Results Presentation

22 November 2023

For Investment Professionals (as defined under FSMA 2000). Individuals without professional experience in matters relating to investments should not rely on this information

By attending the meeting where this presentation is made, or by reading the presentation slides, you agree to be bound by the following limitations:

This document contains information provided solely as an update on the financial condition, results of operations and business of HICL Infrastructure PLC and their respective operations. This document has not been approved by a person authorised under the Financial Services and Markets Act 2000 ("FSMA") for the purposes of section 21 FSMA. The contents of this document are not a financial promotion and none of the contents of this document constitute an invitation or inducement to engage in investment activity. If and to the extent that this document or any of its contents are deemed to be a financial promotion, HICL ("HICL" meaning HICL Infrastructure Company Limited prior to 31 March 2019 and HICL Infrastructure PLC from 1 April 2019 onwards) is relying on the exemption provided by Article 69 of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005/1529 in respect of section 21 FSMA. The recipients of this presentation should not engage in any behaviour in relation to financial instruments which would or might amount to an offence under the Market Abuse Regulation (EU) No. 596/2014.

No representation or warranty, express or implied, is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information, or opinions contained herein. Neither HICL, nor any of HICL's advisers or representatives, including its investment manager, InfraRed Capital Partners Limited, shall have any responsibility or liability whatsoever (for negligence or otherwise) for any loss howsoever arising from any use of this document or its contents or otherwise arising in connection with this document. The information set out herein may be subject to updating, completion, revision, verification and amendment and such information may change materially. Neither HICL nor any other person is under an obligation to keep current the information contained in this document.

This document has not been approved by the UK Financial Conduct Authority or any other regulator. This document does not constitute or form part of, and should not be construed as, an offer, invitation or inducement to purchase or subscribe for any securities nor shall it or any part of it form the basis of, or be relied upon in connection with, any contract or commitment whatsoever. This document does not constitute a recommendation regarding the securities of HICL.

The publication and distribution of this document may be restricted by law in certain jurisdictions and therefore persons into whose possession this document comes or who attend the presentation should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions could result in a violation of the laws of such jurisdiction. In particular, this document and the information contained herein, are not for publication or distribution, directly or indirectly, to persons in the United States (within the meaning of Regulation S under the US Securities Act of 1933, as amended (the "Securities Act")) or to entities in Canada, Australia or Japan. The securities of HICL have not been and will not be registered under the Securities Act and may not be offered or sold in the United States except to certain persons in offshore jurisdictions in reliance on Regulation S. Neither these slides nor any copy of them may be taken or transmitted into or distributed in Canada, Australia, Japan or any other jurisdiction which prohibits the same except in compliance with applicable securities laws. Any failure to comply with this restriction may constitute a violation of the United States or other national securities laws. In EU member states, HICL's shares will only be offered to the extent that HICL: (i) is permitted to be marketed into the relevant EEA jurisdiction; or (ii) can otherwise be lawfully offered or sold (including on the basis of an unsolicited request from a professional investor).

An investment in HICL will involve certain risks. This presentation and subsequent discussion may contain certain forward looking statements with respect to the financial condition, results of operations and business of HICL and its corporate subsidiaries. These forward-looking statements represent HICL's expectations or beliefs concerning future events and involve known and unknown risks and uncertainty that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. HICL's targeted returns are based on assumptions which HICL considers reasonable. However, there is no assurance that all or any assumptions will be justified, and HICL's returns may be correspondingly reduced. In particular, there is no assurance that HICL will achieve its distribution and IRR targets (which for the avoidance of doubt are targets only and not profit forecasts). There can be no assurance that HICL will achieve comparable results to those contained in this document, that any targets will be met or that HICL will be able to implement its investment strategy. Additional detailed information concerning important factors that could cause actual results to differ materially is available in HICL's Interim Report for the six months ended 30 September 2023 available from HICL's website. Unless otherwise stated, the facts contained herein are accurate as at 30 September 2023.

Past performance is not a reliable indicator of future returns. Capital and income at risk.

Interim Results Highlights & Investment Proposition

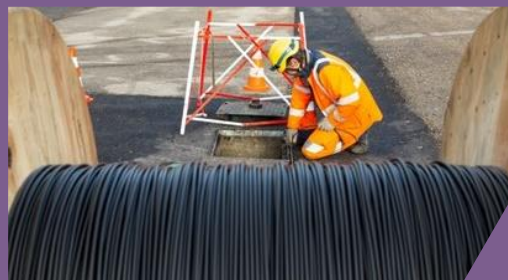
1. Core positioning

- Essential infrastructure
- Inflation protection
- Lower end of risk spectrum



2. Active management

- Hands-on approach
- Active asset rotation
- Driving outperformance



3. Established pedigree

- Specialist management
- Long track record
- Global capability



Strategic asset rotation

£208m / £324m¹
acquisitions / disposals

- △ Enhanced portfolio composition
- △ 9 assets disposed at or above their 31 March 2023 valuations
- △ All key portfolio metrics improved or maintained

Disciplined capital management

c. £380m²
reduction in RCF drawings

- △ RCF drawings to reduce to c.£115m² and floating rate exposure capped³
- △ Fund level gearing reduced from 16% to c.10%²
- △ Disciplined approach to acquisitions

Increased long term returns

8.0% p.a.
weighted average discount rate

- △ Discount rate increased by 80bps from 31 March 2023
- △ Continued robust portfolio performance
- △ 8.7% total return since IPO⁴

1. The sale of Northwest Parkway completed in the period. The remaining 8 disposals will be completed in H2 FY2024
2. Post completion of all the announced disposals
3. In July 2023 the Company purchased an option to cap £200m of its SONIA exposure to 6.5% for three years
4. Based on interim dividends paid plus the change in NAV per share

Solid performance amidst volatile financial markets

159.4p

NAV per share

31 March 2023: 164.9p

8.2%

Annualised underlying
portfolio return¹

30 September 2022: 13.0%

8.25p

Dividend per share
guidance² for FY24 & FY25

1.35x³ / 1.05x

Dividend cash cover
including³ / excluding
profits on disposal

September 2022: 1.58x / 1.03x



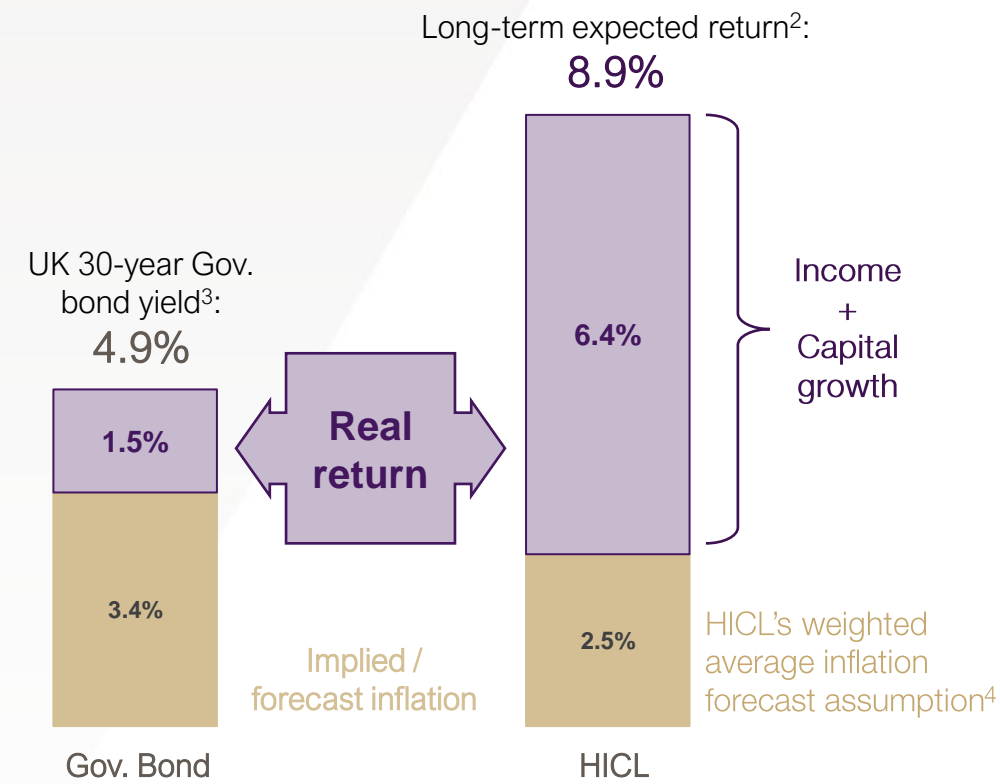
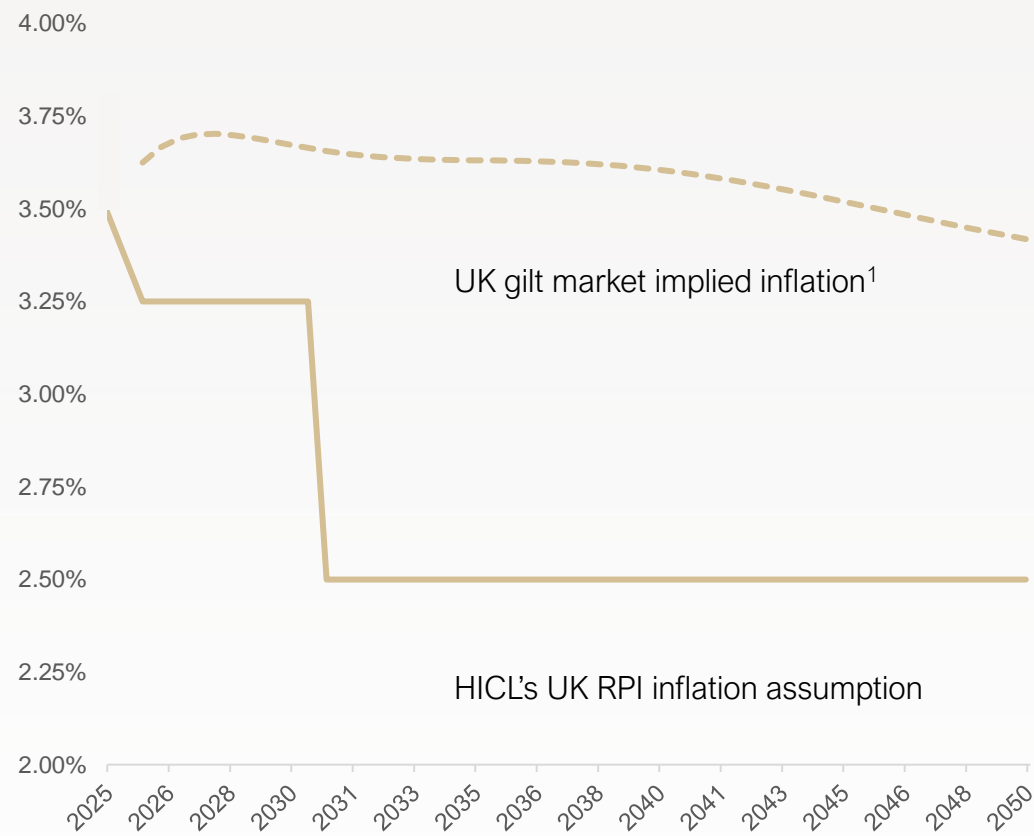
1. Before the impact of changes to reference discount rates or macroeconomic assumptions
2. This is a target only and not a profit forecast. There can be no assurance that this target will be met
3. Includes the profit versus original cost of £25.3m on the partial sale of Northwest Parkway

