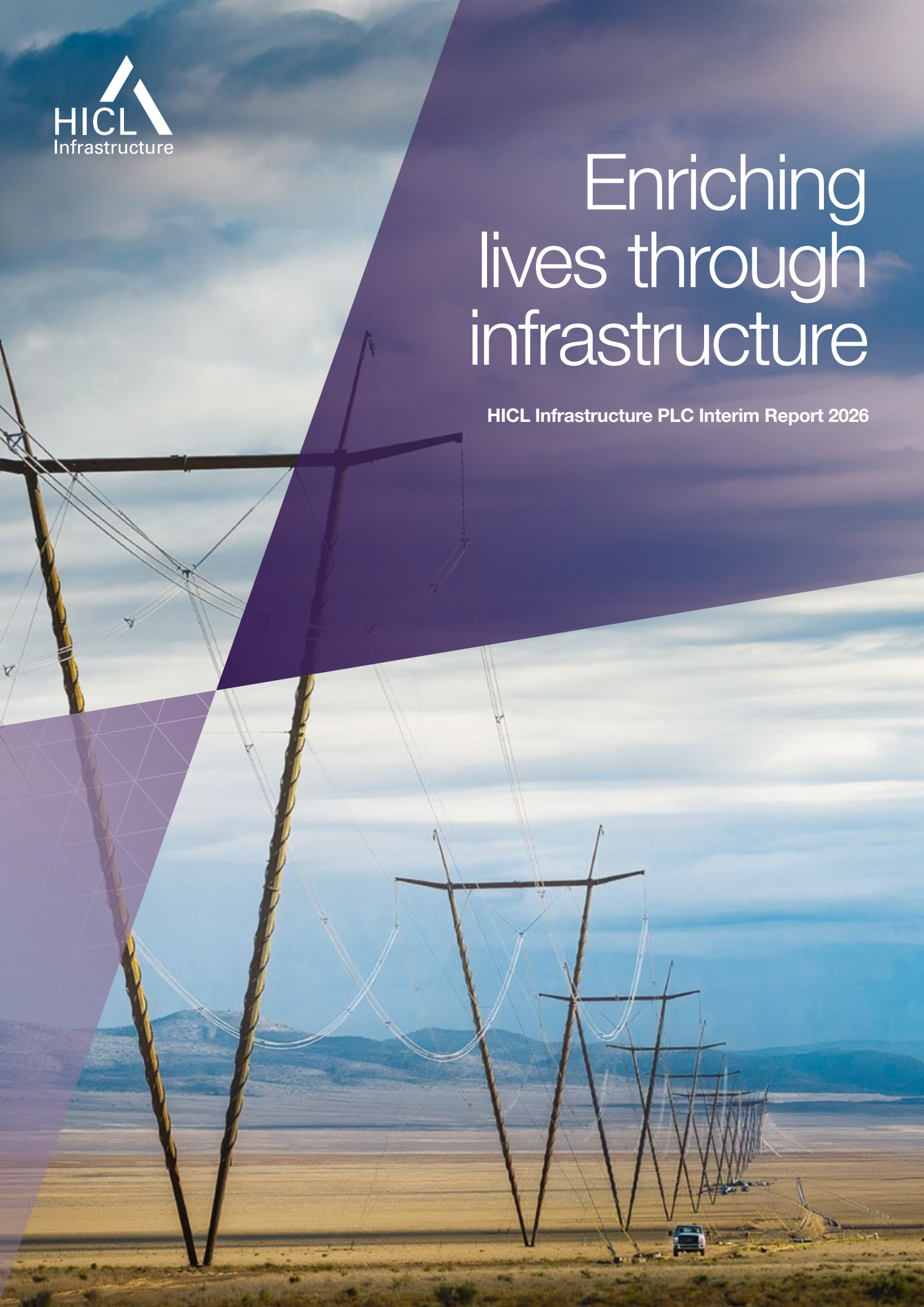
HICL Infrastructure

Enriching lives through infrastructure

HICL Infrastructure PLC Interim Report 2026



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References are made throughout to Alternative Performance Measures ("APMs").
These are provided alongside IFRS measures to provide additional information to shareholders.
A full reconciliation of the APMs used is disclosed on page 23.

Interim highlights

For the six months ended 30 September 2026



Strategic evolution in action

- Refreshed strategy announced at the Capital Markets Seminar in July, targeting enhanced growth and higher shareholder returns over the medium term
- Introduces a measured allocation, limited to 20% of the portfolio and within its established risk parameters, to higher-returning "Enhancers", alongside existing "Yielders" and "Growers"
- Acquisition of a 42% stake in Hector Rail completed post period end, marking HICL's first Enhancer investment[2]
- Revised investment policy approved by shareholders in November 2026 which reflects the evolution of the Company's market strategy and investment approach



Strong operational performance

- HICL's[1] portfolio delivered strong operational performance despite macroeconomic uncertainty
- HICL's PPP portfolio performed in line with expectations, achieving 99% availability, while growth assets delivered average EBITDA growth of 7%
- Cash generation remained robust, supporting dividend cash cover of 1.10x
- On track to deliver the target dividend of 8.50p for the financial year ending 31 March 2027
- The Board reaffirms the 8.65p target dividend for the financial year ending 31 March 2028



Dynamic capital allocation

- Completion of HICL's highly accretive incremental £52m investment in Cross London Trains ("XLT")
- £69m acquisition of Hector Rail, which completed after the period end
- £46.6m of share buybacks, adding 0.6p to NAV per share
- Funded HICL's long-standing £55m commitment to the Blankenburg Tunnel following construction completion
- The Company retains substantial available liquidity of £560m as a result of the significant disposal activity over the past 24 months
- The return available through share buybacks remains a key reference point for capital allocation decisions



Summary financial results

(On an investment basis)

For the six months to	30 September 2026	30 September 2025
Income	**£98.1m**	£145.8m
Total Return[3]	**£71.9m**	£119.5m
Earnings per share ("EPS")	**3.9p**	6.1p
Target dividend per share for the year	**8.50p**	8.35p

Net Asset Value	30 September 2026	31 March 2026
NAV per share	**160.5p**	160.2p
Interim dividend	**2.12p**	2.09p
NAV per share after deducting interim dividend	**158.4p**	158.1p

1 HICL Infrastructure PLC and its subsidiaries is defined as either HICL or the Group throughout the report. HICL Infrastructure PLC, the Company only, is defined as the Company throughout the report

2 The acquisition of a 42% stake in Hector Rail completed on 18 November 2026. The £69m commitment reflects the exchange rate at completion

3 Refer to the Glossary provided in the Annual Report 2026 for definitions of alternative performance measures and other defined terms used throughout this report

Chair's statement

I am pleased to report a resilient first half for HICL, with strong operational performance and disciplined capital allocation supporting modest NAV accretion despite a volatile macroeconomic backdrop. Encouragingly, the Company's share price also strengthened and the discount to NAV narrowed during the period. We have made early progress in delivering the refreshed strategy set out in July, targeting enhanced growth and higher shareholder returns over the medium term.

Operational performance was strong across the portfolio, delivering a gross underlying annualised return of 11.3% over the period (30 September 2025: 10.3%), comfortably ahead of the 8.5% weighted average discount rate at the start of the period. HICL's PPP portfolio achieved 99% availability, while its growth assets delivered an average EBITDA increase of 7%, supported by the continued delivery of their investment programmes. This operational performance supported dividend cash cover of 1.10x for the six months to 30 September 2026, in line with expectations, and the Company remains on track to deliver its dividend target of 8.50p per share for the year ending 31 March 2027. The Board reaffirms its guidance of 8.65p per share for the year ending 31 March 2028.

Capital allocation remained disciplined and dynamic. Proceeds from prior disposals were redeployed into the highly accretive incremental investment in Cross London Trains ("XLT") and share buybacks, with the Company acquiring 42% of Hector Rail after the period end. After accounting for this activity, as well as the funding of HICL's longstanding commitment to the Blankenburg Tunnel in the period, the Company retains substantial available liquidity to pursue further attractive investment opportunities.



At our Capital Markets Seminar in July, we set out the next phase of HICL's strategy. This responds to an expanding infrastructure opportunity set and a higher interest rate environment. The strategy targets a total return in excess of 10% per annum over the medium term while maintaining the Company's essential infrastructure focus, its disciplined investment approach and its progressive dividend policy. Consistent with the portfolio's gradual evolution over the last decade, HICL will build a measured allocation, limited to 20% of the portfolio and within its established risk parameters, to higher-returning investments ("Enhancers"). The acquisition of a 42% stake in Hector Rail, HICL's first Enhancer, is an early demonstration of this strategy in action.

Financial performance

NAV per share increased to 160.5p at 30 September 2026 (31 March 2026: 160.2p), representing a semi-annual NAV return of 2.8% for the period, with earnings per share for the six-month period of 3.9p (30 September 2025: 6.1p).

This was achieved during a period of elevated volatility across financial markets, as inflation expectations increased alongside rising energy prices, central banks started to raise interest rates, and geopolitical uncertainty weighed on investor sentiment. Across HICL's core geographies, sovereign bond yields increased by 50–60bps since reference discount rates were last increased in March 2025, though yields have subsequently fallen since period end. In response, discount rates have been increased while giving suitable weight to observed transaction pricing. This has resulted in an increase of over 20bps in the portfolio weighted average discount rate.

Beyond the unwind of the discount rate over the period, total return for the period was driven principally by the revaluation of HICL's incremental investment in XLT, contributing 1.2p per share, together with 0.5p from higher short-term inflation assumptions and 0.6p from share buybacks completed during the period, partially offset by a 3.4p reduction from the increase in discount rates.

▶ **Further detail is set out in the Valuation of the portfolio section from page 14 of the report.**

Capital allocation

HICL's dynamic approach to capital allocation remains central to the Company's strategy and shareholder proposition. The Company's self-funded model seeks to recycle capital generated from selective disposals and portfolio cash flows into the most attractive risk-adjusted opportunities available, supporting growth alongside the progressive dividend policy. The return available through share repurchases remains an important point of reference for capital deployment decisions.

During the period, the Company committed to acquiring a 42% stake in Hector Rail, the largest private rail freight operator in Scandinavia, for £69m, which was funded shortly after the period end from existing cash resources. Hector Rail offers clear opportunities for value creation, with an expected return materially ahead of that available from share buybacks. The investment completed after the period end. Further detail is set out in the Investment Manager's Report on page 5.

More broadly, the Company continued to deploy capital selectively, completing an incremental £52m investment in XLT on highly attractive terms and continuing share repurchases on a targeted basis, buying back £46.6m when doing so represented an attractive use of capital.

The value achieved through the Company's incremental investment in XLT during the period further illustrates the benefits of identifying and supporting opportunities for growth within the existing portfolio. More broadly, the increasing growth characteristics of HICL's portfolio, combined with the Company's active approach to asset management, create opportunities to deploy capital into existing assets where targeted investment can support future earnings growth and long-term value creation.

During the period, HICL funded its long-standing £55m commitment to Blankenburg Tunnel following successful completion of construction. HICL retains substantial liquidity with cash of £275.6m and £362.2m[1] capacity on the Company's Revolving Credit Facility ("RCF") at 30 September 2026, providing significant flexibility to pursue opportunities across the Company's expanded investment universe.

Looking ahead, the Board and Investment Manager will continue to assess new investment opportunities judiciously, alongside opportunities to improve portfolio composition through highly selective disposals, weighing the relative merits of portfolio investment, capital recycling and further share repurchases. This dynamic and flexible approach remains central to progressing HICL's evolved strategy and supporting the delivery of its medium-term return objectives.

Governance

The Board remains committed to maintaining a high standard of corporate governance and ensuring strong alignment with shareholders.

As previously announced, the Company and Investment Manager have implemented a revised management fee structure based entirely on HICL's market capitalisation with effect from 1 July 2026. This sector-leading fee arrangement further enhances alignment between the Investment Manager and shareholders. Assuming the revised arrangements had been in effect for the full period, the Company's Ongoing Expenses Ratio would have reduced by approximately 3bps to a pro forma 0.97%.

The Board believes strong governance and alignment are fundamental to delivering long-term shareholder value. Following the Capital Markets Seminar and the Hector Rail announcement, shareholders approved updates to HICL's Investment Policy, reflecting the evolution of the Company's strategy and investment approach. The Board would like to thank shareholders for their support and engagement throughout this process.

In line with HICL's long-standing approach to succession planning, search consultants were appointed at the start of the financial year to identify my successor as Chair. The process is being led by our Senior Independent Director, Frances Davies. Following an extensive initial screening phase, a small number of potential candidates were shortlisted. The Board will update shareholders as soon as my successor has been appointed.

1 Consists of £400m facility less £37.8m of Letter of Credit utilisation
2 The Investment Manager of HICL Infrastructure Plc, InfraRed Capital Partners Limited ("InfraRed")
3 As per McKinsey's report "The infrastructure moment" – 9 September 2025

Strategic evolution and outlook

The Board remains confident that HICL's evolving strategy, broader investment opportunity set and dynamic approach to capital allocation will support its objective of delivering total returns in excess of 10% per annum over the medium term. The first six months of the financial year have been encouraging from the perspectives of both portfolio performance, against a volatile macro backdrop, and the quality of investment acquisitions. It has also been encouraging to see an improvement in the Company's share price performance, with the discount to NAV narrowing during the period despite a significant rise in government bond yields.

The investment in Hector Rail demonstrates that the strategy evolution outlined earlier this year is already being delivered. Supported by a strong balance sheet, significant available liquidity and InfraRed's[2] extensive origination network, the Company has the resources and capabilities to execute its evolving strategy, continuing to build out a high-quality portfolio, rebalanced towards greater capital growth and higher risk-adjusted returns for shareholders.

While macroeconomic and market volatility are likely to persist, including elevated sovereign bond yields amid high levels of government indebtedness, the Board believes HICL remains well positioned in this environment. The portfolio benefits from long asset lives, inflation-linked cash flows and limited direct exposure to higher financing costs. In addition, active asset management and disciplined capital allocation provide flexibility to capitalise on market opportunities. These characteristics are the foundations that have supported HICL across market cycles, and the evolution of the Company's strategy has been carefully designed to continue to deliver attractive returns in a higher-rate world.

The Board sees significant opportunities ahead. As outlined at our Capital Markets Seminar, long-term structural trends, including digitalisation, energy security, and the need to renew and modernise critical infrastructure, are expected to drive substantial investment requirements worldwide. Industry estimates suggest global infrastructure investment needs could exceed $100tn[3] over coming decades, creating a deep and attractive opportunity set for long-term investors. Supported by its evolved investment framework, strong balance sheet and liquidity position, HICL is well placed to capitalise on these opportunities and deliver attractive long-term returns for its shareholders.

Mike Bane
Chair

25 November 2026

The investment portfolio – top 10 assets

1 Affinity Water

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

Sector: Electricity and water
Location: UK
% of portfolio: 13.8% (31 March 2026: 13.6%)
HICL holding: 33.2%
Concession life remaining: Indefinite
Status: Operational

2 Fortysouth

Fortysouth is a leading independent tower company in New Zealand, with c.1,700 wholly-owned mobile towers covering 98% of the country's population.

Sector: Communications
Location: New Zealand
% of portfolio: 7.6% (31 March 2026: 8.0%)
HICL holding: 40.0%
Concession life remaining: Indefinite
Status: Operational

3 Texas Nevada Transmission

Two distinct electricity transmission systems in Texas and Nevada, consisting of over 800km of high-voltage transmission lines.

Sector: Electricity and water
Location: USA
% of portfolio: 5.8% (31 March 2026: 6.1%)
HICL holding: 45.8%
Concession life remaining: Indefinite
Status: Operational

4 London St. Pancras Highspeed

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

Sector: Transport
Location: UK
% of portfolio: 5.3% (31 March 2026: 5.5%)
HICL holding: 21.8%
Concession life remaining: 14 years
Status: Operational

5 Cross London Trains

Owns and leases 115 Class 700 trains for Thameslink services under a long-term contract backed by the UK Government.

Sector: Transport
Location: UK
% of portfolio: 5.2% (31 March 2026: 4.8%)
HICL holding: 13.1%
Concession life remaining: 29 years
Status: Operational

6 Altitude Infra

Altitude Infra holds a controlling position in the largest independent wholesale fibre network in France and is the sole provider of Fibre-to-the-home ("FTTH") in its 27 subsidised Public Initiative Networks ("PINs").

Sector: Communications
Location: France
% of portfolio: 3.5% (31 March 2026: 3.8%)
HICL holding: 5.9%
Concession life remaining: Indefinite
Status: Operational

7 Home Office

The PPP by the UK Home Office to replace its former headquarters with serviced offices to accommodate up to 3,450 staff in Westminster, London.

Sector: Accommodation
Location: UK
% of portfolio: 3.3% (31 March 2026: 3.1%)
HICL holding: 100.0%
Concession life remaining: 5 years
Status: Operational

8 Royal School of Military Engineering

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

Sector: Accommodation
Location: UK
% of portfolio: 3.3% (31 March 2026: 3.5%)
HICL holding: 100.0%
Concession life remaining: 12 years
Status: Operational

9 Birmingham Hospitals

The project comprises four acute hospitals serving Birmingham and the wider region.

Sector: Accommodation
Location: UK
% of portfolio: 3.0% (31 March 2026: 2.9%)
HICL holding: 30.0%
Concession life remaining: 20 years
Status: Operational

10 Blankenburg Tunnel

The 950m Blankenburg Tunnel connects the A15 and A20 highways in the Netherlands, crossing under the Scheur river.

Sector: Transport
Location: Netherlands
% of portfolio: 3.0% (31 March 2026: 3.3%)
HICL holding: 70.0%
Concession life remaining: 17 years
Status: Operational

Investment Manager's report

The six months to 30 September 2026 saw strong operational performance across the portfolio. InfraRed also made progress on the implementation of the Company's refreshed strategy to deliver higher growth and total returns over the medium term, while preserving the portfolio's defensive essential infrastructure attributes.

InfraRed's active management approach remains fundamental to HICL's investment proposition and the delivery of long-term shareholder value. The refreshed strategy, set out at the Capital Markets Seminar in July, better aligns the Company with a growing and evolving infrastructure market, increasing its ability to drive growth and targeting a total return in excess of 10% per annum over the medium term, consistent with a higher interest rate environment. The Investment Manager has acted decisively to implement the refreshed strategy, including the acquisition of a 42% stake in Hector Rail, HICL's first addition to its dedicated allocation to higher-returning assets ("Enhancers"), alongside broader capital recycling activities.

Operational performance remained strong, supporting NAV growth and dividend sustainability despite a backdrop of geopolitical uncertainty, market volatility and higher interest rates. The Company's share price also improved during the period and the discount to NAV narrowed. Combined with a strong balance sheet, substantial available liquidity and a proven ability to execute transactions at a premium to carrying value, HICL remains well positioned to deliver its renewed strategy and create long-term value for shareholders.

Operational highlights

Portfolio performance was strong over the first six months of the financial year against a volatile macroeconomic backdrop, with a gross underlying annualised portfolio return of 11.3% (30 September 2025: 10.3%). This was well above the portfolio's opening weighted average discount rate of 8.5%, supported by higher earnings across the growth assets and consistent cash generation from the yield assets.

▶ **Further details can be found in the following sections and in the Valuation of the portfolio section of this report starting on page 14.**

Operational performance overview

Growth assets ("Growers")

HICL's growth assets performed broadly in line with assumptions, with aggregate EBITDA up 7% compared with the same six-month period last year, supported by the progress of significant capital investment programmes.

At Affinity Water ("Affinity"), shareholder distributions continued in line with the regular programme expected over the current regulatory period which runs until 2030. With a pattern of regular distributions now established, HICL further reduced the uncertainty premium incorporated in the discount rate used to value the asset. Overall performance against Outcome Delivery Incentives ("ODIs") remained slightly below HICL's expectations, owing primarily to weather-related leakage challenges, low pressure performance and customer experience measures. However, the impact on Affinity is expected to be largely mitigated by Ofwat's new Outturn Adjustment Mechanism ("OAM"), which is designed to recalibrate ODIs by reference to median sector performance. More broadly, Ofwat's latest Water Company Performance Report again recognised the strength of Affinity Water's operational delivery in several areas. The UK Government's emerging plans for water sector reform, including the proposed Water Bill announced in September 2026, and the Investment Manager's expectations in relation to these developments, are set out in the Regulatory risk section of this report.

Fortysouth continued to deliver new towers to support mobile network expansion and remains on track to meet its March 2027 deployment target, while tower upgrades completed exceeded assumed levels. The management team also secured a new large-scale, multi-year co-location agreement with a key mobile network operator customer, supporting future growth in contracted revenues. In the period, Fortysouth's anchor tenant, OneNZ, announced a proposed active equipment (radio access network or "RAN") sharing partnership with 2degrees, another NZ mobile network operator. The proposal remains subject to approval by the NZ Commerce Commission, with a decision expected by June 2027. If approved, the partnership could reduce future demand for additional tenancies on Fortysouth's tower network, mitigated substantially by a contractual uplift in OneNZ tower rental pricing where RAN sharing is implemented. The associated uncertainty has been reflected in HICL's valuation through a 20bps increase in the risk premium applied to the discount rate used to value the asset, with any further adjustments to be made once the Commerce Commission's ruling provides greater clarity on the potential implications for future income.

At London St. Pancras Highspeed ("LSPH"), international train path volumes were ahead of expected levels in the period. In addition, progress towards a second international operator continued, with the UK rail regulator pre-approving a framework track access agreement with Virgin Trains in August. After the period end, Virgin Trains signed agreements for new rolling stock to operate cross-Channel services planned from 2030, conditional on regulatory approval and financial close of the transaction. Trenitalia France also ordered 19 high-speed trains and reported progress on depot facilities for the cross-Channel services it aims to launch in 2029. The probability-weighted assessment of new international operators commencing services in HICL's valuation is unchanged since March, with incremental value expected to be recognised as further milestones are met.

Texas Nevada Transmission ("TNT") maintained 100% availability across its two electricity transmission networks over the period. Demand for new grid connections also remained strong, reflecting rising electricity demand from a range of sources, including data centres, and supporting further transmission investment opportunities. TNT's capital deployment is expected to step up from 2027, as the regulatory treatment of certain elements of the capital expenditure required to connect data centres is confirmed.

Further detail is set out in the Regulatory risk section below.

The number of homes connected at Altitude Infra was broadly aligned with HICL's assumptions, with long-term adoption of fibre supported by the gradual decommissioning of the legacy copper network. Shortly after the period end, the regulator issued revised tariff guidance. If implemented as currently drafted, this may not support the assumed tariff increases across all of Altitude's 27 network concessions. This new guidance is subject to consultation, and Altitude Infra is working with industry peers and broader stakeholders on a joint response, with an outcome expected before the end of the financial year.

Overall, operational delivery across HICL's growth assets remained solid over the period. Developments across these assets also highlighted the benefits of HICL's exposure to a range of geographies, regulatory frameworks and return drivers. Notably, continued progress at LSPH, where the prospect of new international operators could support incremental value, helped to balance emerging areas of uncertainty at Altitude Infra and Fortysouth.

Yield assets ("Yielders")

HICL's PPP assets benefit from availability-based contracted revenues and fixed-rate debt, providing high levels of cash flow visibility. Accordingly, cash generation from this part of the portfolio generally remained consistent with expectations, supporting dividend cover in line with market guidance. In addition, day-to-day service delivery was robust throughout the period, as reflected in asset availability of 99% across these projects.

Notable developments across these assets included the successful refinancing at Southmead Hospital, completed in July, which extended debt maturities and provided greater visibility over the project's future cash flows. The refinancing also helped progress and formalise a number of commercial arrangements with the NHS Trust client, improving clarity around the project's long-term operations and supporting the constructive relationship between the Trust and HICL's portfolio company. HICL also funded its scheduled £55m equity commitment to the Blankenburg Tunnel following successful completion of the six-year construction phase and ahead of the project commencing routine shareholder distributions towards the end of the six-month period.

More broadly, the Investment Manager advanced several other workstreams across HICL's PPP portfolio aimed at ensuring high standards of facility condition and service levels for the Company's clients and end-users. In particular, at Birmingham Hospitals, construction defect remediations continued to progress well, while discussions towards a comprehensive settlement framework and the associated release of restricted cash flows advanced further. At Lewisham Hospital, the Investment Manager continued to work closely with the facilities management provider, NHS Trust client, and lenders to implement a targeted service improvement plan and address the underlying causes of performance deductions.

▶ **Further details of the operational performance of HICL's six largest assets and of the PPP portfolio can be found on pages 10 to 13.**

Strategy evolution and capital allocation

The macroeconomic environment remains characterised by elevated geopolitical risk, fiscal uncertainty and higher long-term interest rates than have prevailed for much of the last decade. HICL's portfolio has evolved significantly over the past ten years, increasing exposure to assets offering opportunities for growth and capital appreciation alongside the resilient cash-generative characteristics of PPPs that have historically underpinned shareholder returns. Building on this evolution, the Board and the Investment Manager refreshed HICL's

Figure 1 – Portfolio construction

Yielders

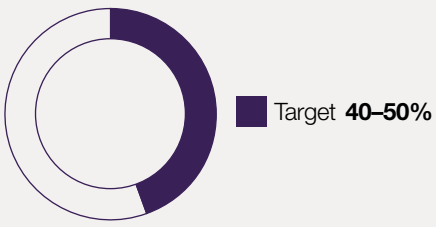
Target return
7–9%

Cash yield
8–12%

Strategy
Buy and hold to maturity

Exit approach
Routine

Allocation



Growers

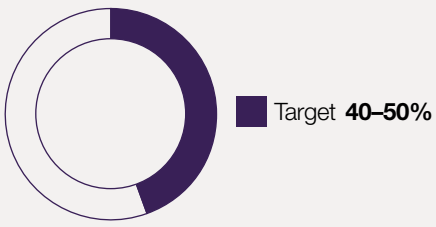
Target return
9–11%

Cash yield
3–7%

Strategy
Buy, expand and hold to maturity

Exit approach
Opportunistic

Allocation



Enhancers

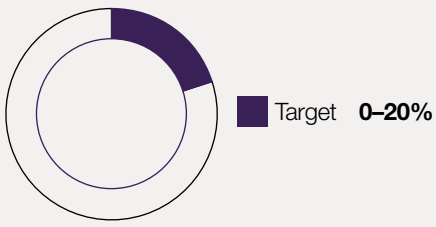
Target return
12+%

Cash yield
0–3%

Strategy
Buy, build and exit

Exit approach
Targeted

Allocation



strategy during the period to ensure the Company remains well positioned to deliver attractive returns in a higher-rate world.

As outlined at the Capital Markets Seminar and depicted in Figure 1, the refreshed strategy introduces a measured allocation to Enhancer assets alongside HICL's existing Yielders and Grower assets. Enhancers are assets where a greater share of returns is expected to come from capital growth, driven by active management and realised through a defined exit strategy. These Enhancer assets present a wider range of opportunities within HICL's essential infrastructure focus and the ability to capture long-term structural trends, including digitalisation and energy security. Following the period end, shareholders approved an updated investment policy to reflect these changes. HICL's framework of Yielders, Growers and Enhancers provides a structured approach to long-term portfolio construction, enabling the Investment Manager to balance resilient cash-generative assets that underpin the Company's progressive dividend with investments offering higher growth potential and opportunities for enhanced capital appreciation. Through this approach, the Investment Manager aims to construct a more diversified portfolio with a broader range of return drivers, maintaining HICL's disciplined approach to risk management.

During the period, HICL committed approximately £69m to acquire a 42% stake in Hector Rail, HICL's first investment within the newly established Enhancers portfolio. Hector Rail is the largest private rail freight operator in Scandinavia, providing essential services to a diversified customer base under inflation-linked, multi-year contracts, with scope for growth through further investment and active management. The acquisition adds to the Company's sector and geographic diversification and represents 2.4% of the portfolio by value. HICL's stake is held alongside other aligned InfraRed-managed funds, which together with HICL own 100% of the business. The acquisition completed on 18 November 2026 and was funded from the Company's available cash following the highly accretive A63 Motorway divestment in March 2026.

Other capital allocation actions taken during the period included funding the Company's existing £55m commitment to the Blankenburg Tunnel, completing the incremental £52m investment in XLT, and buying back 36m shares at an average discount to NAV of 19% as part of its share repurchase activity. The pace of buyback activity was responsive to the prevailing share price discount, with repurchases weighted towards the earlier part of the period when the implied return available through buybacks was most attractive. Share buybacks remain an important capital allocation option, with the implied returns available continuing to represent a key benchmark against which other investment opportunities are assessed.

As at 30 September 2026, the Group had £275.6m of cash available to it, alongside £362.2m capacity on the Company's RCF, providing flexibility to continue deploying capital selectively in support of HICL's portfolio construction objectives. Future capital allocation decisions will seek to enhance portfolio quality, improve diversification and further balance the complementary roles played by Yielders, Growers and Enhancers. Through this approach, the Investment Manager aims to achieve the Company's objective of delivering annualised total returns in excess of 10% over the medium term.

Financial highlights

The Company's NAV per share increased by 0.3p to 160.5p over the period (31 March 2026: 160.2p). The increase reflected a combination of factors, most notably the 1.2p gain from the favourably priced incremental acquisition of XLT, higher short-term inflation assumptions and 0.6p NAV accretion from share buybacks, largely offset by the increase in discount rates during the period reflecting macroeconomic conditions.

Since the Company last increased reference discount rates in March 2025, the weighted average sovereign bond yield across the geographies in which HICL holds assets increased by approximately 50-60bps until September 2026 before retracing approximately 30bps to the date of this report. The weighted average discount rate for the portfolio was increased by over 20bps to 8.7% as at 30 September 2026. HICL uses a range of bond tenors in its valuation approach, calibrated to the remaining life of its assets. The more measured uplift in the discount rate, relative to the rise in yields, reflects both direct pricing experience and feedback obtained by the Investment Manager in transaction processes in addition to the resilient characteristics of HICL's portfolio. In recent months, the inverse relationship between bond yields and the Company's share price has also reduced, with improved share price performance and a narrowing discount to NAV despite higher government bond yields, reflecting the enduring appeal of the Company's inflation-linked assets providing essential services, at a time of macroeconomic instability.

The implied equity risk premium narrowed to 3.2% (31 March 2026: 3.5%) as a result of these effects. The Directors' valuation, including the discount rates applied, is reviewed by an independent third-party external valuation expert and is one of the primary areas of focus during the half-year reporting process.

▶ **Further detail on the approach to the valuation can be found in the Valuation of the portfolio section of this report starting on page 14.**

Dividend cash cover was maintained at 1.10x for the six-month period to 30 September 2026 (31 March 2026: 1.10x), providing confidence that the target of 1.10x over the financial year should be achieved. This robust level of cash generation continues to be supported by the portfolio's inflation linkage and strong operational performance. As a result, the Board has reaffirmed dividend guidance of 8.50p per share for the financial year ending 31 March 2027 and 8.65p per share for the year ending 31 March 2028.

Sustainability

The policy landscape across HICL's core markets continued to evolve, with governments balancing decarbonisation alongside economic growth, strategic autonomy, affordability and energy security.

The Investment Manager considered these dynamics, together with other relevant factors, when assessing investment opportunities during the period. HICL's latest acquisition, Hector Rail, illustrates how these considerations can reinforce the investment case. Its predominantly electric fleet supports the shift of freight from road to rail, combining the lower emissions intensity of rail freight with the benefits of electrification, particularly across the Nordic region, where the electricity mix is relatively low carbon. These characteristics support the business's long-term relevance as the EU seeks to decarbonise freight while strengthening the efficiency and resilience of its transport networks.

Across the portfolio, the Investment Manager continued to work with portfolio companies to advance commercially grounded decarbonisation plans, supporting progress towards HICL's 2030 goal for 50% of the portfolio by value, to be aligned with, aligning to or achieving net zero status.

Societal value remained a priority across HICL's portfolio, with continued focus on the positive outcomes generated for infrastructure users, local communities and other stakeholders. HICL's Societal Value Framework, which considers how the portfolio creates value through core operations, active asset management and targeted initiatives beyond contractual requirements, provides a structured approach to identifying, monitoring and reporting these outcomes. In September, InfraRed brought together a small group of portfolio companies, including several HICL assets, to share best practice on identifying, quantifying and evidencing societal value.