Attractive long-term real returns from income and capital growth



HICL's long-term UK inflation assumption is below market implied levels

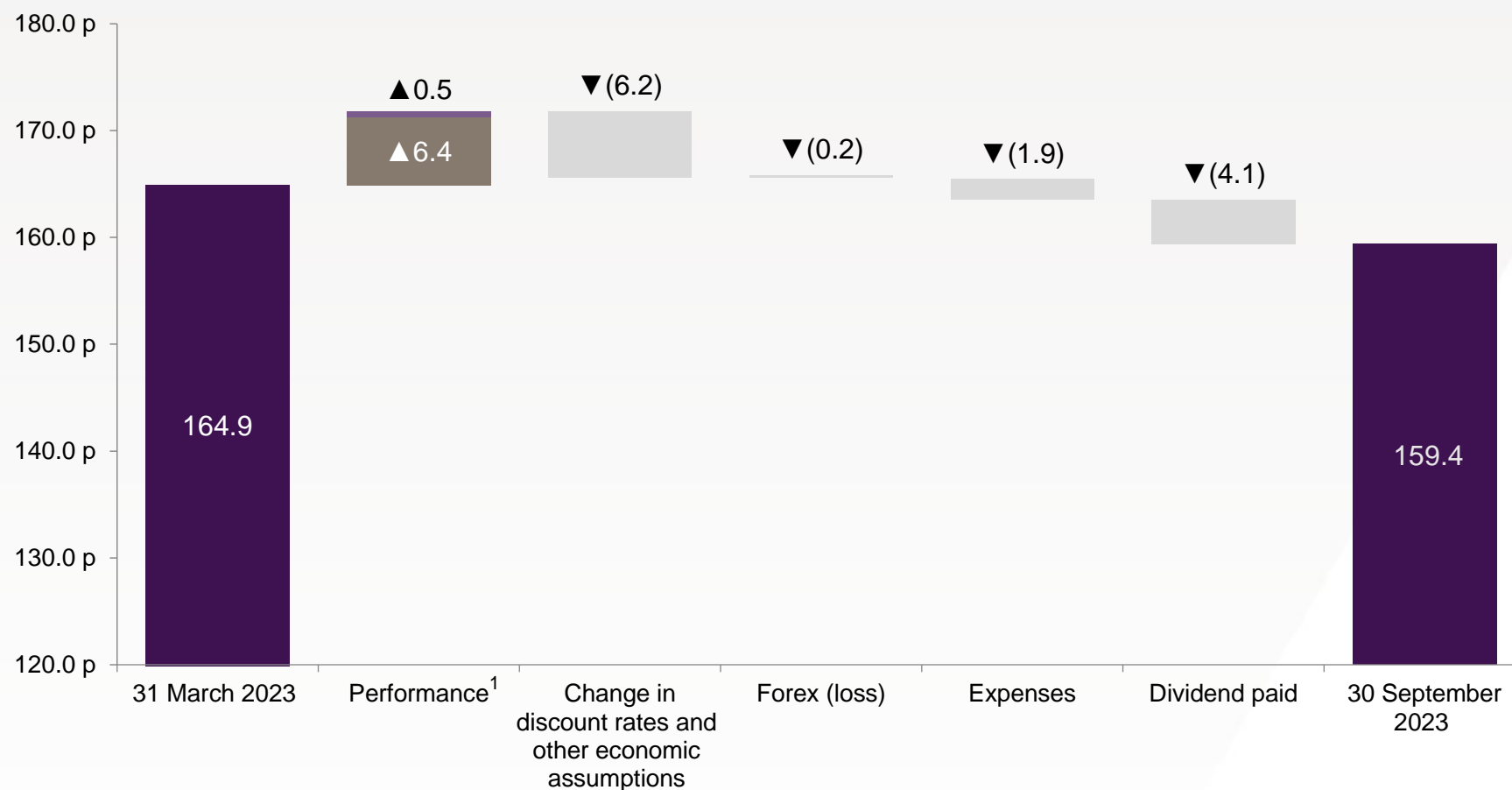
Discount rate implies portfolio return² (net of costs) of inflation + 6.4%



1. Source: Bank of England. UK Gilt implied inflation spot curve as at 30 September 2023
2. Base case expected return (discount rate) before value enhancement activities and corporate costs, adjusting for the Company's share price as at 30 September 2023
3. As at 30 September 2023
4. Based on inflation assumptions (see page 45) across HICL's entire portfolio

Financial Performance

Portfolio's strong inflation correlation offsets increased discount rates



Net debt²
£496.8m / c. £115m
 Pre / post committed disposals

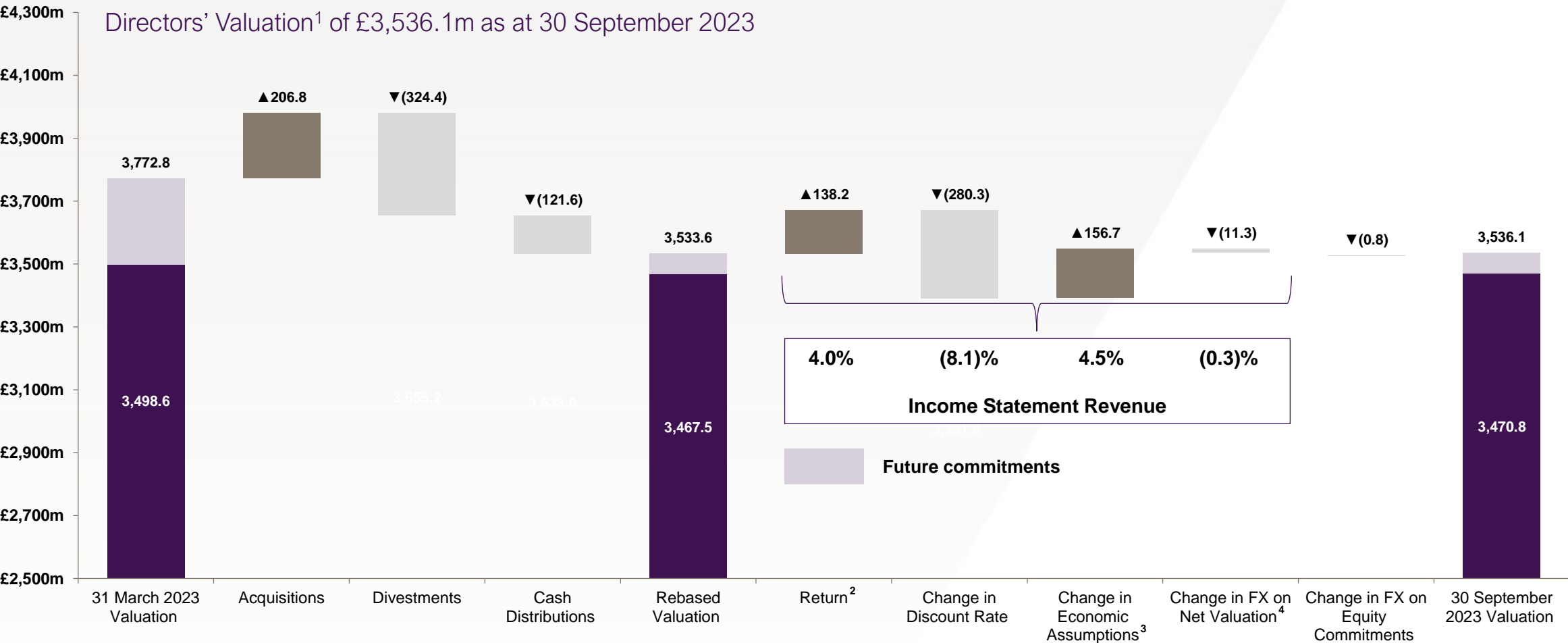
Fund gearing³
16% / c.10%
 Pre / post committed disposals

OCR⁴
1.11%

1. Performance comprises the unwinding of the discount rate (Value Preservation) and the Investment Manager's Value Enhancement initiatives. These initiatives include realised profit on disposals
 2. £(147.6)m as at 31 March 2023

3. 16% as at 31 March 2023. The available liquidity (cash plus the balance on the RCF) is £287.6m (31 March 2023: £486.7m)
 4. 1.09% as at 31 March 2023