Key risks update

HICL's risk appetite statement, approach to risk management and governance structure are set out in the Risk and risk management section of HICL's 2026 Annual Report, which can be accessed on the Company's website at www.hicl.com.

The principal risks for the Group over the remaining six months of its financial year are unchanged from those reported in the 2026 Annual Report, which include portfolio performance risk, financial and market risk, political risk, HICL central management risk and operational risk, comprising of execution risk, portfolio and asset management risk, and regulation and compliance risk. Notable updates in the period across the Group's key risks are summarised below.

Political and regulatory risk

Political developments

UK investor focus remained on fiscal limits, government borrowing requirements and the direction of policy following the change of UK Prime Minister in July. Continuing uncertainty in these areas is most relevant to the water sector, as set out in the Regulatory risk section below, and the Investment Manager continues to monitor developments closely.

Across Europe, political developments and fiscal policy debates contributed to a more uncertain backdrop for investors, most notably in France, where political fragmentation and budget negotiations continued to attract market attention. Europe (excluding the UK) represents approximately 17%[1] of the portfolio by value, having reduced since the divestment of the A63 motorway in France, and is further concentrated in sectors benefitting from established contractual or regulatory frameworks. Accordingly, the Investment Manager does not currently expect these developments to have a material impact on portfolio performance.

In the US, trade policy remained fluid during the period. The temporary global tariff expired in July and was replaced by new tariffs imposed under different legal authority, which have been challenged in court. The Company's portfolio is expected to remain insulated from direct tariff impacts, although the Investment Manager continues to monitor second-order effects, such as higher supply chain costs.

Regulatory risk

Regulatory risk at Affinity Water remained a key consideration for the Investment Manager over the period. In September, the UK Government announced plans for a proposed Water Bill as part of a ten-year programme of sector reform, with further detail expected later in 2026. The measures announced to date align with the direction of travel set out in the Government's February 2026 White Paper, including greater focus on strengthening oversight of underperforming companies, while seeking to improve outcomes across the broader sector. The Government has been equally clear that private investment has an important role to play in delivering these improvements, reiterating its intention to continue working with investors, regulators and companies accordingly. Against this backdrop, the Investment Manager continues to expect the wider programme of regulatory reform to be supportive of Affinity Water, reflecting its comparatively strong operational track record and status as a water-only company with no sewerage exposure.

The Public Utility Commission of Texas adopted requirements during the period intended to ensure that large-load customers bear a greater share of costs associated with connecting to electricity transmission systems. These are relevant to Cross Texas Transmission ("CTT"), one of TNT's two transmission lines. The Investment Manager is monitoring the implications of these requirements, particularly the extent to which parts of future capital expenditure required to accommodate data centre demand are undertaken by CTT, added to its regulated asset base and earn the regulated return, rather than being paid for directly by connecting customers. The Investment Manager expects greater clarity regarding the application of these requirements to emerge over the remainder of 2026. Following the period end, the outcome of the 2026 US midterm elections in Texas increased the potential for further regulatory intervention on data centres. HICL's valuation of TNT remains conservative on new data centre build-out and incorporates other sources of interconnection demand, such as renewable energy, which is likely to benefit from the post-election policy environment.

1 Includes Hector Rail

As noted in the Growth assets ("Growers") section of the Investment Manager's Report, the French telecommunications regulator has published a revised draft tariff methodology which, if implemented as currently drafted, may not support the assumed tariff increases across all 27 of Altitude Infra's network concessions, but remains subject to consultation. Altitude Infra is working with industry peers and broader stakeholders on a joint response, with the implications to be assessed on a concession-by-concession basis as greater clarity emerges. Further detail is provided in the Operational highlights section on page 10.

Macroeconomic risk

Macroeconomic conditions remained challenging during the period, with financial market volatility driven by persistent inflationary pressures, uncertainty regarding the future path of interest rates and heightened geopolitical tensions. Conflicts in Ukraine and the Middle East remained an important part of this backdrop, particularly through their implications for energy prices and inflation. Separately, high and rising levels of sovereign indebtedness and government borrowing requirements became an increasing focus for markets, contributing to elevated and more volatile government bond yields.

In the UK, ten-year gilt yields rose by over 50bps over the period, with borrowing costs also moving higher across the Eurozone and the US. The direct impact on the operational performance of the Company's assets has been limited, with HICL's core infrastructure investments benefitting from characteristics that help mitigate exposure to rising interest rates, including inflation-linked revenues, predominantly fixed-rate term-life debt and regulated cost-of-capital frameworks.

Inflation dynamics remain a key sensitivity for the Company. While higher inflation supports cash generation and dividend cover through HICL's inflation-linked cash flows, it may also place upward pressure on sovereign bond yields and valuation discount rates, which continue to be informed by observable infrastructure market transactions.

While government bond yields remained an important market consideration during the period, listed market performance increasingly reflected Company-specific factors, including operational performance, capital allocation and asset-level execution. Consistent with its risk management framework, InfraRed continues to rigorously stress test both the Directors' valuation and the Board's dividend guidance across a range of macroeconomic scenarios.

Investment Manager update

Post period end, SLC Management, the parent company of the Investment Manager, InfraRed Capital Partners, launched the GreenOak brand. GreenOak brings together SLC Management's affiliated asset management businesses under a single brand and reflects the continued evolution of its platform. HICL will continue to benefit from InfraRed's dedicated infrastructure investment team, investment processes and sector expertise, and will also be able to draw on the scale, reach and resources of a connected global asset management business. The Investment Manager expects to transition to the GreenOak brand in the new year.

Market and outlook

The infrastructure market continues to grow and evolve, creating a significant opportunity set for long-term investors. As discussed at HICL's Capital Markets Seminar, digitalisation, energy security and the growing need to renew and modernise essential infrastructure continue to drive investment requirements across HICL's key markets. Recent industry analysis suggests that the UK alone may require more than £250bn of additional infrastructure investment over the next decade to meet identified national requirements[1]. Across HICL's wider target markets, McKinsey estimates that projected infrastructure investment could reach $16tn in the Americas, $13tn in Europe and a further $2tn in Oceania by 2040.[2] Against a backdrop of constrained public finances and increasingly complex project delivery, private capital will continue to play an important role in procuring, funding and operating essential infrastructure, supporting a compelling long-term opportunity set for investors.

HICL's evolving investment framework positions the Company to capitalise on these trends. Importantly, the opportunity set extends across the entire remit of the Company's investment policy, with particularly attractive opportunities for capital growth. The Investment Manager continues to identify opportunities within transportation and utilities, including infrastructure supporting energy security such as selected regulated natural gas transmission and storage assets. Long-term demand for digital infrastructure is also creating opportunities in stabilised data centres and communication networks.

The acquisition of Hector Rail demonstrates the implementation of the strategic evolution outlined at the Capital Markets Seminar. Beyond Hector Rail, the Investment Manager continues to engage in discussions regarding a number of other investment opportunities across HICL's target sectors and geographies and spanning HICL's Growers and Enhancers. Supported by InfraRed's extensive sourcing network and specialist infrastructure expertise, the current pipeline of opportunities is compelling, and HICL is well capitalised to take advantage of opportunities as they arise.

While macroeconomic uncertainty and market volatility are likely to remain features of the investment landscape, such conditions can create opportunities for experienced investors such as HICL, particularly those with a proven ability to navigate periods of uncertainty.

The Investment Manager, guided by the Board, will continue to utilise the full range of capital allocation tools available to the Company. Selective new investments, portfolio rotation and share repurchases will continue to be assessed against one another with the objective of maximising long-term shareholder value. This disciplined and dynamic approach to capital allocation remains central to progressing HICL's strategy and delivering attractive long-term returns for shareholders.

1 "UK faces £258bn infrastructure spending gap, warns report" – FT, 14 September 2026
2 "The infrastructure moment" – McKinsey, 9 September 2025

Operational highlights

1 Affinity Water

% of portfolio: 13.8%

Affinity Water ("Affinity") provides, on average, 950 million litres of clean water each day to a population of more than four million people in southern and eastern England.

Affinity Water delivered strong financial performance over the first half of the year, with EBITDA growing in line with HICL's 31 March 2026 valuation assumption. This result was supported by higher revenue, notably from increased household consumption during the hot summer, which more than offset higher costs incurred from increased bulk water imports and greater energy use.

Distributions continued in line with the regular programme expected over the current regulatory period ("AMP8"). As a result, the regulatory risk premium incorporated within the discount rate used to value Affinity Water was reduced by 10bps.

Affinity Water's overall performance against Outcome Delivery Incentives ("ODIs") remained slightly below HICL's expectations, owing primarily to weather-related leakage challenges, low pressure performance and customer experience measures. However, the impact on Affinity is expected to be largely mitigated by Ofwat's new Outturn Adjustment Mechanism ("OAM"), which recalibrates ODIs by reference to median sector performance. Management also continued to progress targeted improvement actions, including value-accretive technology investments aimed at enhancing customer service. More broadly, Ofwat's latest Water Company Performance Report again recognised the strength of Affinity Water's operational delivery in several areas, categorising the company as "On-track" and highlighting an improving performance trend, alongside consistently better outcomes than the sector median across a range of commitments.

Affinity Water benefits from a stable and resilient capital structure, with no refinancing requirements until 2033. The Company's investment grade credit ratings remain above Ofwat's required thresholds, and its credit profile strengthened during the period, with S&P removing the negative outlook on its BBB+ rating, the joint highest rating in the sector. The business also secured a new £50m US private placement in May, establishing a new long-term funding relationship and enhancing liquidity while keeping regulatory gearing at approximately 70%, in line with HICL's assumptions.

In September 2026, the UK Government announced plans for a new Water Bill as part of a ten-year programme of sector reform, including stronger powers to intervene where companies underperform, while reaffirming the importance of private investment to the sector. Against this backdrop, HICL continues to expect the wider reform programme to be supportive of companies such as Affinity Water, which remains a relatively strong performer in the industry and has no exposure to the wastewater operations that have been a key focus of the regulatory reform agenda. Further detail is set out in the Regulatory risk section of the Investment Manager's Report on page 8.

2 Fortysouth

% of portfolio: 7.6%

Fortysouth is a leading independent mobile tower operator in New Zealand. With over 1,700 wholly owned towers covering 98% of New Zealand's population, Fortysouth enables mobile network operators, fixed wireless providers, and critical communications operators to deliver communications services that connect New Zealanders to each other and the world.

Fortysouth delivered a resilient financial performance for the first half of the year, with EBITDA growing, albeit modestly below the level assumed in HICL's 31 March 2026 valuation. The variance primarily reflected the timing of planned maintenance expenditure, with certain spend brought forward to support the quality of the asset base. Notwithstanding this, underlying performance continued to benefit from the company's sales strategy and its availability-based, inflation-linked anchor tenancy contract with One NZ, with revenues under these arrangements continuing to expand.

As at 30 September 2026, Fortysouth had delivered c.250 new towers to support One NZ's network expansion requirements, and remained on track to achieve over 290 deployments by March 2027. Alongside this, the number of tower upgrades completed during the period exceeded HICL's 31 March 2026 valuation assumption, with these enhancements to the company's existing infrastructure increasing its capacity to accommodate additional tenants over time.

Building on its expanded tenant capacity, Fortysouth signed 88 new co-location agreements over the six months. The majority relate to a 77-site rollout for a key mobile network operator ("MNO") customer, with delivery targeted over the next five years under a similar commercial framework to the 75-site co-location programme agreed in March 2026. The remainder were with New Zealand's emergency services network, complementing Fortysouth's arrangements with MNOs. The long-term contracted nature of these arrangements improves visibility over Fortysouth's future revenues.

Beyond these contracted arrangements, One NZ announced in the period a proposal to form a partnership with 2degrees, another MNO, to share their radio access network ("RAN") infrastructure through a jointly owned wholesale business. If approved, the proposal could reduce future uncontracted tower deployment and co-location opportunities for Fortysouth, as shared infrastructure lessens the need for each operator to expand its network independently. This is mitigated substantially by Fortysouth's contractual protections, including the continued payment of access charges on existing towers and an uplift in One NZ tower rental pricing where RAN sharing is implemented.

The proposal remains subject to legal and regulatory approvals, including from the New Zealand Commerce Commission, with an outcome not expected before June 2027. The associated uncertainty has been reflected in HICL's valuation through the addition of a 20bps premium to the discount rate. The new contracted co-location agreements secured in the period were among the factors that partially offset the valuation effect of the higher discount rate.

3 Texas Nevada Transmission

% of portfolio: 5.8%

Texas Nevada Transmission ("TNT") comprises two distinct electricity transmission systems: Cross Texas Transmission ("CTT") and One Nevada Transmission ("ON Line"). Together, the networks consist of over 800km of high-voltage transmission lines, as well as a number of switching stations and substations, which have been fully operational since 2014.

TNT delivered a solid financial result for the first half of the year. While EBITDA was lower than in the same period in the prior year, this was in line with HICL's 31 March 2026 valuation assumption. The short-term reduction in EBITDA is an expected function of the regulatory mechanism as the recovery of TNT's invested capital is spread over a longer timeframe, and has no impact on allowed returns or valuation.

TNT's operational performance remained strong, with 100% availability achieved across both of its transmission lines, CTT and ON Line, and no material issues identified through system inspections. The asset's operating track record to date reflects the quality of the maintenance regime delivered by co-shareholder and operator LS Power.

Demand for new connections to the CTT network rose over the period, driven primarily by the rapid growth of data centre development in the region. Given the scale of investment needed to deliver these connections, the Texan regulator is considering to what extent the capital expenditure should be funded directly by data centre developers. HICL's expectation is that a substantial share of this overall connection spending will continue to be included in CTT's regulated asset base ("RAB"), as it relates to investment required to reinforce the wider transmission network, and, as such, data centre demand will contribute meaningfully to RAB growth. Further regulatory clarity on the treatment of connection investment considered directly attributable to individual data centre facilities is expected towards the end of 2026, with TNT's capital deployment anticipated to step up from 2027 accordingly.

Primarily reflecting growth in data centre development and associated power demand, LS Power has increased its near-term capital expenditure forecast for TNT. This forms part of a broader pipeline of transmission investment, with data centres representing one of several sources of interconnection demand, alongside renewables deployment and wider load growth. As the majority of this additional investment is expected to be added to the RAB, the revised forecast contributed positively to HICL's valuation of TNT. Following the period end, the outcome of the 2026 US midterm elections in Texas increased the potential for further regulatory intervention on data centres. This is not expected to materially impact HICL's valuation of TNT, reflecting the broader sources of interconnection demand underpinning the asset's investment pipeline, including renewables deployment, which the post-election policy environment shows signs of supporting.

TNT also completed an operating company refinancing during the period. As this debt is fully reflected within the regulatory framework, the refinancing had no direct impact on HICL's valuation. However, the terms achieved indicate continued credit market confidence in the sector's long-term fundamentals.

4 London St. Pancras Highspeed

% of portfolio: 5.3%

London St. Pancras Highspeed ("LSPH", formerly High Speed 1) is the UK's only high-speed rail line, linking London St. Pancras with the Channel Tunnel. It is a vital component of the UK's green gateway to Continental Europe, and also enables fast and frequent domestic rail services between Kent and Greater London.

LSPH delivered strong financial results for the first half of the financial year, with EBITDA increasing ahead of HICL's 31 March 2026 valuation assumption. This outcome was primarily driven by further growth in international train path volumes, which were 4% higher than the same period in the prior year, reflecting increased spot bid utilisation to align capacity with rising passenger demand. LSPH's financial performance was further supported by increasing footfall and improving sales at St. Pancras International Station, as well as stronger event attendance at Stratford International Station. This resulted in unregulated sales, derived predominantly from retail and car parking, increasing by 18% compared with the same period in the prior year.