Solid portfolio performance

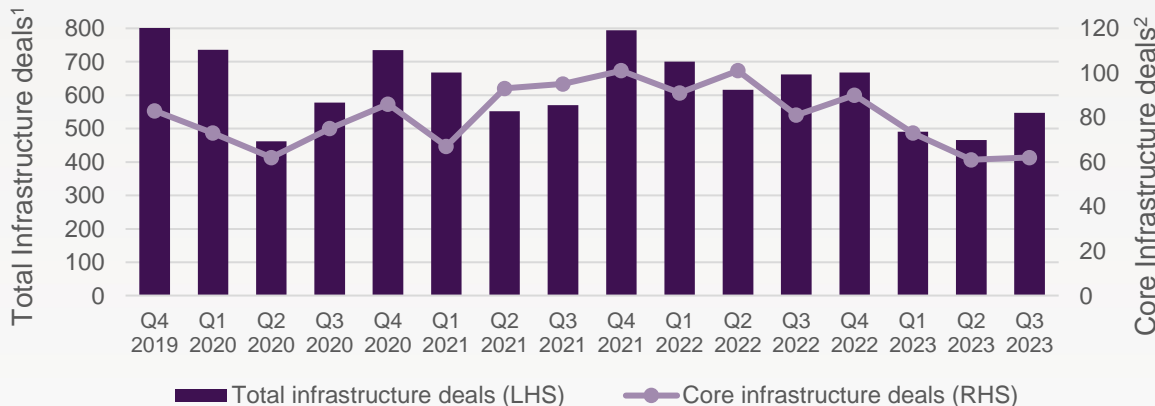


Past performance is not a reliable indicator of future returns. Capital and income at risk

1. On an Investment Basis, split into investments at fair value (dark purple) and future commitments (light purple)
2. "Return" comprises the unwinding of the discount rate and portfolio outperformance, excluding the impact of changes in economic assumptions and reference discount rates
3. Principally forecast inflation assumptions
4. FX movement, net of hedging, is a £(3.4)m loss

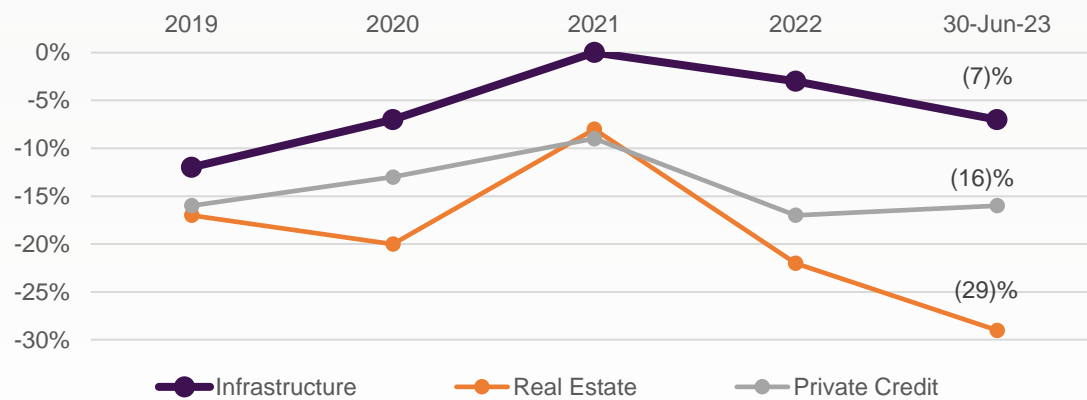
Significant private / public dislocation in infrastructure valuations

Private Infrastructure Market Remains Active



9 assets / £324m
of HICL disposals all at or above carrying value since 31 March 2023

Private Secondaries Pricing Discount to NAV³



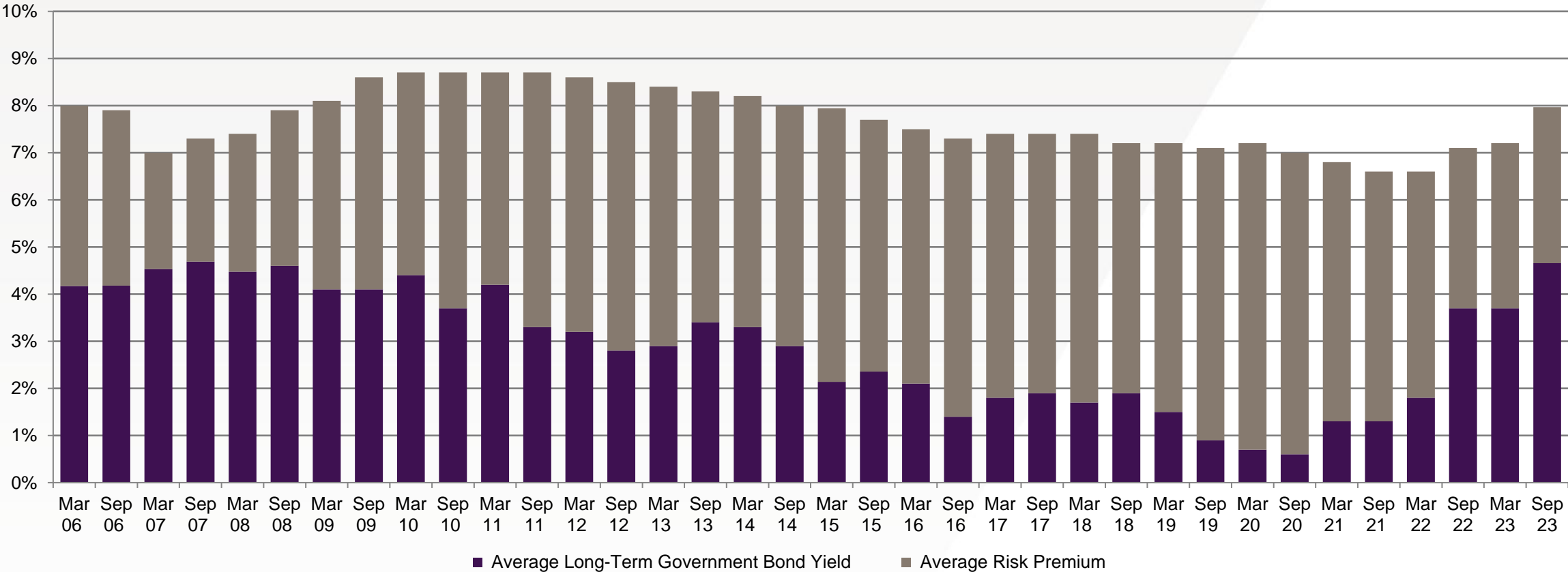
Average Public Market Discount to NAV⁴

30 June 2023

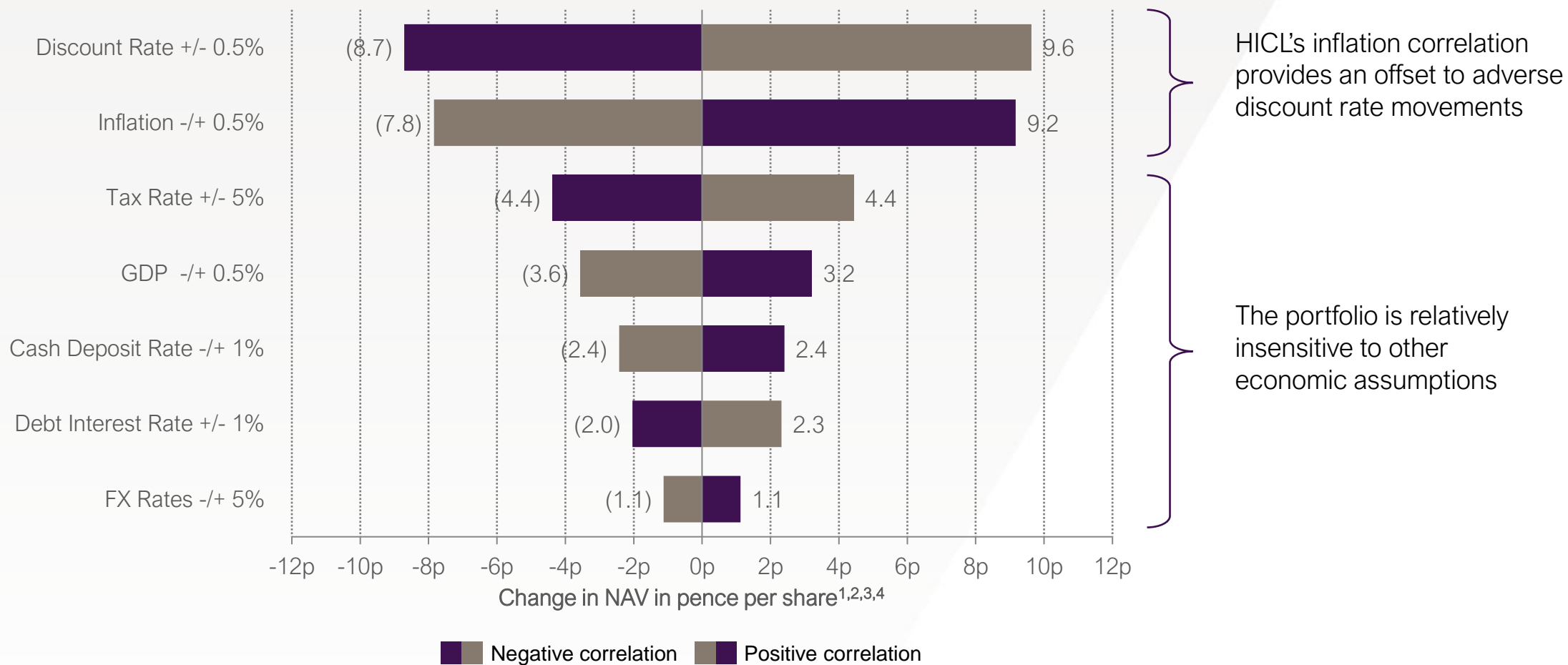
| | |
|------------------------------|--------------|
| Listed Infrastructure | (21)% |
| Listed Private Credit | (17)% |
| Listed Real Estate | (31)% |

1. Infrastructure deals source: Preqin
 2. Core infrastructure deals source: Combination of Infralogic and InfraRed internally reviewed deal universe
 3. Secondaries pricing source: Greenhill Secondary Market Review – H1 2023
 4. Source: Bloomberg as at 30 June 2023, using AIC defined investment trust sectors