Further progress was made during the period towards introducing international competition on the line, a key priority for HICL given its potential to increase utilisation of the route. The Office of Rail and Road ("ORR") pre-approved Virgin Trains' framework track access agreement with LSPH in August. The ORR is separately considering appeals from other operators in relation to LSPH's allocation of capacity on the route, with an indicative determination expected in December 2026. Virgin Trains will also require access through the Channel Tunnel, with a separate framework agreement assessment process for this underway. After the period end, Virgin Trains signed agreements covering the supply of new rolling stock to operate cross-Channel services planned from 2030, conditional on regulatory approval and financial close of the transaction. Trenitalia France also ordered 19 high-speed trains and reported progress on depot facilities for the cross-Channel services it aims to launch in 2029, further signalling strong prospective operator interest in the route.

Alongside these prospective new-entrant developments, Eurostar also progressed its network expansion plans, signing a memorandum of understanding in May with Swiss Federal Railways ("SBB") and SNCF Voyageurs, the French national rail operator, to explore potential direct services between London and Switzerland, which may provide an additional source of growth in international traffic on the route.

The probability-weighted assessment of new international operators commencing services in HICL's valuation is unchanged from 31 March 2026, with incremental value expected to be recognised as further milestones are met.

Domestic train paths remain under UK Government control and LSPH continues to benefit from the contractual underpin from the Department for Transport, which is fully indexed to RPI and guarantees 96% of pre-Covid domestic track access revenues. HICL's forecast continues to assume that LSPH receives domestic train path revenues at the underpin level until March 2028, with actual revenues from these services now in line with this assumption.

5 Cross London Trains

% of portfolio: 5.2%

HICL's investment covers a fleet of electric rolling stock operating on the Thameslink passenger rail route, a North–South London commuter rail corridor that serves both Luton and Gatwick airports. The project benefits from a 20-year availability contract, which commenced in 2016 and provides a guaranteed revenue stream fully backed by the UK Department for Transport.

Cross London Trains ("XLT") continued to perform in line with HICL's expectations over the first half of the financial year, with strong fleet availability and service delivery underpinning shareholder distributions consistent with HICL's valuation assumptions. In line with the Government's planned nationalisation programme, the Thameslink train operating company transferred to public ownership on 31 May, with the rolling stock lease moving to DfT Operator ("DFTO"), the UK Government's rail owning group. HICL does not expect this to have any impact on XLT and there have been no changes to the asset's operations to date.

During the period, HICL completed its previously announced acquisition of an additional 6.65% stake in XLT, increasing its total economic interest to 13.13%. The transaction strengthened HICL's governance position and made a positive contribution to portfolio performance, as the incremental stake was revalued broadly in line with the existing holding.

The UK Government has previously confirmed that rolling stock leasing companies such as XLT fall outside the scope of its selective nationalisation plans. This was complemented during the period by the publication of its Rolling Stock and Infrastructure Strategy, which reaffirmed the important role these companies are anticipated to play in supporting future rail investment. While the Strategy also indicated that the Government would consider directly participating in the procurement of new rolling stock, this does not affect existing fleets such as XLT.

XLT's trains were specifically designed for the Thameslink network; they are able to operate on the dual electrical power systems used on the route and were built with the in-cab signalling and automatic train operation systems needed to run up to 24 trains per hour through central London. As a result, they are expected to remain in service well beyond the current lease expiry in 2036. To further support the fleet's appeal to operators beyond that date, the XLT management team is assuming a programme of targeted capital investment over the coming years to further enhance passenger amenities and broader service delivery.

6 Altitude Infra

% of portfolio: 3.5%

Altitude Infra holds a controlling position in the largest independent wholesale fibre network in France. As the sole provider of fibre-to-the-home ("FTTH") in its 27 subsidised Public Initiative Networks ("PINs"), Altitude Infra serves more than five million homes with high-speed broadband.

Altitude Infra's French fibre network rollout is now complete, with sign-off achieved on the final section during the period, closing a multi-year programme that saw over four million homes added to the company's footprint. Reaching this milestone is a testament to the effective coordination across stakeholders throughout a complex build-out, and it positions the business to increasingly prioritise its steady-state operations.

Despite this delivery progress, EBITDA for the period was below HICL's 31 March 2026 valuation assumption. This partly reflected Orange, Free and Bouygues Telecom continuing to rent network access rather than prepay for longer-term access rights as they progress with the capital-intensive acquisition of SFR. While this reduced near-term earnings, higher recurring rental charges generate greater income per connection over time, supporting value. Slower than anticipated take-up by business customers also contributed to the EBITDA variance, reflecting the longer lead times typical of this highly competitive market segment.

The number of homes connected at Altitude Infra was broadly aligned with HICL's assumptions, with continued adoption of fibre supported by the gradual decommissioning of France's legacy copper network, which is planned to conclude by 2030. Management continues to explore a range of initiatives to further support customer penetration, including enhanced internet service provider marketing activity, targeted local stakeholder engagement and participation in copper decommissioning trials.

After the period end, the French regulator issued revised guidance on the minimum tariff that internet service providers pay to access wholesale fibre networks, publishing a new draft methodology which is subject to consultation. Tariffs are intended to reflect network maintenance costs and allow for an appropriate return; however, network operators and grantors consider that the draft methodology underestimates these costs. If adopted as drafted, the tariff increases assumed in HICL's valuation may not be supported across all of Altitude Infra's 27 network concessions, with outcomes varying across them. Altitude Infra is working with industry peers and broader stakeholders on a joint response to the consultation. As greater clarity emerges from this process, the implications will be assessed on a concession-by-concession basis and reflected in the valuation, although the overall impact is not expected to be material to the portfolio.

7 PPP assets

% of portfolio: 55.9%

HICL's PPP assets are long-term contracts between public and private sector entities to facilitate the delivery of essential public infrastructure.

HICL's PPP assets benefit from availability-based contracted revenues and fixed-rate debt, providing high levels of cash flow visibility. Accordingly, cash generation from these assets remained consistent with expectations during the period, supporting dividend cover in line with market guidance. In addition, day-to-day service delivery remained robust, as reflected in asset availability of 99% across these projects.

At Southmead Hospital, the refinancing completed in July extended debt maturities and improved visibility over the project's future cash flows. It also provided a platform to progress and formalise several commercial arrangements with the NHS Trust client. This gave greater clarity over the project's long-term operation and supports the constructive relationship between the Trust and the portfolio company. Reflecting this progress, the Company removed the 25bps premium previously applied to the discount rate used to value its interest in Southmead Hospital, which contributed positively to its valuation. In addition, HICL funded its scheduled £55m equity commitment at the Blankenburg Tunnel during the period, and the project subsequently paid its first distribution.

At Home Office and Royal School of Military Engineering ("RSME"), HICL's second and third largest PPP assets, solid operational performance and active asset management during the period supported a reduction in provisions previously held within HICL's valuation. This contributed positively to portfolio performance.

More broadly, several other workstreams were advanced across the Company's PPP assets, focused on maintaining high standards of facility condition and service delivery for clients and end users. At Birmingham Hospitals, construction defect remediation continued to progress as planned, with works phased in close coordination with the NHS Trust to minimise disruption to hospital operations. Discussions around a comprehensive settlement framework and the associated release of restricted cash to shareholders also moved forward, with the first agreement, covering the wards remediation programme, now well advanced. At Lewisham Hospital, the Investment Manager worked closely with the facilities management provider, NHS Trust client and lenders to implement a targeted service improvement plan and address the underlying causes of performance deductions. As part of this, additional specialist lifecycle management support was mobilised, and a ward refurbishment was completed during the period.

Valuation of the portfolio

Valuation and discount rates

InfraRed, in its capacity as Investment Manager, is responsible for preparing the valuation of HICL's investment portfolio for the Directors' approval each reporting period. This investment valuation is called the Directors' Valuation[1]. The Directors' Valuation, which is an Alternative Performance Measure ("APM"), comprises the fair market valuation of the investment portfolio as well as the future investments committed to by the Company at the reporting period end.

Further detail on the Company's APMs, including a reconciliation to the IFRS financial statements, is shown on pages 23 to 26.

The valuation methodology, including the use of a third-party expert, is unchanged from previous reporting periods and additional information on the valuation process can be found on page 151 of the Annual Report 2026.

The Group's investments are predominantly unquoted and are, therefore, valued using a discounted cash flow analysis of the forecast investment cash flows from each project. The listed senior debt in the A13 Road project (valued using the quoted market price of the bonds) was repaid in full during the period.

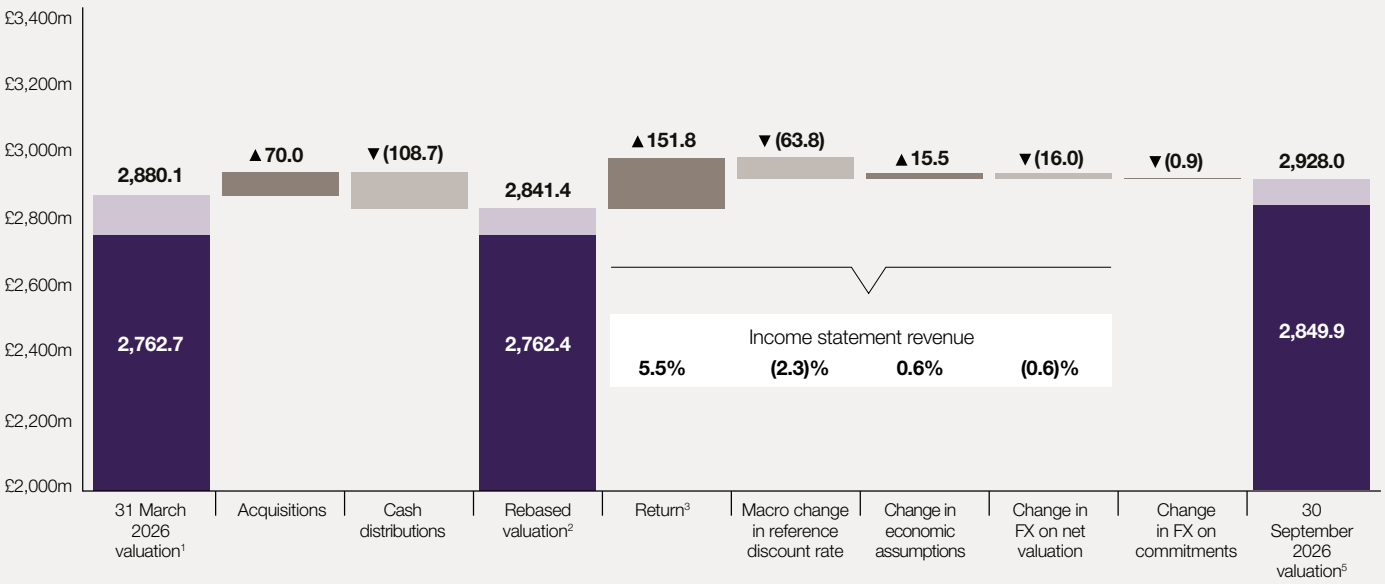
There is a secondary market for infrastructure investments and, where appropriate and publicly available, data points are taken into consideration.

The Directors' Valuation is a sum-of-the-parts valuation, and no further adjustment is made to reflect the size, scarcity and diversification of the overall portfolio.

At 30 September 2026, the Directors' Valuation of the portfolio was £2,928.0m (31 March 2026: £3,209.3m[1]). The Directors' Valuation includes £78.1m (31 March 2026: £117.4m) of future investment commitments in respect of two projects: Hector Rail (Sweden) and the B247 Road (Germany).

A breakdown of the movement in the Directors' Valuation is shown in the chart below.

Movement in the Directors' Valuation in the six months ending 30 September 2026



1 The Directors' Valuation at 31 March 2026 of £3,091.9m as presented in the 31 March 2026 Annual Report and Accounts, included £333.3m of disposal proceeds, of which £4.0m remains in the Directors valuation as cash. This results in an adjusted 31 March 2026 valuation of £2,762.7m as presented in the bridge above. Of the £329.3m (£333.3m - £4.0m) disposal proceeds, £52.0m was used to fund the outstanding commitment to XLT at 31 March 2026, with the remaining proceeds paid up to the Corporate Group
2 Directors' Valuation is on the Investment Basis. The Investment Basis is used throughout the Valuation of the Portfolio section of the Interim Report
3 Return comprises the unwinding of the discount rate and project portfolio outperformance including actual inflation
4 FX movement net of hedging was a £0.2m gain
5 £2,928.0m reconciles, on an Investment Basis, to £2,849.9m investments at fair value together with £78.1m of future commitments
6 Percentage increase on Rebased Valuation attributed to each component of Income Statement Revenue

Acquisitions

During the period, the Group entered into an agreement to invest c.£69.0m in Hector Rail. The Cross London Trains transaction (signed previously) also completed during the period.

Divestments

There were no asset disposals during the period. The listed A13 bond was repaid in full and therefore ceased to form part of the portfolio.

Rebased valuation

The rebased valuation is defined as the investment basis valuation as at the start of the period adjusted for acquisitions, disposals and cash distributions. The rebased portfolio of £2,762.4m delivered income statement revenue totalling 3.2% in the period, as shown in the chart on the previous page (30 September 2025: 5.6%).

Return from the portfolio

The return from the underlying portfolio of £151.8m (30 September 2025: £138.8m) represents a 5.5% (30 September 2025: 5.0%) increase on the rebased value of the portfolio in the period, or 11.3% annualised, versus the discount rate, or expected annualised return, of 8.5% at the start of the year. The return is stated before changes to discount rates and other macroeconomic assumptions.

The portfolio delivered a strong return above the weighted average discount rate, principally reflecting the acquisition gain recognised on Cross London Trains and stronger-than-forecast performance across the remaining growth assets. The PPP portfolio performed in line with expectations, providing a stable overall contribution to the period's return.

Discount rates

The Investment Manager considers both transaction evidence and movements in long-term government bond yields when determining the discount rates applied to the portfolio. During the six months from 1 April to 30 September 2026, 30-year sovereign yields and the average of 10- to 15-year yields across the UK, US, New Zealand, France and other Eurozone countries moved higher overall, although the extent of the increase varied by market. Yields did fall substantially after the period end, approximately 30bps on a weighted average basis across the Company's jurisdictions.

These movements reflected a more challenging macroeconomic backdrop, including persistent inflationary pressures and higher term premia. During the period, policy rates were increased by 25bps in the US in September and by a total of 50bps in the Eurozone. New Zealand also increased its official cash rate by a total of 50bps. Policy rates were maintained in the UK and Canada, although the respective central banks retained restrictive policy stances in response to continued inflationary risks.

Reflecting the significant increase in long-term government bond yields across all regions, the portfolio's weighted average risk-free rate increased by approximately 50-60bps during the period. Recent transaction evidence in the UK PPP market, including a transaction of which we had direct knowledge, has indicated assets trading at modest premiums to NAV, supporting the continued resilience of infrastructure valuations despite higher government bond yields. Recognising the heightened macro volatility, discount rates do not necessarily move on a one-for-one basis with government bond yields, as changes in risk-free rates may be offset by movements in required risk premia. This was partly offset by a reduction in the implied portfolio risk premium to 3.2% (31 March 2026: 3.5%). Having regard to these movements, together with the prevailing macroeconomic uncertainty and other asset-specific factors, the Group increased its portfolio discount rates by an average of 25bps for macroeconomic factors. This resulted in a weighted average discount rate of 8.7% at 30 September 2026, compared with 8.5% at 31 March 2026, and a reduction in the implied portfolio risk premium to 3.2% (31 March 2026: 3.5%).

With the addition of the Hector Rail investment, which was signed during the period and was recognised as a future investment commitment at the period end, the weighted average discount rate, on a pro forma basis would be 8.8%.

Changes in economic assumptions

Changes in future economic assumptions resulted in a £15.5m increase, principally due to higher short-term inflation and higher medium-term deposit rates forecasts.

Foreign exchange

Sterling strengthened against all currencies in the period, resulting in a negative impact of £(16.0)m pre-hedging. Net of hedging, the impact was a £0.2m gain.

Valuation assumptions

Apart from the discount rates, the other key economic assumptions used in determining the Directors' Valuation of the portfolio are as follows:

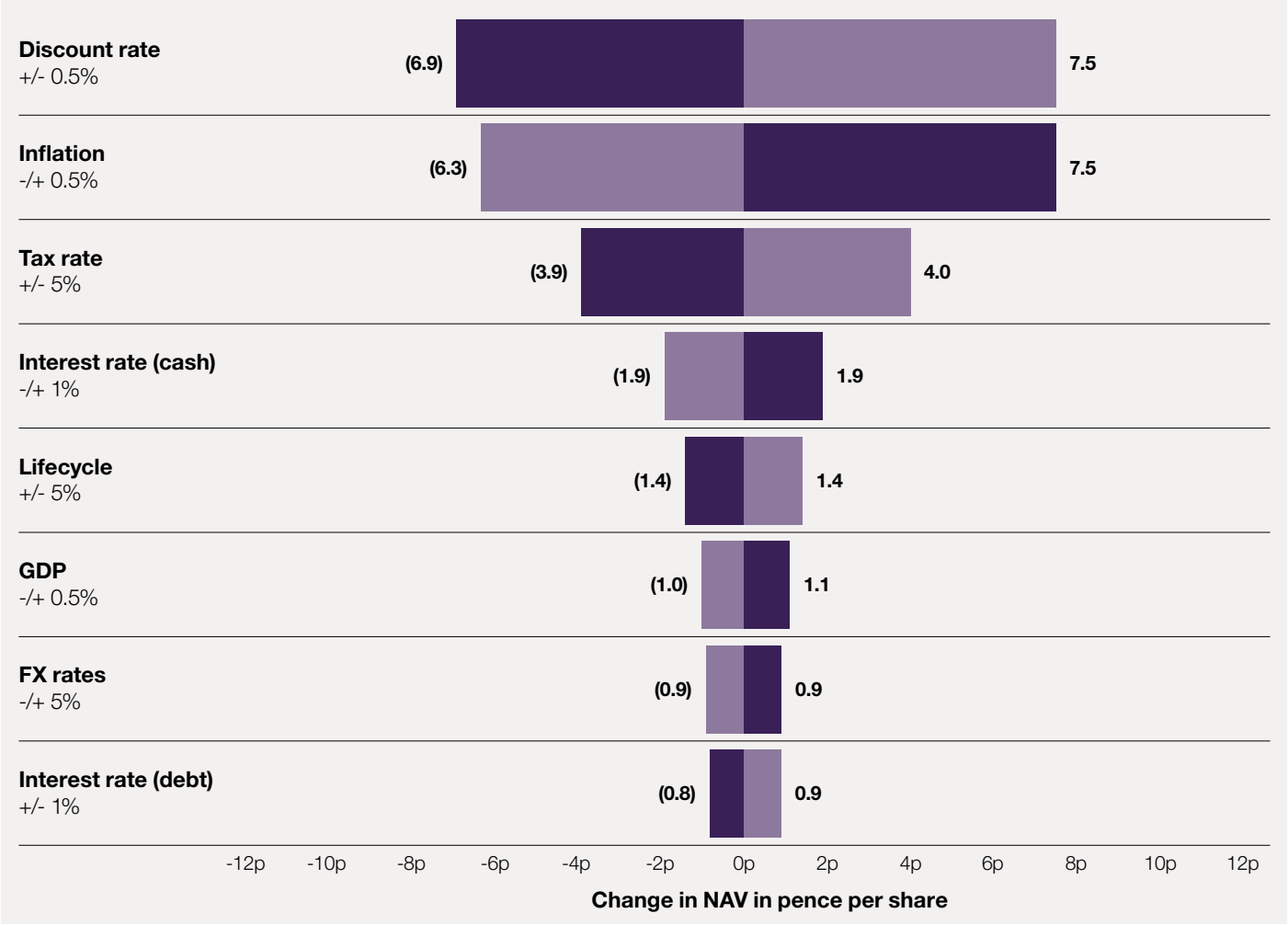
		30 September 2026	31 March 2026
Inflation rates	UK (RPI and RPIx)[1]	**4.00% p.a. to March 2027** **3.50% p.a. to March 2028** **3.25% p.a. to March 2030** **2.50% p.a. thereafter**	3.50% p.a. to March 2028 3.25% p.a. to March 2030 2.50% p.a. thereafter
	UK (CPI / CPIH)[2]	**3.25% p.a. to March 2027** **2.75% p.a. to March 2028** **2.50% p.a. thereafter**	2.75% p.a. to March 2028 2.50% p.a. thereafter
	Eurozone (CPI)	**2.50% p.a. to March 2027** **2.00% p.a. thereafter**	2.00% p.a.
	Canada (CPI)	**2.50% p.a. to March 2027** **2.00% p.a. thereafter**	2.00% p.a.
	USA (CPI)	**2.50% p.a. to March 2027** **2.00% p.a. thereafter**	2.00% p.a.
	New Zealand (CPI)	**3.00% p.a. to March 2027** **2.25% thereafter**	2.25% p.a.
Interest rates	UK	**3.75% p.a. to March 2030** **3.50% p.a. thereafter**	3.50% p.a.
	Eurozone	**2.00% p.a.**	1.75% p.a. to March 2030 2.00% p.a. thereafter
	Canada	**2.75% p.a. to March 2030** **2.50% p.a. thereafter**	2.50% p.a.
	USA	**3.75% p.a. to March 2030** **3.50% p.a. thereafter**	3.50% p.a.
	New Zealand	**2.75% p.a. to March 2030** **3.50% p.a. thereafter**	2.50% p.a. to March 2030 3.50% p.a. thereafter
Foreign exchange rates	GBP / EUR	**1.17**	1.14
	GBP / CAD	**1.89**	1.84
	GBP / USD	**1.33**	1.32
	GBP / NZD	**2.35**	2.30
Tax rates	UK	**25.0%**	25.0%
	Eurozone	**Ireland 12.5%** **France 25.0%** **Netherlands 25.8%**	Ireland 12.5% France 25.0% Netherlands 25.8%
	Canada	**23.0% and 27.0%**	23.0% and 27.0%
	USA	**21.0% Federal**	21.0% Federal
	New Zealand	**28.0%**	28.0%
GDP growth	UK	**2.00% p.a.**	2.0% p.a.
	Eurozone	**1.8% p.a.**	1.8% p.a.

1 Retail Price Index and Retail Price Index excluding Mortgage Interest Payments
2 Consumer Prices Index including owner-occupiers' housing costs; used in the valuation of Affinity Water

Valuation sensitivities

The Directors' Valuation is sensitive to each of the assumptions listed below. An explanation of the reason for the sensitivity, and an analysis of how each variable in isolation (i.e. while keeping the other assumptions constant) impacts the valuation, follows below.[1,2,3]

Valuation sensitivities – impact in pence per share



1 NAV per share based on 1,857m Ordinary Shares as at 30 September 2026 (31 March 2026: 1,893m shares)
2 Sensitivities for inflation, interest rates and tax rates are based on the 35 largest investments extrapolated for the whole portfolio
3 Foreign exchange rate sensitivity is net of Group hedging as at 30 September 2026

Discount rate sensitivity

The weighted average discount rate that is applied to each portfolio company's forecast cash flows, for the purposes of valuing the portfolio, is the single most important judgement and variable. The impact of a 0.5% change in the discount rate on the Directors' Valuation and the NAV per share is shown on the previous page.

Inflation rate sensitivity

The portfolio's PPP projects have contractual income streams from public sector clients, which are rebased every year for inflation. UK projects tend to use either Retail Price Index ("RPI") or RPI excluding mortgage interest payments ("RPIx") until 2030. In 2030, RPI will align to the Consumer Price Index, including owner-occupiers' housing costs ("CPIH"). Revenues are either partially or totally indexed (depending on the contract and the nature of the project's financing).

Facilities management and operating sub-contracts also have similar indexation arrangements.

The portfolio's inflation correlation[1] at 30 September 2026 was positive at 0.8x (31 March 2026: 0.8x) such that, should inflation be 1% p.a. higher than the valuation assumption for all future periods, the expected return from the portfolio would increase by 0.8%, from 8.7% to 9.5%.

In the UK, year-on-year RPI was recorded at 3.9% in the six-month period to September 2026. The portfolio valuation assumes UK RPI inflation of 4.0% for the year ending 31 March 2027, 3.50% to 31 March 2028, 3.25% to 31 March 2030 and 2.50% thereafter (with CPI at 2.50% post 2030). HM Treasury provides a forecast using 17 different sources with the median RPI estimate at 4.2% up to 31 December 2026.

Gross Domestic Product ("GDP") growth rate sensitivity

At 30 September 2026, the portfolio had one asset sensitive to GDP, namely LSPH. The asset is classified as GDP-sensitive because at times of higher economic activity there will be greater traffic volumes, generating increased revenues compared to periods of lower economic activity.

If outturn GDP growth was 0.5% p.a. lower for all future periods than those in the valuation assumptions set out on page 16, expected return from the portfolio (before Group expenses) would decrease 0.1% from 8.7% to 8.6% (31 March 2026: 8.4%).

Interest rate sensitivity

The majority of HICL's portfolio company's interest expense is fixed, either through fixed-rate bonds or bank debt, which is hedged for the life of the project with an interest rate swap or linked to inflation through index-linked bonds. However, there are six investments – Affinity Water (UK), Fortysouth (NZ), TNT (US), Altitude Infra (France), Hector Rail (Sweden) and Cross London Trains (UK) – which have refinancing requirements, exposing these investments to interest rate risk. The average gearing of the assets is lower than the portfolio as a whole, at 47% (debt / equity value). As set out on page 17, were interest rates to be 1.0% higher in all future valuation periods, the expected return from the portfolio would decrease by 0.04% as a result of higher financing costs, before accounting for the offsetting positive impact of higher interest rates on cash balances.

At 30 September 2026, cash deposits for the portfolio were earning interest at a rate of 3.7% p.a. on average (31 March 2026: 3.5%).

Corporation tax rate sensitivity

The profits of each portfolio company are subject to corporation tax in the country where the project is located. The sensitivity is based upon a 5% movement in tax rates in all jurisdictions.

The UK Corporation Tax assumption for the portfolio valuation is 25%.

Foreign exchange rates sensitivity

32% of the portfolio by Directors' value has exposure to foreign exchange rates. The sensitivity shows, post-hedging, the impact of GBP appreciating or depreciating against these currencies by +/- 5%.

1 Inflation correlation is defined as an increase in expected return of the portfolio as a result of 1% inflation increase
2 Portfolio return decrease for 0.5% reduction in GDP

Key performance indicators

The Board has identified metrics to measure clearly the Group's performance against its strategic objectives. The results for the six months ended 30 September 2026 are set out below:

Dividends

4.24p

2025: 4.15p

Measure
Aggregate interim dividends declared per share in the period

Objective
An annual distribution of at least that achieved in the prior year

Commentary
Achieved

Total NAV return p.a. since IPO[1]

8.5% p.a.

2025: 8.5% p.a.

Measure
NAV growth and dividends paid per share since IPO

Objective
A long-term IRR target of 7% to 8% as set out at IPO[1]

Commentary
Achieved

Cash-covered dividends

1.10x

2025: 1.10x

Measure
Operational cash flow/dividends paid to shareholders

Objective
Dividend payments are covered by cash received from the portfolio

Commentary
Achieved

Positive inflation correlation

0.8x

2025: 0.7x

Measure
Changes in the expected portfolio return for 1% p.a. inflation change for each and every future period

Objective
Maintain positive correlation (with a correlation) of at least 0.5x

Commentary
Achieved

Competitive cost proposition

1.00%

2025: 1.04%

Measure
Annualised ongoing charges / average undiluted NAV[2]

Objective
Efficient gross (portfolio level) to net (investor level) returns, with the intention to reduce ongoing charges where possible. Maintain within the range for FTSE 250 listed infrastructure peers

Commentary
Achieved

1 Return based on NAV growth and dividends paid per share since IPO
2 Set by reference to the issue price of 100p/share, at the time of HICL's IPO in February 2006
3 Calculated in accordance with Association of Investment Companies guidelines. Ongoing charges excluding non-recurring items such as acquisition costs

Financial review

HICL prepares its financial information in accordance with UK-adopted International Accounting Standards. Consistent with the 2026 Annual Report, the Company's financial performance is reported under the Investment Basis, which consolidates the results of the Company, together with HICL Infrastructure 2 S.à r.l. ("Luxco") and Infrastructure Investments LP ("IILP"), referred to as the "Corporate Group" throughout the Financial Review.

Total return, which is defined as total comprehensive income for the period, net assets or NAV, and EPS, are the same under IFRS and the Investment Basis. The Board and the Investment Manager manage the Company on the Investment Basis, which is an Alternative Performance Measure ("APM") and is reconciled on page 25. Reconciliation of the Investment Basis financial information to the IFRS statements is provided from page 25.

Summary income statement

Investment Basis £m	Six months to 30 September 2026	Six months to 30 September 2025
Dividend income received	**36.5**	41.8
Interest income receivable	**62.2**	67.5
Fair value (loss)/gain on revaluation of investments	**(4.0)**	25.5
Foreign exchange (loss)/gain on investments	**(16.0)**	14.3
Gain/(loss) on foreign exchange derivatives	**16.2**	(7.0)
Other income	**3.2**	3.7
Total investment income	**98.1**	**145.8**
Expenses and finance costs	**(26.2)**	(26.3)
Profit before tax	**71.9**	**119.5**
Tax	**–**	–
Total return	**71.9**	**119.5**
Earnings per share	**3.9p**	**6.1p**

Total investment income decreased by 33% to £98.1m in the six months to 30 September 2026 (30 September 2025: £145.8m). The decrease compared to the prior period primarily reflects a lower investment portfolio return of 3.2% in the six months to 30 September 2026, principally driven by the increase in discount rates in the period (30 September 2025: 5.0%).

Further detail on the valuation movements is given in the Valuation of the portfolio section on page 14.

The table below shows the breakdown of Other income:

Investment Basis £m	Six months to 30 September 2026	Six months to 30 September 2025
Project directors' fees	**2.2**	2.8
Interest on bank deposits	**0.3**	0.5
Early repayment fees and recharges	**0.7**	0.4
Other income	**3.2**	**3.7**

Other income principally represents project directors' fees charged to project companies, which are recognised in Other income when invoiced, early repayment fees on loans and recharge of costs to project companies, and bank interest earned on deposits at IILP.

The Corporate Group's hedging policy targets NAV per share volatility of no more than 2% for a 10% movement in foreign exchange ("FX") rates. During the period, the net impact of foreign exchange movements was a £0.2m gain (30 September 2025: £7.3m gain), which represents less than 0.1% of the closing NAV (30 September 2025: 0.2%). This follows the strengthening of sterling in the period against all the Company's currencies, with EUR being the largest non-sterling asset currency exposure and for which there was a 2% movement in the spot rate.

The below table shows the impact of hedging on non-sterling assets:

Foreign exchange hedging £m	Rate as at 30 September 2026	Non-UK assets	FX hedge	FX hedge as % of non-UK assets %	1% sensitivity to movement in FX rates[1]
Euro	**1.17**	478.3	361.5	76%	1.2
US	**1.33**	171.0	85.5	50%	0.8
Canada	**1.89**	31.1	12.2	39%	0.2
New Zealand	**2.35**	222.8	100.9	45%	1.2
Total		**903.2**	**560.1**	**62%**	**3.4**

1 Sensitivity impact is net of derivatives

Expenses and finance costs

Investment Basis £m	Six months to 30 September 2026	Six months to 30 September 2025
Investment Manager fees	**12.8**	14.1
Finance costs	**6.1**	8.9
Professional and other fees	**7.0**	3.0
Directors' fees & expenses	**0.3**	0.3
Expenses and finance costs	**26.2**	**26.3**

Investment Manager fees were £12.8m (September 2025: £14.1m). The decrease primarily reflects the revised fee calculation basis effective from 1 July 2025, further amended from 1 July 2026. From 1 July 2025, the fee was based on an equal blend of the Company's most recently published NAV and its average daily closing market capitalisation. From 1 July 2026, the fee is based entirely on the average daily closing market capitalisation, subject to the existing upper cap at the 100% GAV fee arrangement. With the Company's share price trading at a discount to NAV, this therefore is reflected in a lower Investment Manager fee compared with the prior year period. The calculation methodology is in line with the Investment Manager fee terms shown on page 40.

Finance costs decreased to £6.1m (30 September 2025: £8.9m), which was primarily driven by the absence of cash drawings on the RCF in the period. Interest costs were therefore lower, with an average total cash borrowing on the RCF and private placement loan notes in the six months to 30 September 2026 of £150.0m (30 September 2025: £170.8m), as the RCF remained fully undrawn, except for letters of credit utilised under the facility. The average interest rate remained at 5.8% compared with 5.8% for the six months ended 30 September 2025.