Weighted average discount rate of 8%



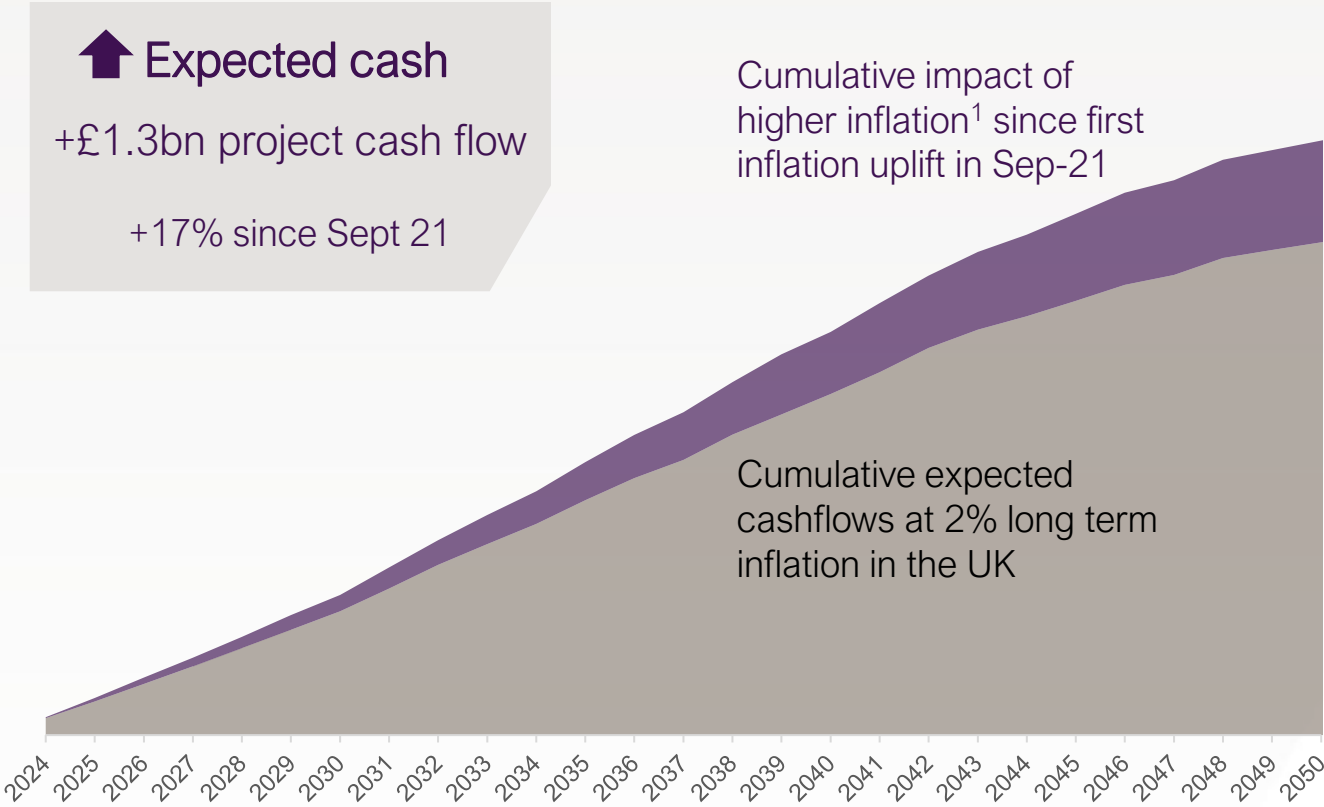
Balanced portfolio construction



Past performance is not a reliable indicator of future returns. Capital and income at risk

1. NAV per share based on 2,031 million Ordinary Shares as at 30 September 2023
 2. Sensitivities for inflation, interest rates and tax rates are based on the 35 largest investments extrapolated for the whole portfolio
 3. Sensitivities for the debt interest rate are based on the six investments with refinancing requirements – Affinity Water (UK), Northwest Parkway (USA), TNT (USA), XLT (UK), Fortysouth (NZ) and Altitude Infra (France)
 4. Foreign exchange rate sensitivity is net of Group hedging at 30 September 2023

Cashflows benefitting from high inflation correlation



Near-term cashflow impact influenced by:

Contractual structure

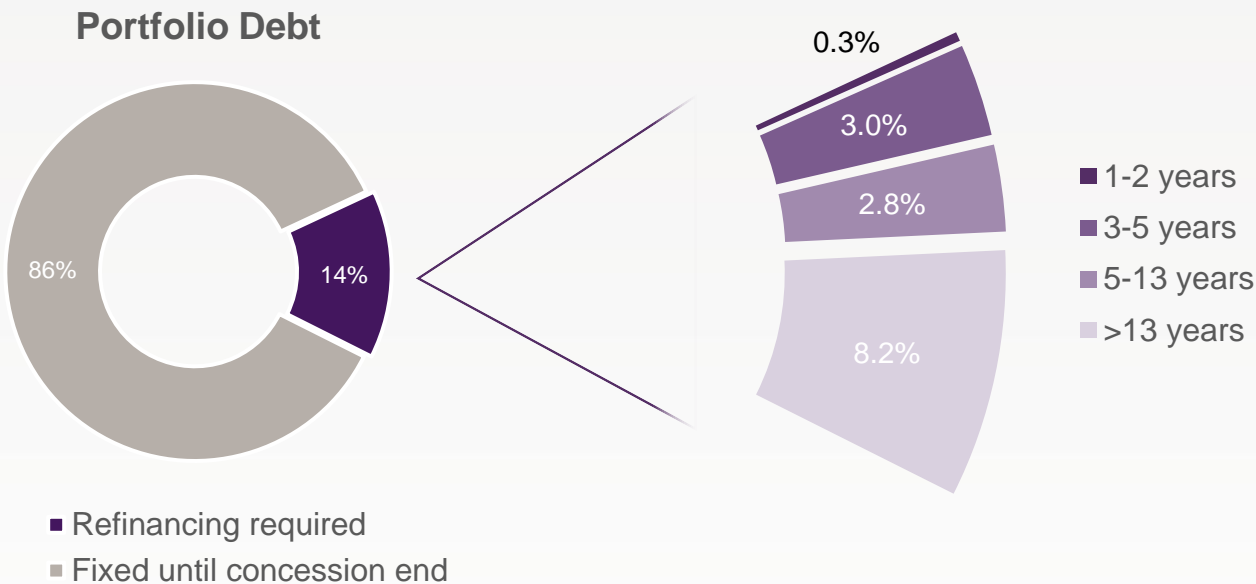
Operational considerations

Reinvestment in future growth

Past performance is not a reliable indicator of future results. There can be no assurance that targets will be met or that the Company will make any distributions, or that investors will receive any return on their capital. Capital and income at risk.

1. Actual inflation uplift, and increase to forecast inflation rates

Limited portfolio refinancing exposure



HICL's portfolio gearing¹ **67%**

Average gearing of assets with refinancing risk² **49%**

Opportunities exist to deliver value from refinancing

Note: Percentage of debt maturing has been calculated based on the total debt of assets exposed to refinancing risk

1. Based on the 30 September 2023 valuation, noting that all debt is non-recourse

2. Gearing for assets exposed to refinancing requirements is calculated based on the 30 September 2023 valuation

Portfolio Performance

HICL invests in core infrastructure assets with highly defensive qualities, attractive in volatile markets

Cash Flow Quality



Stable revenues



Lower operational complexity

Market Positioning



Defensive positioning



Stable, high barriers to entry

Criticality

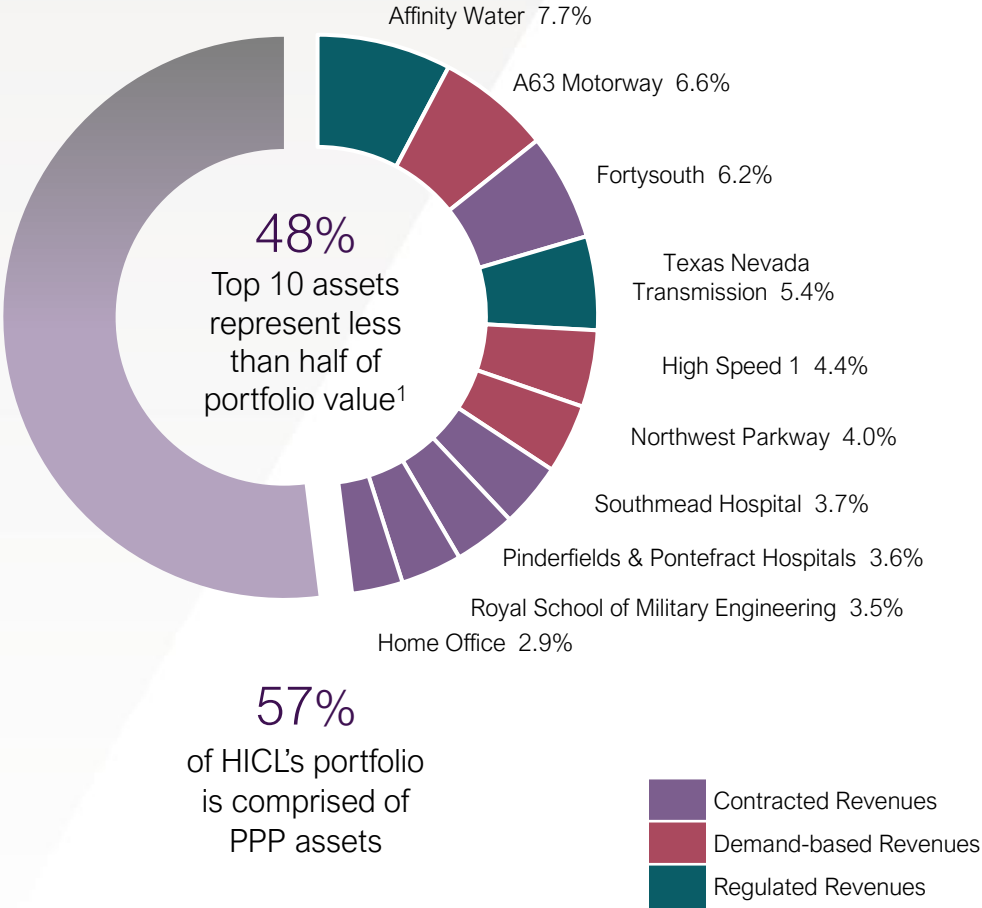
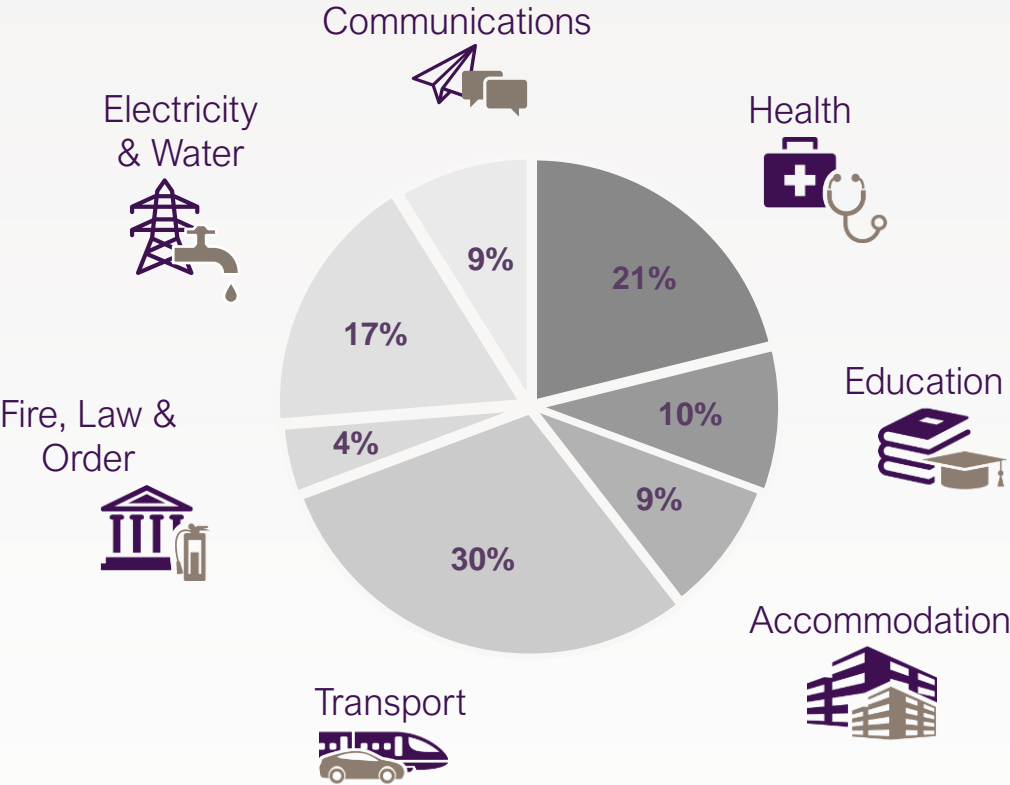