Professional and other fees increased to £7.0m (30 September 2025: £3.0m), principally reflecting higher transaction activity and associated abort costs incurred on opportunities which did not proceed.

Operating expense ratio ("OER")

Investment Basis £m	30 September 2026 (Annualised)	30 September 2025 (Annualised)
Investment Manager fees	**25.5**	27.3
Auditor fee for the Corporate Group	**0.7**	0.7
Non-audit fee paid to the Auditor:		
Interim Review	**0.2**	0.2
Directors' fees and expenses	**0.5**	0.5
Other ongoing expenses	**3.3**	2.6
Total expenses	**30.2**	31.3
Average NAV	**3,006.9**	3,019.8
Operating expense ratio	**1.00%**	**1.04%**

The OER is calculated in line with the Association of Investment Companies' ("AIC") guidance. It is defined as the annualised ongoing expenses for the six-month period (which exclude acquisition costs, finance costs and other non-recurring items) divided by the average published undiluted NAV of £3,006.9m for the period (30 September 2025: £3,019.8m).

The OER for the period is 1.00% (30 September 2025: 1.04%). The decrease is principally because of the lower Investment Manager fee due to the new calculation basis effective from 1 July 2026.

Summary balance sheet and NAV

Investment Basis £m	30 September 2026	31 March 2026
Investments at fair value	**2,849.9**	3,091.9
Net other assets	**4.7**	3.9
Net cash / (debt)	**125.6**	(62.3)
Net assets	**2,980.2**	**3,033.5**
NAV per share (before dividend)	**160.5p**	160.2p
NAV per share (post dividend)	**158.4p**	158.1p

Net assets overall decreased by £53.3m to £2,980.2m (31 March 2026: £3,033.5m), due to dividends paid of £78.6m and £46.6m of shares repurchased, offset by profit in the period of £71.9m. Investments at fair value decreased to £2,849.9m (31 March 2026: £3,091.9m), principally due to receipt of the disposal proceeds following the sale of the A63 Road and the APG transaction, which were previously held outside the Corporate Group and within the Investments at fair value balance, being repatriated to IILP in the period. Further details on the movement in Investments at fair value, which are net of future commitments, are set out in the Valuation of the portfolio section on page 14.

Net other assets include the fair value of FX forwards which increased by £13.8m to £12.9m (31 March 2026: £(0.9)m).

NAV per share was 160.5p (31 March 2026: 160.2p) before the 2.12p second quarterly dividend, due to be paid in December 2026. NAV per share increased by 0.3p, as a result of earnings per share of 3.9p plus a 0.6p benefit from the impact of share buybacks, offset by 4.2p of dividends in the period ended 30 September 2026. NAV per share and earnings per share are the same under the Investment Basis and the IFRS Basis.

Summary cash flow

Investment Basis £m	Six months to 30 September 2026	Six months to 30 September 2025
Cash from investments	**108.7**	114.0
Operating costs	**(17.0)**	(17.8)
Finance costs	**(5.5)**	(5.7)
Net cash inflow before capital movements	**86.2**	**90.5**
Investment disposal proceeds	**284.5**	–
Cost of new investments	**(55.2)**	–
Shares repurchased	**(48.6)**	(60.0)
Net cash flow from derivatives	**3.9**	11.7
Sundry transaction fees & arrangement fees paid	**(3.8)**	(1.0)
Dividends paid	**(78.6)**	(81.2)
Movement in the period	**188.4**	**(40.0)**
Net debt at start of period	**(62.3)**	(102.2)
Foreign exchange on cash	**(0.5)**	–
Net cash/(debt) at end of period	**125.6**	**(142.2)**

The Corporate Group ended the period with net cash of £125.6m (30 September 2025: net debt of £142.2m). This comprised cash and cash equivalents of £275.6m (30 September 2025: £37.8m), partially offset by £150.0m of private placement loan notes (30 September 2025: £150.0m). No cash amounts were drawn under the Revolving Credit Facility (RCF) at 30 September 2026 (30 September 2025: £30.0m).

Dividends of £78.6m, equivalent to 4.2 pence per share, were paid during the period (30 September 2025: £81.2m, equivalent to 4.2 pence per share). The reduction in aggregate dividends paid reflects the lower number of shares in issue following share repurchases. During the period, 36.0m shares were repurchased for £48.6m, including £2.0m cash paid for a trade recorded on the last day of the prior period, and including associated transaction costs. Dividend cash cover was 1.10x excluding profits on disposals, consistent with the prior period (30 September 2025: 1.10x, excluding profits on disposals).

Investment disposal proceeds of £284.5m represent net disposal proceeds previously held within the HICL group and recognised in investments at fair value, being moved within the Corporate Group during the period. This primarily reflects the £333.3m of disposal proceeds held within the Corporate Group at 31 March 2026, partially offset by funding commitments of £52.0m to Cross London Trains, together with remaining disposal costs and foreign exchange movements. The proceeds also include receipt of £14.0m of deferred consideration relating to the APG transaction outstanding at 31 March 2026.

Cost of new investments reflects the longstanding £55.2m commitment to Blankenburg Tunnel, following completion of construction and becoming operational.

Debt and gearing levels

The Corporate Group's debt and borrowing facilities are held by IILP. As at 30 September 2026, the RCF had no cash drawings (31 March 2026: £nil). In March 2026, the maturity of the £400m RCF was extended by one year to 30 June 2028.

In addition, IILP had a committed balance of £94.2m by way of Letter of Credit drawings at 30 September 2026 (31 March 2026: £85.5m). This included £56.4m relating to Blankenburg Tunnel, which was cancelled shortly after the period end. IILP also had £150.0m of private placement loan notes in issue. Overall, the Corporate Group had £559.7m of available liquidity as at 30 September 2026, made up of £362.2m capacity[1] on the RCF and £275.6m of cash and cash equivalents, net of £78.1m of outstanding investment commitments.

The ratio of debt to adjusted GAV[2] at the end of the period was as follows:

	30 September 2026 £m	31 March 2026 £m
Outstanding drawings		
Letter of credit facility[3]	**94.2**	85.5
Private placement loan notes	**150.0**	150.0
	244.2	**235.5**
Adjusted Gross Asset Value		
Directors' Valuation	**2,928.0**	3,209.3
Disposal proceeds due[5]	**3.4**	17.4
Cash and cash equivalents	**275.6**	87.7
	3,207.0	3,314.4
Borrowing ratio	**7.6%**	**7.1%**

Capital management

While the Company's Ordinary Shares trade at a discount to the NAV and there are sufficient funds to transact, at the sole discretion of the Directors, the Company may:

- make market purchases of up to 14.99% per annum of its issued Ordinary Shares; and
- make tender offers for the Ordinary Shares.

In May 2024, the Company announced a share buyback programme of £50m, with an additional £100m announced in March 2025, which was all funded using disposal proceeds and has now completed. In March 2026, the Company resumed share repurchases on an ongoing basis, and expects this to continue while this represents an attractive allocation of capital relative to other uses. The Board retains discretion to stop repurchasing shares at any point, subject to any close period. As at 30 September 2026, 174.1m shares had been bought back for a cost of £211.6m including direct costs. While trading at a discount to NAV, the Company is unable to issue shares via a tap issuance[4], but can do so on a wholly pre-emptive basis.

Alternative Performance Measures ("APMs")

The Directors assess the Corporate Group's performance using a variety of APMs that are not specifically defined under IFRS, which provide additional information to investors as to how the Company is managed and assessed. The APMs may not be directly comparable with those used by other companies and, therefore, the Directors wish to draw users' attention to GAAP measures in the financial statements from page 29 onwards. The Directors' Investment Basis is itself an APM.

The explanation and rationale for the Investment Basis is shown on page 20 and its reconciliation to IFRS is shown from page 25. The table on the next pages defines the Corporate Group's APMs.

1 Consists of £400m facility less £37.8m of Letter of Credit utilisation
2 Adjusted Gross Asset Value means fair market value, without deductions for borrowed money or liabilities or accruals, and including outstanding subscription obligations
3 Consisting of £56.4m on the LCF and £37.8m on the RCF (31 March 2026: £80.3m on the LCF and £5.2m on the RCF)
4 Issuance of new shares as an extension of an original share issuance programme
5 Current year relates to the $4.5m tax refund due from the FY24 Northwest Parkway disposal

APM	Purpose	30 September 2026 Investment Basis	Calculation	Reconciliation to IFRS
Annualised Return from the Portfolio	A ratio of portfolio performance within the period, compounded. Performance primarily relates to the unwind of the portfolio discount rate and any under- or over-performance by investments during the period. Where the impact of disposals are included in the return, this represents any gain or loss on disposals in the period, against most recent previously published NAV	**11.3%** (31 March 2026: 12.2%/ 10.5% with/without profit on disposal)	£151.8m return divided by £2,762.4m rebased valuation, as shown in the Valuation Report on page 14	The calculation uses figures, which are reconciled to the Investment Basis on page 25 which, in turn, is reconciled to IFRS in the Reconciliation of Investment Basis to IFRS section Under IFRS, the return is 5.2% based on investment income of £77.1m divided by an investment value of £2,975.5m
Directors' Valuation	A measure of the size of the investment portfolio including the value of further contracted future investments committed by HICL. This reflects the value of the portfolio at IILP	**£2,928.0m** (31 March 2026: £3,209.3m)	£2,849.9m investments at fair value plus £78.1m of contracted commitments	The calculation uses portfolio assets shown in the reconciliation in the "Reconciliation of Investment Basis to IFRS" section The IFRS valuation is £2,975.5m as at 30 September 2026
Distributable cash	A measure of cash received by the HICL Group from underlying projects in the period, based on income from investments plus gains or losses on disposals of investment during the period	**£86.2m** (31 March 2026: £383.4m)	Calculated as net cash inflow before capital movements shown in the "Investment Basis Summary Cash Flow" section	The calculation uses distributions received from investments (plus profit on disposal if applicable) Under IFRS net cash inflow, is £133.0m, net of operating expenses paid of £5.6m, consisting of cash received to support the Company's £78.6m dividend, share buybacks of £48.6m, plus working capital of £5.8m
Dividend cash cover	A ratio of cash received from underlying projects in the year enabling distributions to shareholders. Includes gains / losses on any disposals during the period	**1.10x** (31 March 2026: 2.38x/1.10x with/without profit on disposal)	£86.2m distributable cash received, divided by £78.6m dividend for the period ended 30 September 2026	The IFRS equivalent is 1.0x, with £90.0m of Income provided to the Company to support the dividend of £78.6m and operating expenses paid of £5.6m plus working capital of £5.8m. This excludes the £48.6m of funds provided to the Company for share buybacks
Cash investments	Identifying new opportunities in which to invest capital is a driver of HICL's ability to deliver attractive returns	**£107.2m** (31 March 2026: £49.9m)	In the period, investment commitments of £52.0m to Cross London Trains and £55.2m to the Blankenburg Tunnel were paid, through recycling disposal proceeds	The equivalent balance under IFRS is shown in the "Reconciliation of Statement of Cash Flows" There were no cash investments and therefore there is no like-for-like IFRS equivalent

APM	Purpose	30 September 2026 Investment Basis	Calculation	Reconciliation to IFRS
Disposal cash proceeds	Disposal cash proceeds from HICL's investments support HICL's returns to shareholders, as well as the ability to invest in new opportunities. Only disposal proceeds used to fund share repurchases are distributed up to the Company, with the majority of proceeds used for either working capital purposes such as repayment of debt, or reinvested back into the portfolio in the form of acquisitions	**£284.5m** (31 March 2026: £164.6m)	£284.5m cash received into IILP in the period, directly or indirectly, from the disposal of investments, net of all direct costs and taxes, and the investment commitments funded in the period	The equivalent balance under IFRS is shown in the "Reconciliation of Statement of Cash Flows" There were no cash proceeds received by the Company
Net cash	A measure of the available cash offset by the Corporate Group's borrowings. This is an indicator of the financial risk in the Group's Statement of Financial Position	**£125.6m** (31 March 2026: £(62.3)m)	£275.6m cash and cash equivalents less £150.0m loans and borrowings	The equivalent balance under IFRS and the reconciliation to the Investment Basis is shown in the Reconciliation of Statement of Financial Position Net cash is £6.7m under IFRS as at 30 September 2026, being the working capital held by the Company. The Company holds no debt
Available Liquidity[1]	A measure of the available liquidity in the business, consisting of the available cash, available RCF, offset by any outstanding investment commitments	**£559.7m** (31 March 2026: £365.1m)	Available liquidity is £559.7m, consisting of £275.6m of cash and cash equivalents (including the £150m private placement) and £362.2m capacity under the RCF, offset by investment commitments of £78.1m	The equivalent balance under IFRS and the reconciliation to the Investment Basis is shown in the Reconciliation of Statement of Financial Position Available liquidity is £6.7m, consisting of cash and cash equivalents of £6.7m under IFRS at 30 September 2026, being the working capital held by the Company. The Company holds no debt
Borrowing ratio	A measure of loan drawings as a percentage of adjusted Gross Asset Value of the Corporate Group, and reflects that the external debt is held by IILP and not the Company	**7.6%** (31 March 2026: 7.1%)	£244.2m debt (including £94.2m letters of credit) divided by adjusted GAV of £3,207.0m. Adjusted GAV is the Directors' Valuation plus disposal proceeds due of £3.4m plus cash and cash equivalents of £275.6m	The equivalent balance under IFRS is shown in the "Reconciliation of Statement of Financial Position" The Company holds no debt, therefore the borrowing ratio is not applicable under IFRS
Operating expense ratio	A measure of ongoing costs (which exclude acquisition and disposal costs, finance costs and other non-recurring items such as the aborted deal costs) divided by the average published undiluted Net Asset Value	**1.00%** (31 March 2026: 1.03%)	£30.2m of ongoing expenses divided by the average NAV across the six-month period of £3,006.9m	The equivalent balance under IFRS is 0.14%, calculated as £4.3m of ongoing expenses divided by the average NAV across the six-month period of £3,006.9m

1 Available Liquidity has been introduced as a new APM during the period to provide users with additional information on the Corporate Group's funding capacity to support its capital allocation decisions

Reconciliation of Investment Basis to IFRS

Reconciliation of Statement of Comprehensive Income

£m	Six months to 30 September 2026			Six months to 30 September 2025		
	Investment Basis	Consolidation adjustments	IFRS Basis	Investment Basis	Consolidation adjustments	IFRS Basis
Dividend income received and interest income receivable	**98.7**	**(23.4)**	**75.3**	109.3	(24.3)	85.0
Fair value (loss)/gain on revaluation of investments	**(4.0)**	**5.8**	**1.8**	25.5	11.9	37.4
Foreign exchange (loss)/gain on investments	**(16.0)**	**16.0**	**–**	14.3	(14.3)	–
Gain/(loss) on foreign exchange derivatives	**16.2**	**(16.2)**	**–**	(7.0)	7.0	–
Other income	**3.2**	**(3.2)**	**–**	3.7	(3.7)	–
Total investment income[1]	**98.1**	**(21.0)**	**77.1**	**145.8**	**(23.4)**	**122.4**
Management fee	**(12.8)**	**12.8**	**–**	(14.1)	14.1	–
Finance costs	**(6.1)**	**6.1**	**–**	(8.9)	8.9	–
Other fund expenses[2]	**(7.3)**	**2.1**	**(5.2)**	(3.3)	0.4	(2.9)
Total expenses	**(26.2)**	**21.0**	**(5.2)**	**(26.3)**	**23.4**	**(2.9)**
Profit before tax	**71.9**	**–**	**71.9**	**119.5**	**–**	**119.5**
Tax	**–**	**–**	**–**	–	–	–
Earnings for the period	**71.9**	**–**	**71.9**	**119.5**	**–**	**119.5**
Earnings per share	**3.9p**	**–**	**3.9p**	**6.1p**	**–**	**6.1p**

1 Total income shown in the IFRS accounts only relates to HICL and not those portfolio companies held through investment entity subsidiaries. The Investment Basis to IFRS adjustments represent the results recorded in the Corporate Subsidiaries

2 Other fund expenses includes audit, valuation and other professional fees (including transaction and associated abort costs)

Reconciliation of Statement of Financial Position

£m	Six months to 30 September 2026 Investment Basis	Consolidation adjustments	IFRS Basis	Six months to 30 September 2025 Investment Basis	Consolidation adjustments	IFRS Basis
Investments at fair value	**2,849.9**	**125.6**	**2,975.5**	3,091.9	(54.9)	3,037.0
Trade and other receivables	**10.0**	**(9.8)**	**0.2**	22.8	(22.5)	0.3
Other financial assets	**13.7**	**(13.7)**	**–**	5.9	(5.9)	–
Trade and other payables	**(18.2)**	**16.0**	**(2.2)**	(18.1)	13.4	(4.7)
Other financial liabilities	**(0.8)**	**0.8**	**–**	(6.7)	6.7	–
Cash and cash equivalents	**275.6**	**(268.9)**	**6.7**	87.7	(86.8)	0.9
Loans and borrowings	**(150.0)**	**150.0**	**–**	(150.0)	150.0	–
Net assets attributable to Ordinary Shares	**2,980.2**	**–**	**2,980.2**	**3,033.5**	**–**	**3,033.5**
NAV per share (before dividend)	**160.5p**	**–**	**160.5p**	160.2p	–	160.2p
NAV per share (post dividend)	**158.4p**	**–**	**158.4p**	158.1p	–	158.1p

Note: The Investment Basis financial statements are prepared for performance measurement and therefore reserves are not analysed separately.