Essential assets



Social licence

Highly diversified portfolio



Operational update – Affinity Water (7.7% of portfolio)

- △ Water-only company (non-sewage) serving over 3.8m customers across London, the South and South East of the UK
- △ Experienced management team led by Keith Haslett
- △ Operational performance slightly ahead of expectations as a result of effective cost control
- △ Continued to improve relative performance in Ofwat's latest Water Company Performance Report:
 - Sector-leading three-year average leakage reduction of 15.8%¹ vs 14% target
 - Ahead of performance commitment for water quality in every year of AMP7²
- △ Robust capital structure; no refinancing exposure for the remainder of AMP7
- △ PR24³ business plan published on 2 October, which supports the resumption of distributions in 2025

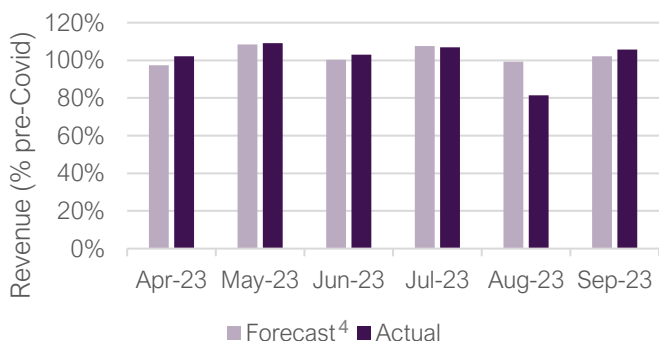


1. Measured as a three-year average reduction from a 2019-20 baseline
2. The UK water industry regulatory period from 2020 to 2025
3. The Ofwat 2024 price review process that sets prices for the period from April 2025 to March 2030

Operational update – key demand-based assets

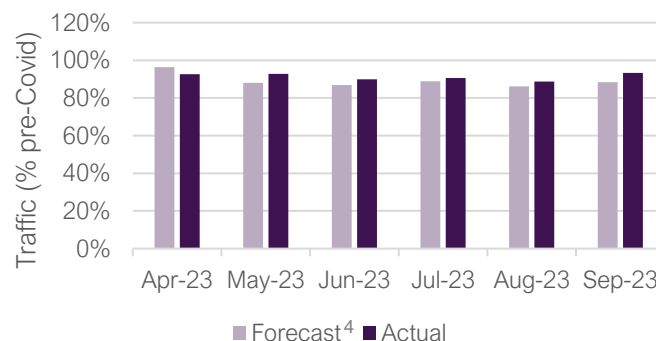
A63 Motorway (6.6% of portfolio)

- △ Light vehicle traffic 5% higher than in H1 FY23
- △ HGV traffic broadly flat when compared with H1 FY23
- △ Toll revenue broadly in line with HICL's valuation assumption except for August 2023¹



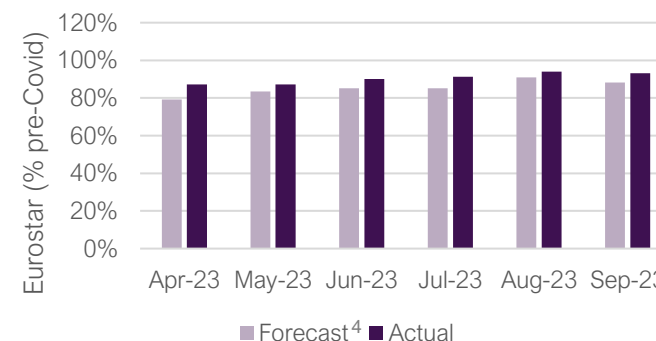
Northwest Parkway (4.0% of portfolio)

- △ Traffic in H1 FY24 increased by 6% vs H1 FY23 and was slightly above HICL's valuation assumption
- △ Inflation-linked toll increases of over 8% implemented in May-23
- △ c.10% increase in passenger numbers at Denver International Airport in the period vs H1 FY23²



High Speed 1 (4.4% of portfolio)

- △ Shareholder distributions resumed in Jun-23
- △ Eurostar bookings slightly ahead of forecast at 91% of pre-Covid levels; forecast to fully recover by Mar-25
- △ Domestic services benefit from contractual underpin from DfT³; still forecast to be c.25% below pre-Covid levels until Mar-28



1. Tolls were partially suspended between 9 August and 25 August 2023 due to a traffic accident; revenue loss expected to be fully recovered through insurance
2. Passenger numbers sourced from Denver International Airport Passenger Traffic Reports
3. The contractual underpin guarantees the equivalent of 96% of pre-Covid revenues for domestic services for the length of the concession
4. Refers to the forecast assumed in the asset valuation as at 31 March 2023

Fortysouth (6.2% of portfolio)

- △ Carved-out TowerCo fully staffed with c.30 full time employees, ahead of schedule
- △ Revenues and costs in line with expectations, underpinned by 40-year anchor tenancy contract with One NZ¹
- △ Accelerated tower upgrade programme to meet 5G targets
- △ No refinancing exposure until 2027



Texas Nevada Transmission (5.4% of portfolio)

- △ Operational performance in line with acquisition assumptions with both networks achieving > 99.9% average availability
- △ Facility inspections and annual planning assessment demonstrate that network meets or exceeds required standards
- △ Increased debt costs partially mitigated through regulation
- △ Opportunity to connect new generation sources to grid



1. Formerly known as Vodafone New Zealand

Investment Activity and Market Outlook

Focused strategy underpinned by investment discipline



Acquisitions¹

Altitude Infra



Hornsea II OFTO



Cross London Trains



Fortysouth



B247 Road



Texas Nevada Transmission



Disposals¹

PSPB North-East



Northwest Parkway



Romford Hospital



Bradford Schools I



Bradford Schools II



Sheffield Student Accommodation



Oxford John Radcliffe



South Ayrshire Schools



Queen Alexandra Hospital



1. Bold pictures indicate transactions in the period

Track record of highly selective divestments

Disposal track record:

25

Asset disposals
since IPO

c.£830m

Total proceeds since
IPO

>7.5p

NAV outperformance
since IPO

Disposal methodology:



Portfolio-wide **quantitative** approach to
identifying disposal candidates with
regular Board involvement

**Disposal
process only
considered
if it will:**



Result in an overall positive impact on HICL accretion metrics;

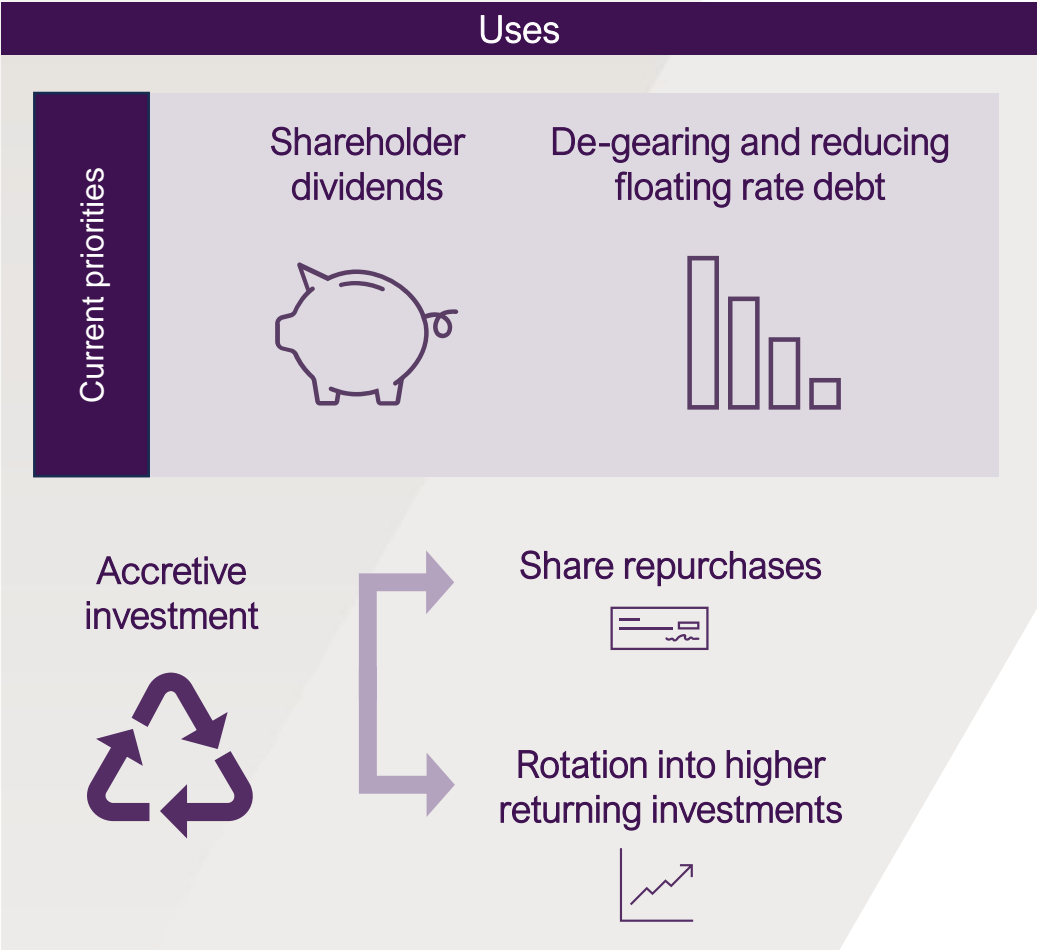


Improve sector or geographic diversification; or

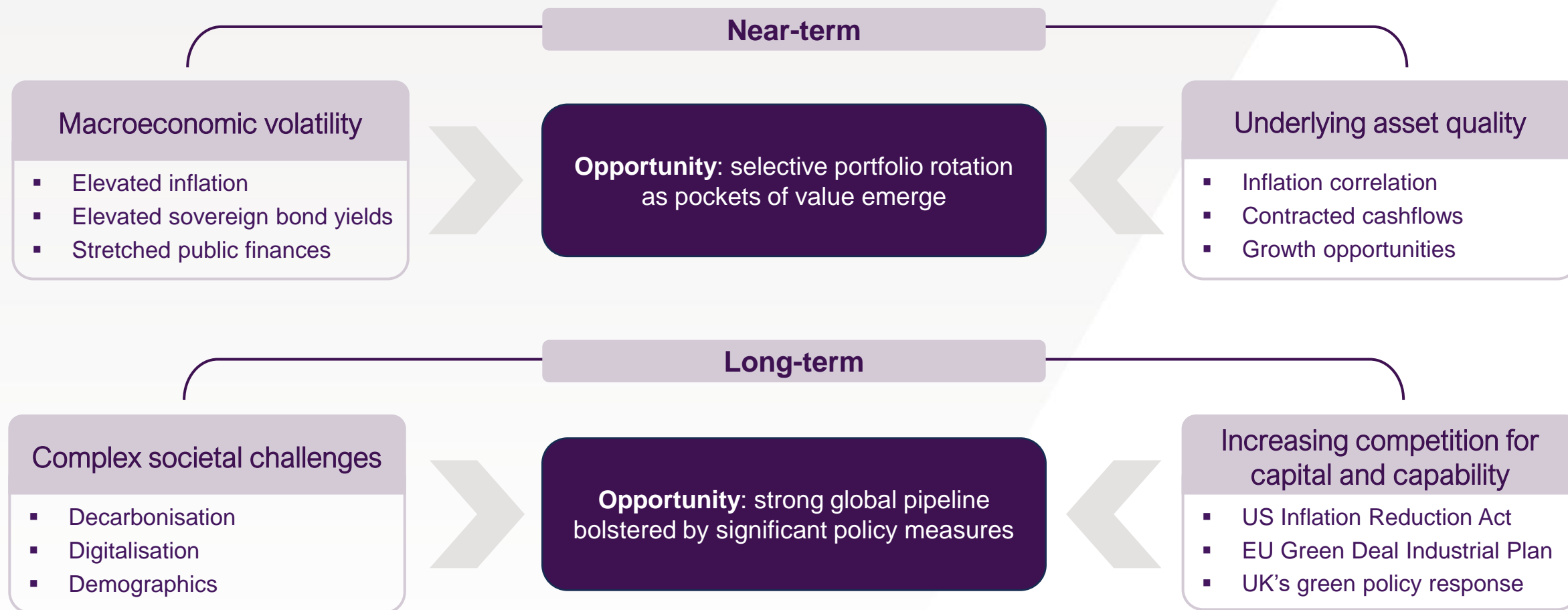


Improve risk exposure (counterparty, residual value etc).

A disciplined and responsible approach to capital allocation



Increasing global competition for quality infrastructure investment



Concluding Remarks

HICL well positioned to navigate challenging external environment

Strategic asset rotation



Robust portfolio performance



Increased long term returns



Supportive strategic backdrop



HICL

Appendix I

The Investment Manager

Overview of InfraRed Capital Partners Ltd (“InfraRed”)

InfraRed is the Investment Manager and Operator



- △ Strong, 25+ year track record of launching 11 infrastructure funds (including HICL and TRIG)
- △ Currently over US\$14bn of equity under management¹
- △ London headquartered, with offices in New York, Seoul and Sydney, with over 190 partners and staff
- △ In July 2020, a majority stake of InfraRed was acquired by Sun Life Financial Inc. (together with its subsidiaries and joint ventures, “Sun Life”). The Sun Life acquisition provides further support to InfraRed in its role as Investment Manager to HICL



| Infrastructure funds | Strategy | Amount ² (m) | Years | Status |
|--|--------------------------|-------------------------|------------|-----------------|
| Fund I | Unlisted, capital growth | £125 | 2001-2006 | Realised |
| Fund II | Unlisted, capital growth | £300 | 2004-2015 | Realised |
| HICL Infrastructure PLC (“HICL”) | Listed, income yield | £2,519 | Since 2006 | Evergreen |
| Environmental Fund | Unlisted, capital growth | €235 | Since 2009 | Realised |
| Fund III | Unlisted, capital growth | US\$1,015 | Since 2011 | Divesting |
| Yield Fund | Unlisted, income yield | £500 | Since 2012 | Invested |
| The Renewables Infrastructure Group (“TRIG”) | Listed, income yield | £2,648 | Since 2013 | Evergreen |
| Fund V | Unlisted, capital growth | US\$1,215 | Since 2017 | Fully allocated |

1. As at 30 September 2023

2. For HICL and TRIG this relates to market capitalisation as at 30 September 2023. For all others this relates to the initial fund investment amount, and not the current fund valuations

InfraRed – Infrastructure Team Skills and Experience



- △ Proven track record in target markets of UK, Europe, North America and Australia / New Zealand
- △ Focused teams including:
 - Origination and Execution Team responsible for sourcing, diligencing and acquiring new investment opportunities;
 - Asset Management Team responsible for managing the portfolio;
 - Fund Management Team responsible for strategy reporting and overall management;
 - With support from Finance, Compliance and Risk
- △ Strong sector and geographic experience with in-depth technical, operational and investment knowledge

100+

infrastructure
professionals

4

continent
coverage

20

spoken
languages



HICL

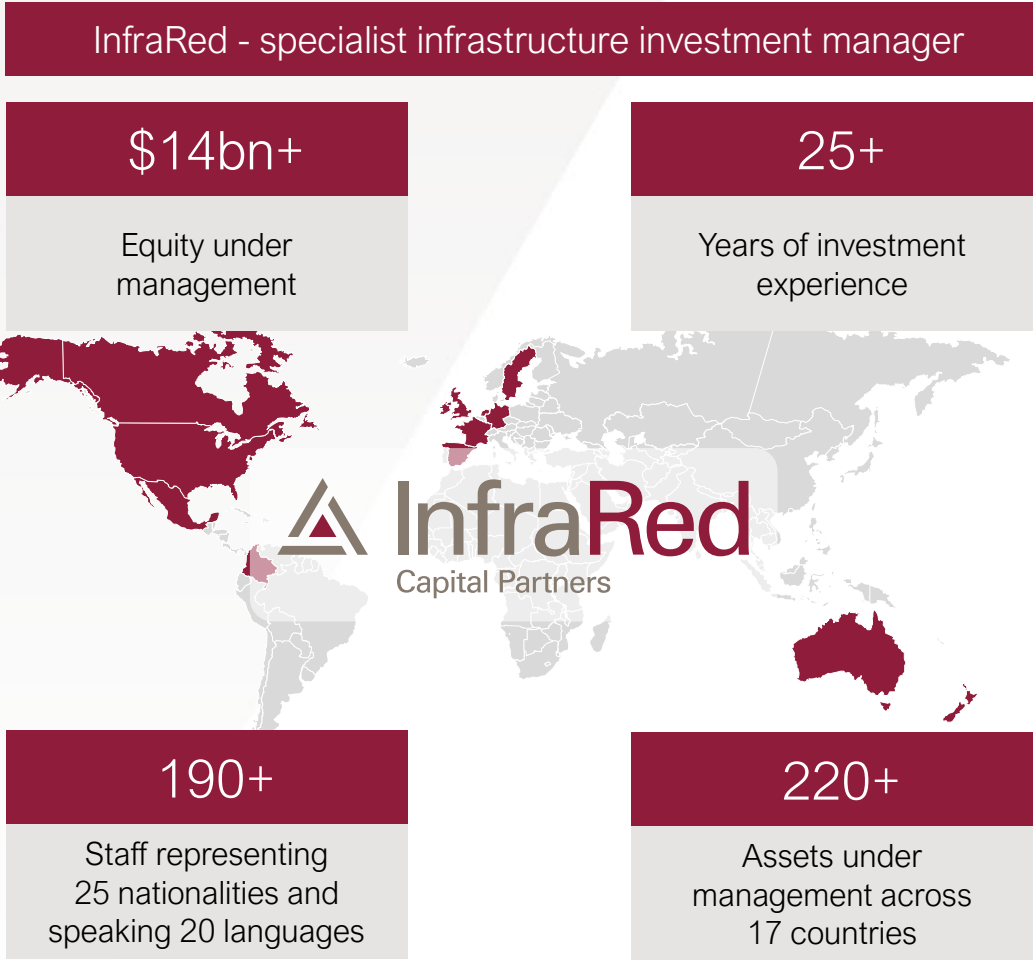
Appendix II

Company Information

Compelling Investment Proposition



| | |
|-----------------------|--|
| Diversification | >100 assets Largest asset 7.7% ¹ |
| Sustainability | 20m+ people access HICL's infrastructure |
| Total return | 8.7% p.a. since IPO |
| Yield | ~6% p.a. |
| Inflation correlation | 0.8x ² |
| Asset life | 31.7yrs Weighted average |