Reconciliation of Statement of Cash Flows

£m	Six months to 30 September 2026 Investment Basis	Consolidation adjustments	IFRS Basis	Six months to 30 September 2025 Investment Basis	Consolidation adjustments	IFRS Basis
Investment income received	**108.7**	**(33.4)**	**75.3**	114.0	(29.0)	85.0
Operating expenses paid	**(17.0)**	**11.8**	**(5.2)**	(17.8)	14.9	(2.9)
Finance costs	**(5.5)**	**5.5**	**–**	(5.7)	5.7	–
Movement in receivables	**–**	**0.1**	**0.1**	–	–	–
Movement in payables	**–**	**(0.5)**	**(0.5)**	–	0.4	0.4
Net cash inflow before capital movements	**86.2**	**(16.5)**	**69.7**	**90.5**	**(8.0)**	**82.5**
Investment proceeds received	**284.5**	**(284.5)**	**–**	–	–	–
Cost of new investments	**(55.2)**	**55.2**	**–**	–	–	–
Investment repayment	**–**	**63.3**	**63.3**	–	62.5	62.5
Shares repurchased	**(48.6)**	**–**	**(48.6)**	(60.0)	–	(60.0)
Net cash flow from derivatives	**3.9**	**(3.9)**	**–**	11.7	(11.7)	–
Sundry transaction fees & arrangement fees paid	**(3.8)**	**3.8**	**–**	(1.0)	1.0	–
Dividends paid	**(78.6)**	**–**	**(78.6)**	(81.2)	–	(81.2)
Movement in the period	**188.4**	**(182.6)**	**5.8**	**(40.0)**	**43.8**	**3.8**
Net (debt)/cash at start of period	**(62.3)**	**63.2**	**0.9**	(102.2)	102.9	0.7
Foreign exchange on cash	**(0.5)**	**0.5**	**–**	–	–	–
Net cash/(debt) at end of period	**125.6**	**(118.9)**	**6.7**	**(142.2)**	**146.7**	**4.5**

Note: There is a difference between the change in cash and cash equivalents of the Investment Basis financial statements and the IFRS financial statements due to the cash balances held in the Corporate Subsidiaries. Cash held within the Corporate Subsidiaries is not shown in the IFRS statements but is shown in the Investment Basis financial information.

Directors' statement of responsibilities

We confirm that, to the best of our knowledge:

- the condensed set of financial statements has been prepared in accordance with International Accounting Standard 34 Interim Financial Reporting ("IAS 34") as adopted by the United Kingdom; and
- the interim management report, comprising the Chair's Statement, Investment Manager's Report and Financial Review, includes a fair review of the information required by:
  - DTR 4.2.7R of the Disclosure Guidance and Transparency Rules, being an indication of important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements; and a description of the principal risks and uncertainties for the remaining six months of the year; and
  - DTR 4.2.8R of the Disclosure Guidance and Transparency Rules, being related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or performance of the entity during that period; and any changes in the related party transactions described in the last annual report that could do so.

On behalf of the Board

Mike Bane
Chair

25 November 2026

Independent review report to HICL Infrastructure PLC

Conclusion

We have been engaged by the company to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30 September 2026 which comprises the Condensed Unaudited Statement of Comprehensive Income, Condensed Unaudited Statement of Financial Position, Condensed Unaudited Statement of Changes in Shareholders' Equity, Condensed Unaudited Cash Flow Statement and related notes 1 to 11.

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 30 September 2026 is not prepared, in all material respects, in accordance with United Kingdom adopted International Accounting Standard 34 and the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

Basis for Conclusion

We conducted our review in accordance with International Standard on Review Engagements (UK) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Financial Reporting Council for use in the United Kingdom (ISRE (UK) 2410). A review of interim financial information consists of making inquiries, 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 (UK) 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.

As disclosed in note 2, the annual financial statements of the Company are prepared in accordance with United Kingdom adopted international accounting standards. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with United Kingdom adopted International Accounting Standard 34, "Interim Financial Reporting".

Conclusion Relating to Going Concern

Based on our review procedures, which are less extensive than those performed in an audit as described in the Basis for Conclusion section of this report, nothing has come to our attention to suggest that the Directors have inappropriately adopted the going concern basis of accounting or that the Directors have identified material uncertainties relating to going concern that are not appropriately disclosed.

This Conclusion is based on the review procedures performed in accordance with ISRE (UK) 2410; however, future events or conditions may cause the entity to cease to continue as a going concern.

Responsibilities of the Directors

The Directors are responsible for preparing the half-yearly financial report in accordance with the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

In preparing the half-yearly financial report, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the review of the financial information

In reviewing the half-yearly financial report, we are responsible for expressing to the Company a conclusion on the condensed set of financial statements in the half-yearly financial report. Our Conclusion, including our Conclusion Relating to Going Concern, are based on procedures that are less extensive than audit procedures, as described in the Basis for Conclusion paragraph of this report.

Use of our report

This report is made solely to the Company in accordance with ISRE (UK) 2410. Our work has been undertaken so that we might state to the Company those matters we are required to state to it in an independent review report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company, for our review work, for this report, or for the conclusions we have formed.

Deloitte LLP
Statutory Auditor

London, United Kingdom
25 November 2026

Condensed unaudited statement of comprehensive income

For the six months ended 30 September 2026

	Note	For the six months ended 30 September 2026 £m	For the six months ended 30 September 2025 £m
Investment income		**75.3**	85.0
Net gain on revaluation of investment in Investment Entity Subsidiary		**1.8**	37.4
Total investment income		**77.1**	**122.4**
Company expenses		**(5.2)**	(2.9)
Profit before tax		**71.9**	**119.5**
Profit for the period	4	**71.9**	**119.5**
Earnings per share – basic and diluted (pence)	4	**3.9p**	**6.1p**

All results are derived from continuing operations. There is no other comprehensive income or expense, and consequently, a statement of other comprehensive income has not been prepared.

The accompanying Notes are an integral part of these condensed financial statements.

Condensed unaudited statement of financial position

As at 30 September 2026

	Note	Unaudited 30 September 2026 £m	Audited 31 March 2026 £m
Non-current assets			
Investment in Investment Entity Subsidiary	6, 8	**2,975.5**	3,037.0
Total non-current assets		**2,975.5**	**3,037.0**
Current assets			
Trade and other receivables		**0.2**	0.3
Cash and cash equivalents		**6.7**	0.9
Total current assets		**6.9**	**1.2**
Total assets		**2,982.4**	**3,038.2**
Current liabilities			
Trade and other payables		**(2.2)**	(4.7)
Total current liabilities		**(2.2)**	**(4.7)**
Total liabilities		**(2.2)**	**(4.7)**
Net assets		**2,980.2**	**3,033.5**
Equity			
Share capital		**0.2**	0.2
Share premium		**1,213.3**	1,213.3
Revenue reserve		**1,802.0**	1,810.5
Capital reserve		**176.3**	174.5
Treasury shares reserve		**(211.6)**	(165.0)
Total equity		**2,980.2**	**3,033.5**
Net assets attributable per Ordinary Share (pence)		**160.5**	**160.2**

The accompanying Notes are an integral part of these financial statements.

The financial statements were approved and authorised for issue by the Board of Directors on 25 November 2026, and signed on its behalf by:

Mike Bane
Director

Rita Akushie
Director

Company registered number: 11738373

Condensed unaudited statement of changes in shareholders' equity

For the six months ended 30 September 2026

	Note	Share capital £m	Share premium £m	Revenue reserve[1] £m	Capital reserve[1] £m	Treasury shares reserve[1] £m	Total shareholders' equity £m
Shareholders' equity at 31 March 2026		**0.2**	**1,213.3**	**1,810.5**	**174.5**	**(165.0)**	**3,033.5**
Profit for the period		**–**	**–**	**70.1**	**1.8**	**–**	**71.9**
Shares repurchased		**–**	**–**	**–**	**–**	**(46.6)**	**(46.6)**
Dividends paid	5	**–**	**–**	**(78.6)**	**–**	**–**	**(78.6)**
Shareholders' equity at 30 September 2026		**0.2**	**1,213.3**	**1,802.0**	**176.3**	**(211.6)**	**2,980.2**

For the six months ended 30 September 2025

	Note	Share capital £m	Share premium £m	Revenue reserve[1] £m	Capital reserve[1] £m	Treasury shares reserve[1] £m	Total shareholders' equity £m
Shareholders' equity at 31 March 2025		**0.2**	**1,213.3**	**1,810.3**	**69.0**	**(62.1)**	**3,030.7**
Profit for the period		–	–	82.1	37.4	–	119.5
Shares repurchased		–	–	–	–	(60.0)	(60.0)
Dividends paid	5	–	–	(81.2)	–	–	(81.2)
Shareholders' equity at 30 September 2025		**0.2**	**1,213.3**	**1,811.2**	**106.4**	**(122.1)**	**3,009.0**

1 Revenue, Capital and Treasury shares reserves are described in Note 2: Key accounting policies, Equity and reserves

The accompanying Notes are an integral part of these condensed financial statements.

Condensed unaudited cash flow statement

For the six months ended 30 September 2026

	Note	For the six months ended 30 September 2026 £m	For the six months ended 30 September 2025 £m
Cash flows from operating activities			
Profit before tax		**71.9**	119.5
Adjustments for:			
Total investment income		**(77.1)**	(122.4)
Operating cash flows before movements in working capital		**(5.2)**	**(2.9)**
Changes in working capital:			
Decrease / (Increase) in receivables		**0.1**	–
(Decrease) / Increase in payables		**(0.5)**	0.4
Cash outflow from operations		**(5.6)**	**(2.5)**
Investment income received		**75.3**	85.0
Net cash flow from operating activities		**69.7**	**82.5**
Cash flow from investing activities			
Repayment of investment in subsidiaries	6	**63.3**	62.5
Net cash from investing activities		**63.3**	**62.5**
Cash flows from financing activities			
Shares repurchased		**(48.6)**	(60.0)
Distributions paid to shareholders	5	**(78.6)**	(81.2)
Net cash used in financing activities		**(127.2)**	**(141.2)**
Net increase in cash and cash equivalents		**5.8**	**3.8**
Cash and cash equivalents at beginning of period		**0.9**	0.7
Cash and cash equivalents at end of period		**6.7**	**4.5**

The accompanying Notes are an integral part of these condensed financial statements.

Notes to the condensed unaudited financial statements

For the six months ended 30 September 2026

1. Reporting entity

HICL Infrastructure PLC (the "Company" or "HICL") is a public limited company incorporated, domiciled and registered in England and Wales in the United Kingdom. The interim condensed unaudited financial statements (the "interim financial statements") for the six months ended 30 September 2026 comprise the financial statements for the Company only as explained in Note 2.

The Company has one direct corporate subsidiary, being HICL Infrastructure 2 S.à r.l ("Luxco"). Luxco is the limited partner in Infrastructure Investments Limited Partnership ("IILP") (both are a "Corporate Subsidiary" and together the "Corporate Subsidiaries").

The Company and its Corporate Subsidiaries (together the "Corporate Group") invest in infrastructure projects in the United Kingdom, the Eurozone, North America and New Zealand. The Corporate Group and all subsidiaries in the group portfolio are the "HICL Group".

2. Material accounting policies

Basis of preparation

The interim financial statements included in this report have been prepared in accordance with International Accounting Standard ("IAS") 34 Interim Financial Reporting as adopted for use in the UK. The interim financial statements have also been prepared in accordance with the Disclosure Guidance and Transparency Rules ("DTR") of the UK's Financial Conduct Authority ("FCA").

The interim financial statements are prepared using accounting policies in compliance with the recognition and measurement requirements of UK-adopted international accounting standards ("IFRS"). In accordance with IFRS 10 (as amended), entities that meet the definition of an investment entity are required to fair value certain subsidiaries through profit and loss in accordance with IFRS 9, 'Financial Instruments', rather than consolidate the results. However, subsidiaries that are not themselves investment entities and provide investment-related services to the Company should be consolidated. The Company does not have any such subsidiaries and, consequently, values its sole subsidiary, Luxco, at fair value through profit and loss.

The interim financial statements of the Company are prepared in accordance with UK-adopted international accounting standards. As required by the Disclosure Guidance and Transparency Rules of the Financial Conduct Authority, the interim financial statements have been prepared applying the accounting policies, including critical estimates and judgements, that were applied in the preparation of the Company's published financial statements for the year ended 31 March 2026. These interim financial statements have been prepared using the accounting standards that the Directors expect to be effective for the year ending 31 March 2027.

These interim financial statements do not comprise statutory accounts within the meaning of Section 435 of the Companies Act 2006 and should be read in conjunction with the financial statements for the year ended 31 March 2026, which were reported upon by the auditors and delivered to the Registrar of Companies. The report of the auditors was unqualified, did not include a reference to any matters to which the auditors drew attention by way of emphasis without qualifying their report and did not contain statements under Section 498 (2) or (3) of the Companies Act 2006. The 2026 Annual Report is available at www.hicl.com.

Critical accounting judgements, estimates and assumptions

The Company has applied IFRS 10 'Consolidated Financial Statements' in these financial statements, which requires investment entities to measure certain subsidiaries, including those that are themselves investment entities, at fair value through the Income Statement, rather than consolidating their results. The Directors are of the opinion that the Company has all the typical characteristics of an investment entity and continues to meet the definition in the standard.

The key area where estimates are significant to the financial statements and have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year is the valuation of the Company's Investment Entity Subsidiary, Luxco. Luxco holds the investment in IILP, which in turn indirectly holds investments in infrastructure assets, which are held at fair value. Management exercises judgement in determining the appropriate assumptions that underpin the valuation, but which are supported by an independent review by a third-party valuation expert.

Key estimation uncertainties remain consistent with the prior year and details on sensitivities are provided in Note 8.

Equity and reserves

The Company is a UK approved Investment Trust Company. Financial statements prepared under IFRS are not required to apply the provisions of the Statements of Recommended Practice issued by the UK Association of Investment Companies for the financial statements of Investment Trust Companies (the "SORP"). However, where relevant and appropriate, the Directors have looked to follow the recommendations of the SORP. The Directors have exercised their judgement in applying the SORP and a summary of these judgements is as follows:

- Net gains / losses on investments are applied wholly to the Capital reserve as they relate to the revaluation or disposal of investments;
- Dividends are applied to the Revenue reserve, except under specific circumstances where a dividend arises from a return of capital or proceeds from a refinancing, when they are applied to the Capital reserve;
- Fees payable are applied to the Capital reserve where the service provided is, in substance, an intrinsic part of an intention to acquire or dispose of an investment;
- Operating costs are applied wholly to the Revenue reserve as there is no clear connection between the operating expenses of the Company and the purchase and sale of an investment;
- Foreign exchange movements are applied to the Revenue reserve where they relate to movements on non-portfolio assets; and
- Shares repurchased, and any direct costs, are applied to the Treasury shares reserve.

Going concern

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Investment Manager's Report starting on page 5. The financial position of the Company, its cash flows, and liquidity position are described from page 21 in the Financial Review.

The Company, and its ability to continue as a going concern, is reliant on investment income and investment repayment from Luxco in order to meet its liabilities, both contractual and expected, for a period of at least 12 months from the date of approving the financial statements (the "going concern period"). Luxco is in turn reliant on IILP for this funding. The Directors have assessed the going concern of the Company by considering (i) areas of financial risk that could impact funding to the Company; (ii) the Corporate Group's access to the RCF, via IILP, which in March 2026 was extended by one year to June 2028, and LCF; (iii) liquidity considerations on the £150.0m private placement debt; and (iv) by reviewing cash flow forecasts both at the Company level and at the Corporate Group level. The Directors also performed a detailed review of future cash flows during the preparation of the Interim Report covering the going concern period. Through this review it was noted that the Company, via its indirect subsidiary IILP, has significant liquidity headroom during this period.

The Directors also considered the Company's considerable financial resources, being the Company's indirect investments in a significant number of project assets, via its Corporate Group, and whose distributions, along with the Company's indirect access to funding facilities via IILP, support the liquidity of the Company. The going concern analysis included an assessment at the Corporate Group level, which in turn supports the Company, of the potential variability in returns and cash flows from project companies. The Directors also noted that the financing for project companies is non-recourse to the Company.

Based on this analysis, the Directors have concluded that the Company has adequate resources to meet its liabilities as they fall due for the going concern period. Therefore, they consider it appropriate to adopt the going concern basis of accounting in preparing the interim financial statements.

3. Geographical analysis

The tables below analyse income and net assets based on the geographical location of the Company's underlying indirect investments[1].

Total investment income	UK	Eurozone	Rest of the World	Total
30 September 2026	**£74.6m**	**£5.6m**	**£(3.1)m**	**£77.1m**
30 September 2025	£82.9m	£30.3m	£9.2m	£122.4m

Investment in Investment Entity Subsidiaries	UK	Eurozone	Rest of the World	Total
30 September 2026	**£2,072.6m**	**£446.5m**	**£456.5m**	**£2,975.5m**
31 March 2026	£1,964.5m	£630.4m	£442.1m	£3,037.0m

1 The Company has one direct investment, Luxco

4. Earnings per share

Basic and diluted earnings per share is calculated by dividing the profit for the period attributable to equity shareholders of the Company by the weighted average number of Ordinary Shares in issue during the period.

	Six months ended 30 September 2026	Six months ended 30 September 2025
Profit attributable to equity holders of the Company	**£71.9m**	£119.5m
Weighted average number of Ordinary Shares in issue, excluding treasury shares[1]	**1,867.5m**	1,954.5m
Total basic and diluted earnings per Ordinary Share	**3.9p**	**6.1p**

1 No new shares were issued in the period (30 September 2025: no new shares issued). In the period, the Company bought back 36,010,407 shares, held as treasury shares, for £46.6m including all direct costs. At 30 September 2026, the Company had 2,031,488,061 shares in issue with par value 0.01p each, of which 174,145,988 were held as treasury shares (31 March 2026: 2,031,488,061 in issue with 138,135,581 held as treasury shares)

5. Distributions to Company shareholders

	Six months ended 30 September 2026 £m	Six months ended 30 September 2025 £m
Total distributions paid to Company shareholders in the period:		
Quarterly dividend for 31 March 2026 of 2.09p (31 March 2025: 2.07p) per share	**39.2**	40.7
Quarterly dividend for 30 June 2026 of 2.12p (30 June 2025: 2.08p) per share	**39.4**	40.5
	78.6	**81.2**

The Company has elected to distribute a percentage of the dividends paid to shareholders as an interest distribution for tax purposes.

Quarterly interest streaming fluctuates due to several factors, including the forecast annual effective interest received from underlying projects (which moves with acquisitions and disposals) and FX hedging gains / losses.

6. Investment in Investment Entity Subsidiary

Carrying amount of the investment in Luxembourg Corporate Subsidiary	30 September 2026 Total carrying amount £m	31 March 2026 Total carrying amount £m
Opening balance	**3,037.0**	3,031.5
Gain on revaluation of investment	**1.8**	105.5
Decrease in investment	**(63.3)**	(100.0)
Carrying amount at period end	**2,975.5**	**3,037.0**

The Company records the fair value of its direct Corporate Subsidiary, Luxco, based on the Net Asset Value of IILP and the sundry assets and liabilities of Luxco. IILP's Net Asset Value is based on the aggregate fair value of each of its investments, along with the working capital of its intermediate holding companies.

The fair value of IILP's underlying investments is determined using the income approach, which discounts the expected cash flows attributable to each asset at an appropriate rate to arrive at its fair value. In determining the appropriate discount rate, regard is given to relevant long-term government bond yields, the specific risks of each investment and the evidence of recent transactions. The £1.8m gain on revaluation of investment during the period is unrealised and is attributable to investments held at the end of the period.

The fair values of the Corporate Group's financial assets and liabilities not held at fair value, which include the £150.0m private placement notes issued by IILP, are not materially different from their carrying values.

7. Acquisitions and disposals, via the Corporate Subsidiaries

Acquisitions

On 19 May 2026 and 22 September 2026, the Company, via its Corporate Subsidiary IILP, funded its remaining commitment of £52.0m to Cross London Trains and £55.2m to Blankenburg Tunnel, respectively.

On 28 September 2026, the Company, via its Corporate Subsidiary IILP, entered into an agreement to invest c.£69.3m in Hector Rail, which completed on 18 November 2026.

Disposals

The Company, via its Corporate Subsidiary IILP, did not complete any disposals in the period.

8. Financial instruments

The fair value hierarchy is defined as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	30 September 2026			
	Level 1 £m	Level 2 £m	Level 3 £m	Total £m
Investment in Investment Entity Subsidiary	**–**	**–**	**2,975.5**	**2,975.5**

	31 March 2026			
	Level 1 £m	Level 2 £m	Level 3 £m	Total £m
Investment in Investment Entity Subsidiary	–	–	3,037.0	3,037.0

There were no transfers between Level 1, 2 or 3 during the period. A reconciliation of the movement in Level 3 assets is disclosed in Note 6.

Level 3

Valuation methodology

Methodology	Description	Inputs	Fair value at 30 September 2026	Sensitivity on key unobservable input	Fair value impact of sensitivities +5%/-5%
NAV	The fair value of the investment in HICL's Investment Entity subsidiary, Luxco, which is equal to its carrying value	Inputs that are not based on observable market data. The fair value of HICL's investment in Luxco is based on Luxco's holding in IILP that is held at fair value	£2,975.5m (31 March 2026: £3,037.0m)	A 5% sensitivity on closing NAV chosen due to historical volatility	30 September 2026: £148.8m (31 March 2026: £151.9m)

The value of the Company's investment in its Investment Entity Subsidiary is sensitive to changes in the macroeconomic assumptions used as part of the portfolio valuation process. As part of its analysis, the Directors have considered the potential impact of a change in a number of the macroeconomic assumptions used in the valuation process. By considering these potential scenarios, the Directors are well positioned to assess how the Company is likely to perform if affected by variables and events that are inherently outside of the control of the Directors and the Investment Manager.

Sensitivities

The Directors have considered changes in macroeconomic assumptions in the underlying assets for which the Company holds an interest via its indirect Corporate Subsidiary IILP. The sensitivity has the same impact on both net assets and total investment income. See also the Valuation of the portfolio section on page 14.

Sensitivities	-0.5% p.a. change	Investment at fair value through profit or loss	+0.5% p.a. change
Discount rates			
30 September 2026	**£137.4m**	**£2,975.5m**	**£(125.4)m**
31 March 2026	£140.6m	£3,037.0m	£(128.1)m
Inflation rates			
30 September 2026	**£(116.4)m**	**£2,975.5m**	**£138.4m**
31 March 2026	£(118.5)m	£3,037.0m	£140.2m
GDP			
30 September 2026	**£(19.1)m**	**£2,975.5m**	**£20.4m**
31 March 2026	£(19.4)m	£3,037.0m	£20.6m

	-1% p.a. change	Investment at fair value through profit or loss	+1%p.a. change
Cash deposit rates			
30 September 2026	**£(35.8)m**	**£2,975.5m**	**£36.0m**
31 March 2026	£(35.8)m	£3,037.0m	£35.5m
Debt interest rates			
30 September 2026	**£16.5m**	**£2,975.5m**	**£(14.6)m**
31 March 2026	£11.2m	£3,037.0m	£(12.2)m

	-5% p.a. change	Investment at fair value through profit or loss	+5% p.a. change
Tax			
30 September 2026	**£88.8m**	**£2,975.5m**	**£(87.0)m**
31 March 2026	£86.5m	£3,037.0m	£(85.7)m
FX rates			
30 September 2026	**£(14.0)m**	**£2,975.5m**	**£14.0m**
31 March 2026	£(19.1)m	£3,037.0m	£19.1m
Lifecycle risk			
30 September 2026	**£26.0m**	**£2,975.5m**	**£(25.9)m**
31 March 2026	£22.3m	£3,037.0m	£(26.1)m

The sensitivity assumes that the changes are for all future periods, and is consistent with that shown by the Company's listed infrastructure peers allowing for comparisons to be made. A higher sensitivity is not considered necessary as the mix of the portfolio means that the sensitivity is relatively linear and it is possible to estimate the impact if percentage changes are in multiples of this sensitivity.

The Directors recognise that any macroeconomic volatility can give rise to a greater possible range of values than has been reported in recent years.

9. Related party transactions

InfraRed was reappointed under an Investment Management Agreement, dated 22 September 2026, as Investment Manager to, and the AIFM of HICL. The Investment Management Agreement may be terminated by either party to the agreement, being HICL or InfraRed, giving three years' written notice (reducing to two years effective from 1 July 2027) or if InfraRed's appointment as Operator (see below) is terminated. Under the Investment Management Agreement, InfraRed is entitled to a fee of £0.1m per annum, payable half-yearly in arrears by the Company and which is subject to review from time to time.

The Investment Manager fees charged to the Company in the period were £0.1m (30 September 2025 £0.1m), of which the full balance remained payable at 30 September 2026.

InfraRed is also the Operator of IILP, the Corporate Subsidiary through which the Company indirectly holds its investments. InfraRed has been appointed as the Operator by the General Partner of IILP, Infrastructure Investments General Partner Limited, a company within the same group as InfraRed. The Operator and the General Partner may each terminate the appointment of the Operator by either party giving three years' written notice (reducing to two years effective from 1 July 2027). Either the Operator or the General Partner may terminate the appointment of the Operator by written notice if the Investment Management Agreement is terminated in accordance with its terms. The General Partner's appointment does not have a fixed term. However, if InfraRed ceases to be the Operator, the Company has the option to buy the entire share capital of the General Partner and the InfraRed Group has the option to sell the entire share capital of the General Partner to the Company, in both cases for nominal consideration. The Directors consider the value of the option to be insignificant.

In the quarter to 30 June 2026, in aggregate, InfraRed and the General Partner were entitled to fees and/or profit share calculated based on 50% of the average of the Company's most recent previously published NAV and 50% of the daily closing market capitalisation of the Company (the "Fee Basis Value", capped so the base fee payable will be no higher than the previous GAV fee arrangement).

From 1 July 2026 the Fee Basis Value was adjusted so that the fee is based on 100% of the daily closing market capitalisation, being the average daily closing market capitalisation of the Company.

InfraRed and the General Partner continue to be entitled to fees and/or profit share calculated as follows: 1.1 per cent per annum of the Fee Basis Value of all investments of HICL up to £750m, 1.0 per cent per annum for the incremental value in excess of £750m up to £1,500m, 0.9 per cent for the incremental value in excess of £1,500m, 0.8 per cent for the incremental value in excess of £2,250m and 0.65 per cent for the incremental value in excess of £3,000m.

The total Operator fees charged to IILP were £12.8m (30 September 2025: £14.0m), of which £6.2m (30 September 2025: £6.6m) remained payable at 30 September 2026.

InfraRed is 100% owned by Sun Life Financial Inc. (together with its subsidiaries and joint ventures, "Sunlife"). InfraRed is a distinct business under SLC Management, the alternatives asset manager of Sunlife.

Sunlife holds £50.0m of the private placement notes issued by IILP. As at 30 September 2026, total interest paid to Sunlife in the period was £1.5m (30 September 2025: £1.5m) and £1.0m of interest had been accrued.

The Directors of the Company, who are considered to be key management, received fees for their services. Their fees were £0.3m for the period ended 30 September 2026 (30 September 2025: £0.3m). One Director also receives fees for serving as Director of the Luxembourg subsidiaries with annual fees of £9,000 (30 September 2025: £9,000).

All of the above transactions were undertaken on an arm's length basis.

10. Guarantees and other commitments

As at 30 September 2026, the Company, via its Corporate Subsidiary IILP, had £78.1m commitments for future project investments (31 March 2026: £117.4m).

The security trustee of the RCF within the Corporate Group, and on behalf of certain secured parties, has a first ranking charge over 100% of the share capital of Luxco as part of this RCF arrangement.

11. Events after balance sheet date

On 18 November 2026, the Company declared an interim dividend of 2.12p per share in respect of the second quarter of the period to 30 September 2026. The dividend will be paid on 31 December 2026, based on a record date of 27 November 2026.

On 18 November 2026, the Company completed its investment in Hector Rail, investing SEK 919m, equivalent to £69.2m, at the date of investment.

As at 25 November 2026, the number of shares in issue, excluding treasury shares, was 1,854,797,073, with 2,545,000 shares repurchased for the amount of £3.4m including direct fees since the balance sheet date.

Directors and advisers

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Directors and advisers continued

Company
HICL Infrastructure PLC is incorporated in England and Wales under the Companies Act 2006 with registered no. 11738373 and registered as an investment company under Section 833 of the Companies Act 2006.

Investment Manager and Operator
InfraRed Capital Partners Limited is an English limited company registered in England & Wales under number 03364976 and authorised and regulated by the Financial Conduct Authority (authorisation number 195766). InfraRed is a part of GreenOak, the global investment platform owned by Sun Life that serves institutional and high-net-worth investors in public and private markets across credit and real assets.

Shareholders' funds
£3.0bn as at 30 September 2026.

Market capitalisation
£2.5bn as at 30 September 2026.

Investment Manager and Operator fees
From 1 July 2026, 1.1% per annum of the average of the Company's daily average closing market capitalisation[1] up to £750m, 1.0% from £750m up to £1.5bn, 0.9% from £1.5bn up to £2.25bn, 0.8% from £2.25bn to £3.0bn, 0.65% above £3.0bn plus £0.1m per annum investment management fee.

No fee on new acquisitions.

No performance fee.

Fees relating to shareholder matters from underlying project companies are paid to the Group (and not to the Investment Manager).

ISA, NISA, PEP and SIPP status
The shares are eligible for inclusion in NISAs, ISAs and PEPs (subject to applicable subscription limits) provided that they have been acquired by purchase in the market, and they are permissible assets for SIPPs.

NMPI status
HICL conducts its affairs as an investment trust. On this basis, the Ordinary Shares should qualify as an "excluded security" and therefore be excluded from the FCA's restrictions in COBS 4.12 of the FCA Handbook that apply to non-mainstream pooled investment products.

AIFMD status
HICL is a UK domiciled and tax-resident public limited company, which will operate its affairs as a UK Investment Trust Company, and an Alternative Investment Fund under the AIFM Directive. HICL has appointed InfraRed Capital Partners Limited as its Investment Manager and AIFM under the Investment Management Agreement.

FATCA
HICL has registered for FATCA and has GIIN number E6TB47.99999. SL.826

Investment Policy
HICL's Investment Policy can be found in full on the website at www.hicl.com

ISIN and SEDOL
ISIN: GB00BJLP1Y77 SEDOL: BJLP1Y7

Website
www.hicl.com

1 The base fee payable under the new arrangements will be capped such that the base fee payable will be no higher than under the existing GAV-based arrangements

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HICL Infrastructure

Find out more

hicl.com

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