As at 30 Sep 2023

1. By value based on the Directors Valuation of £3,536.1m at 30 September 2023
2. If outturn inflation were 1% p.a. higher than the valuation assumption in each and every forecast period, the expected return from the portfolio (before Group expenses) would increase by 0.8%



44%
of portfolio

Developing **strong social foundations**



39%
of portfolio

connecting communities



17%
of portfolio

supporting sustainable modern economies

Board of Directors I

Non-executive Directors with a broad range of relevant experience and qualifications



Mike Bane
Chair

Mike is a chartered accountant with over 35 years of audit and advisory experience in the asset management industry including in relation to infrastructure investment companies. Mike led EY’s services to the asset management industry in the Channel Islands and was a member of EY’s EMEA Wealth and Asset Management Board. Prior to EY, Mike was at PwC. Mike was president of the Guernsey Society of Chartered and Certified Accountants from 2015 – 2017. Mike is also non-executive director of Apax Global Alpha London Limited and abrdn Property Income Trust Limited

Mike graduated with a BA in Mathematics from the University of Oxford and is a long-standing member of the Institute of Chartered Accountants in England and Wales.



Kenneth D. Reid
Senior Independent Director

Kenneth, a Singapore resident, has more than 35 years international experience in infrastructure development, construction and investment. Initially with Kier Group, and then from 1990 with Bilfinger Berger AG, Ken served globally in various senior management roles, including as a member of the Group Executive Board of Bilfinger between 2007 and 2010.

Ken graduated in Civil Engineering from Heriot-Watt University with First Class Honours and then Edinburgh Business School with an MBA. Ken is a Chartered Engineer, a non-executive director of Sicon Limited and James Walker Group Limited, and is a member of the Singapore Institute of Directors.



Rita Akushie
Audit Committee Chair

Rita Akushie has more than 20 years’ experience acting in leadership and finance roles for housing associations and charities, including at Newlon Group, where she was Chief Financial Officer and then Deputy Chief Executive; and subsequently as Group Finance Director for Thames Valley Housing. Rita has recently served as CFO for Cancer Research UK, and currently serves as CFO & Pro Vice -Chancellor (Operations) for the University of London.

Rita graduated with a BA in Economics and French from the University of Ghana. She is a Fellow of the Institute of Chartered Accountants of England and Wales and a Fellow of the Association of Corporate Treasurers.



Liz Barber
Director

Liz Barber has nearly 30 years of experience in advising UK regulated utilities in senior leadership positions. She served as CFO of Kelda and Yorkshire Water for 9 years, followed by 2 years as CEO, leading a successful CMA referral and initiating a significant transformation programme. Prior to this she was a partner at EY where she had a number of senior roles, specialising in audit and assurance and advising regulated utilities and utility regulators. She is a Fellow of the Institute of Chartered Accountants (ICAEW).

Liz is currently the Senior Independent Director and Remco Chair for Cranswick plc, Audit Committee Chair of Encyclis Limited and a Non-Executive Director of Renew Holdings plc. Pro-bono roles include chairing the ICAEW Sustainability Committee and member of the Technical Standards Committee and Chair of the Yorkshire and Humber Climate Commission.

Board of Directors II

Non-executive Directors with a broad range of relevant experience and qualifications



Frances Davies
Remuneration Committee Chair

Frances has more than 30 years of experience across various roles within the banking and asset management industries. Since 2007, she has been a partner of Opus Corporate Finance, a corporate finance advisory business. Prior to that she served as Head of Global Institutional Business at Gartmore Investment Management. Previously she held roles at Morgan Grenfell Asset Management and SG Warburg.

Frances currently serves as Chair of the Federated Hermes Property Unit Trust and is a non-executive director of Supermarket Income REIT plc and Aegon UK plc.



Martin Pugh
Director

Martin Pugh has over 35 years in the infrastructure industry, spanning roles in construction, development, investment, asset management and strategic projects.

Most recently he has provided executive management support to several major infrastructure projects and prior to this he held senior executive positions within Bilfinger Project Investments, overseeing the investment performance of assets in multiple sectors and across the UK and Europe.

Martin graduated in Civil & Structural Engineering and is a Chartered Engineer.



Simon Holden
Risk Committee Chair

Simon Holden is a Chartered Director (CDir) accredited by the Institute of Directors. Previously an investment director at Terra Firma Capital Partners, Candover Investments prior to that, Simon has been an active independent director to listed investment company, private equity fund and trading company boards since 2015. In addition, Simon acts as the pro-bono Business Advisor to Guernsey Ports; a States of Guernsey enterprise that operates all of the Bailiwick’s critical airport and harbour infrastructure.

Simon is a member of several industry interest groups in both financial services and intellectual property and graduated from the University of Cambridge with an MEng and MA (Cantab) in Manufacturing Engineering.

Investment Manager

Senior InfraRed team, experienced in making and managing infrastructure investments



HICL's Investment Committee

HICL's Investment Committee is the principal executive decision making body for HICL within InfraRed and is comprised of:

Jack Paris¹ – CEO

Chris Gill – Deputy CEO

Helen Price – CFO

Stewart Orrell – Head of Asset Management

Edward Hunt – Head of Core Income Funds

95+ years

of combined experience making and managing infrastructure investments

HICL's Senior Leadership



Edward Hunt

Head of Core Income Funds,
InfraRed

Edward is HICL's fund manager



Helen Price

CFO, InfraRed

Helen is responsible for managing the financial activities carried out by InfraRed for HICL

1. Appointed 1 July 2023

The background of the slide features a large, light gray watermark of the HICL logo. The logo consists of the letters 'HICL' in a bold, sans-serif font, followed by a large, stylized 'A' that is composed of two overlapping triangles. The 'A' is also in a light gray color, matching the overall aesthetic of the slide.

HICL

Appendix III

The Investment Portfolio

HICL's Top 10 Assets I

1



Affinity Water (UK)

Affinity Water Limited is the largest water-only supplier in the UK by revenue and population served covering an area of 4,515 square kilometres.

Sector: Electricity & Water
% of portfolio: 7.7% (March 2023: 7.3%)
HICL holding: 33.2%
Concession life remaining: Indefinite
Status: Operational

2



A63 Motorway (France)

The A63 Motorway in Southwest France includes the upgrade of an existing 105km road linking the towns of Salles (Gironde) and St-Geours de Maremne.

Sector: Transport
% of portfolio: 6.6% (March 2023: 6.5%)
HICL holding: 21.0%
Concession life remaining: 27 years
Status: Operational

3



Fortysouth (New Zealand)

Fortysouth is New Zealand's largest independent tower company, with 1,484 wholly-owned mobile towers covering 98% of the country's population.

Sector: Communications
% of portfolio: 6.2% (March 2023: 5.8%)
HICL holding: 40.0%
Concession life remaining: Indefinite
Status: Operational

4



Texas Nevada Transmission (USA)

Texas Nevada Transmission ("TNT") comprises two distinct electricity transmission systems. Together, the networks consist of over 800km of high-voltage transmission lines, switching stations and substations, which have been fully operational since 2014.

Sector: Electricity & Water
% of portfolio: 5.4% (March 2023: 5.5%)
HICL holding: 45.8%
Concession life remaining: Indefinite
Status: Operational

5



High Speed 1 (UK)

HS1 is the rail link between London St Pancras station and the Channel Tunnel. It is currently the UK's only high-speed rail line in operation.

Sector: Transport
% of portfolio: 4.4% (March 2023: 4.3%)
HICL holding: 21.8%
Concession life remaining: 17 years
Status: Operational

HICL's Top 10 Assets II

6



Northwest Parkway (USA)

The Northwest Parkway is a 14km, four-lane toll road that forms part of the ring road around the city of Denver, Colorado, USA.

Sector: Transport
% of portfolio: 4.0% (March 2023: 6.0%)
HICL holding: 23.3%
Concession life remaining: 83 years
Status: Operational

7



Southmead Hospital (UK)

Southmead Hospital PFI project is an 800-bed acute hospital concession on a single site at Southmead in North Bristol.

Sector: Health
% of portfolio: 3.7% (March 2023: 3.6%)
HICL holding: 62.5%
Concession life remaining: 22 years
Status: Operational

8



Pinderfields & Pontefract Hospitals (UK)

The PFI project is a two-hospital concession for Mid Yorkshire Hospitals NHS Trust, delivering a combined total of 774 beds.

Sector: Health
% of portfolio: 3.6% (March 2023: 3.4%)
HICL holding: 100.0%
Concession life remaining: 19 years
Status: Operational

9



Royal School of Military Engineering (UK)

The PPP project covers 32 new and 21 existing buildings, and five training areas on behalf of the UK Ministry of Defence.

Sector: Accommodation
% of portfolio: 3.5% (March 2023: 3.6%)
HICL holding: 100.0%
Concession life remaining: 15 years
Status: Operational

10



Home Office (UK)

The PPP concession commissioned by the UK Home Office to replace its existing headquarters with purpose-built serviced offices in London.

Sector: Accommodation
% of portfolio: 2.9% (March 2023: 2.9%)
HICL holding: 100.0%
Concession life remaining: 8 years
Status: Operational

Portfolio Diversification

HICL's Portfolio, as at 30 September 2023¹

REVENUE TYPE



| | | |
|---|-----------------------|-----|
| ▲ | Contracted Revenues | 63% |
| ▲ | Demand-based Revenues | 17% |
| ▲ | Regulated Revenues | 20% |

INVESTMENT STATUS



| | | |
|---|-------------------|-----|
| ▲ | Fully operational | 97% |
| ▲ | Construction | 3% |

OWNERSHIP STAKE



| | | |
|---|-------------------------|-----|
| ▲ | 100% ownership | 23% |
| ▲ | 50% - 100% ownership | 23% |
| ▲ | Less than 50% ownership | 54% |

GEOGRAPHIC LOCATION



| | | |
|---|-----------------|-----|
| ▲ | UK | 63% |
| ▲ | Europe (exc UK) | 20% |
| ▲ | North America | 11% |
| ▲ | New Zealand | 6% |

SECTOR



| | | |
|---|---------------------|-----|
| ▲ | Accommodation | 9% |
| ▲ | Education | 10% |
| ▲ | Electricity & Water | 17% |
| ▲ | Health | 21% |
| ▲ | Fire, Law & Order | 4% |
| ▲ | Transport | 30% |
| ▲ | Communications | 9% |

1. By value using Directors' Valuation of £3,536.1m as at 30 September 2023

Investment Activity

Market coverage filtered by focused acquisition strategy and investment discipline



| Investment Activity | | | | | | |
|---|---------------------------------|---------------------|--|--------------------------|--------------------|-------------------|
| Type | Project | Sector | Description | % portfolio ¹ | Stake | Date ² |
| Transactions completed in the period | | | | | | |
| New | Texas Nevada Transmission | Electricity & Water | Two electricity transmission systems in the USA | | 45% | Apr-23 |
| Partial disposal | Northwest Parkway | Transport | Partial disposal of a toll road in Colorado, USA | | 23.3% ⁴ | Apr-23 |
| New | Altitude Infrastructure | Communications | Fibre to the home in rural France | | 5.9% | May-23 |
| New | Hornsea II OFTO ³ | Electricity & Water | Offshore wind electricity transmission asset in the UK | | 75% | July-23 |
| Transactions signed in the period and to be completed post period end | | | | | | |
| Disposal | Bradford Schools 1 | Education | Disposal of UK schools PPP | | 100% | Sep-23 |
| Disposal | Bradford Schools 2 | Education | Disposal of UK schools PPP | | 100% | Sep-23 |
| Disposal | Sheffield Student Accommodation | Accommodation | Disposal of UK student accommodation | | 100% | Sep-23 |
| Disposal | Romford Hospital | Health | Disposal of UK hospital PPP | | 100% | Sep-23 |
| Disposal | PSBP North-East | Education | Disposal of UK schools PPP | | 100% | Sep-23 |
| Disposal | South Ayrshire Schools | Education | Disposal of UK schools PPP | | 100% | Sep-23 |
| Disposal | Oxford John Radcliffe | Health | Disposal of UK hospital PPP | | 100% | Sep-23 |
| Partial disposal | Hornsea II OFTO ³ | Electricity & Water | Partial disposal of an offshore electricity transmission asset, UK | | 50% | Sep-23 |

1. Based on the Directors valuation as at 30 September 2023

2. Date of completion where applicable, otherwise date signed

3. Offshore Wind Transmission Owner (OFTO)

4. Remaining stake

Sustainability highlights

HICL has a role in society that extends beyond its shareholders



2030 interim net zero targets set

50% of portfolio to be aligned or aligning to net zero by 2030

Engagement / direct stewardship of **90%** of all portfolio company emissions



Article 8 SFDR categorisation

Full compliance with level 2 disclosure requirements from 1 Jan 2023

Enhanced InfraRed ESG survey enables reporting against all PAIs¹

Excellence in governance

Enhanced application of InfraRed Exclusion Policy using quantitative thresholds

Monitoring of supply chains, aligned with UNGC² framework

Refreshed Sustainability Policy published

Full GHG emissions disclosure

Total emissions of 146,190 tCO₂e year 2022

Enhanced data collection supported by expert third party

InfraRed achieves five-star PRI rating³

7th consecutive year achieving the highest possible rating



Portfolio Impact strategy launched

Client Insights survey conducted across 61 of HICL's healthcare and education assets

100 initiatives rolled out to support local communities

ESG excellence recognised through Creating Better Futures awards

1. Principal Adverse Indicator
2. United Nations Global Compact
3. Principles for Responsible Investment ("PRI") ratings are based on following a set of Principles, including incorporating ESG issues into investment analysis, decision-making processes and ownership policies. More information is available at <https://www.unpri.org/about-the-pri>

Financial Performance



| Income Statement Investment Basis ¹ | Six months to 30 September 2023 £m | Six months to 30 September 2022 £m |
|---|---------------------------------------|---------------------------------------|
| Total income | 10.9 | 125.8 |
| Fund expenses | (20.5) | (19.6) |
| Finance costs | (18.0) | (3.6) |
| Tax | - | - |
| Total return | (27.6) | 102.6 |
| (Loss) / Earnings per share | (1.4)p | 5.2p |
| Ongoing charges² | 1.11% | 1.05% |

| Balance Sheet Investment Basis ¹ | 30 September 2023 £m | 31 March 2023 £m |
|--|-------------------------|---------------------|
| Investments at fair value ³ | 3,470.8 | 3,216.6 |
| Net debt | (496.8) | (46.2) |
| Available liquidity ⁴ | 287.6 | 294.4 |

1. HICL's Investment Basis is an Alternative Performance Measure and is the same as applied in prior periods. See page 20 of the 2023 Interim Report for information. Earnings per share and NAV per share are the same under IFRS and Investment Basis

2. Calculated in accordance with Association of Investment Companies' guidelines

3. Directors' Valuation at 30 September 2023 is £3,536.1m and comprises the investments at fair value of £3,470.8m and £65.3m of investment commitments (31 March 2023: £3,498.6m and £274.2m)

4. Available amount in Revolving Credit Facility (£263.8m) plus available cash on an Investment Basis (£23.8m) as at 30 September

Key Valuation Assumptions

| | | 30 September 2023 | 31 March 2023 |
|---|--|---|--|
| Discount Rate | Weighted Average | 8.0% | 7.2% |
| Inflation Rate¹ (p.a.) | UK (RPI ² & RPIx ²) UK (CPI/CPIH) ³ Eurozone (CPI) Canada (CPI) USA (CPI) New Zealand (CPI) | 6.50% to March 2024, 3.50% to March 2025, 3.25% to March 2030, 2.50% thereafter 5.75% to March 2024, 2.75% to March 2025, 2.50% thereafter 4.75% to March 2024, 2.25% to March 2025, 2.00% thereafter 3.00% to March 2024, 2.25% to March 2025, 2.00% thereafter 3.00% to March 2024, 2.00% thereafter 5.00% to March 2024, 2.75% to March 2025, 2.25% thereafter | 5.00% to March 2024, 2.75% to March 2030, 2.00% thereafter 4.25% to March 2024, 2.00% thereafter 5.00% to March 2024, 2.00% thereafter 3.00% to March 2024, 2.00% thereafter 3.00% to March 2024, 2.00% thereafter 5.00% to March 2024, 2.50% to March 2025, 2.25% thereafter |
| Interest Rates (p.a.) | UK Eurozone Canada USA New Zealand | 5.00% to March 2024, 4.50% to March 2025, 3.50% thereafter 3.00% to March 2025, 2.25% thereafter 3.75% to March 2025, 3.25% thereafter 4.25% to March 2025, 3.25% thereafter 4.50% to March 2024, 4.25% thereafter | 3.25% to March 2025, 2.50% thereafter 2.25% to March 2025, 2.00% thereafter 3.50% to March 2025, 3.00% thereafter 4.00% to March 2025, 3.00% thereafter 4.00% to March 2024, 4.25% thereafter |
| FX Rates | GBP / EUR GBP / CAD GBP / USD GBP / NZD | 1.15 1.66 1.22 2.03 | 1.14 1.67 1.23 1.97 |
| Tax Rate (p.a.) | UK Eurozone Canada USA New Zealand | 25% Ireland 12.5% France 25% Netherlands 25.8% 23% and 27% 21% Federal & 4.6% Colorado State 28% | 25% Ireland 12.5% France 25% Netherlands 25.8% 23% and 27% 21% Federal & 4.6% Colorado State 28% |
| GDP Growth (p.a.) | UK Eurozone USA | 2.0% p.a. 1.8% p.a. 2.5% p.a. | 2.0% p.a. 1.8% p.a. 2.5% p.a. |

1. Some portfolio company revenues are fully indexed, whilst some are partially indexed
2. Retail Price Index and Retail Price Index excluding Mortgage Interest Payments
3. Consumer Prices Index including owner-occupiers' housing costs; used in the valuation of Affinity Water

Summary Cash Flow Statement

Figures presented on an Investment Basis¹



| | Six months to 30 September 2023 £m | Six months to 30 September 2022 £m |
|---|---------------------------------------|---------------------------------------|
| Opening net (debt) / cash | (147.6) | (46.2) |
| Net cash flow before capital movements | 88.2 | 84.3 |
| Investments | (415.5) | (126.7) |
| Disposals | 66.3 | 96.8 |
| Debt arrangement fees paid | (2.4) | (1.9) |
| Foreign exchange on cash | (0.1) | 0.2 |
| Equity raised (net of costs) | - | 158.0 |
| Net cashflow from derivatives | (1.8) | (3.4) |
| Dividends paid | (83.9) | (81.9) |
| Net (debt) | (496.8) | 79.2 |
| Dividend cash cover | 1.35x² | 1.58x² |

1. Investment Basis is the same basis as applied in prior years. On an Investment Basis, including profits on disposal. Excluding this, dividend cash cover would have been 1.05x (September 2022: 1.03x)