RNS Number : 0701C
BBGI Global Infrastructure S.A.
29 August 2024

The information contained within this Announcement is deemed by the Company to constitute inside information. Upon the publication of this Announcement via a Regulatory Information Service this inside information is now considered to be in the public domain.

29 August 2024

BBGI Global Infrastructure S.A.

('BBGI' or the **'Company')**

Interim results for the six months ended 30 June 2024

BBGI Global Infrastructure S.A. (LSE ticker: BBGI), the global infrastructure investment company, is pleased to announce its interim results for the six months ended 30 June 2024

A copy of the Interim Report is available at **https://www.bb-gi.com/interim-report-2024/** and this is also attached to the announcement: **http://www.rns-pdf.londonstockexchange.com/rns/0701C_1-2024-8-28.pdf**

Key Highlights

- Strong operational performance of our globally diversified portfolio of 56 high-quality, 100 per cent availability-style infrastructure assets.
- Dividend well covered at 1.47x and increased by 6 per cent to 8.40pps for 2024.
- Well positioned for the future with no cash drawings on the revolving credit facility and net cash of GBP20.6 million.
- NAV total return in the period of 2.4 per cent

Sarah Whitney, Non-Executive Chair of BBGI, commented:

"I am pleased to report another period of robust operational and financial performance. This performance underpins the quality of our secure asset class, active asset management approach and disciplined capital allocation, and is a testament of our proven track record in delivering long-term sustainable returns for our shareholders. Our high-quality inflation-linked cash flows generated by our portfolio of availability-style core infrastructure assets has enabled us to meet consistently or exceed dividend targets since the IPO in 2011, providing our shareholders with predictable, progressive and fully cash-covered dividends for over a decade.

Our current share price offers an attractive FY 2024 and FY 2025 dividend yield of 6.3 per cent and 6.4 per cent respectively.[1] Over the medium term, we expect cashflows to continue to support a healthy dividend cover and provide ample headroom to sustain a progressive dividend policy well into the future."

Duncan Ball, CEO of BBGI, said:

"The strength and resilience of our core infrastructure portfolio have been successfully demonstrated once again in this reporting period. The predictable cash flows from our existing portfolio provide the necessary headroom for the Company to sustain progressive annual dividends for the next 15 years, even without additional investments.

Stabilising, and potentially reducing interest rates, combined with an ever-increasing demand for infrastructure investments, presents a long-term growth opportunity for BBGI. As governments worldwide navigate the challenges associated with the high levels of public debt and the growing need for new infrastructure projects and repairing and maintaining aging infrastructure, specialist investors like BBGI are well positioned to play a critical role. We will continue to maintain a disciplined and prudent approach to capital allocation and prioritise the most optimal use of cash based on maximum value accretion for all our stakeholders."

Financial highlights

2024 target dividend growth	**2025 target dividend growth**	**Cash dividend cover**
+6%	**+2%**	**1.47x**
8.40 pence per share ('pps')	8.57pps	(FY 2023: 1.40x)

NAV per share **147.4p** (31 December 2023: 147.8p)	**NAV total return in the period** **+2.4%**	**Annualised NAV total return per share since IPO** **8.5%**
High-quality inflation linkage **0.5%** (FY 2023: 0.5%)	**Annualised ongoing charges** **0.90%** (FY 2023: 0.93%)	**Net cash** **£20.6m** No drawings under RCF

Financial and operational highlights

Strong operational performance

- Our globally diversified portfolio of 56 high-quality, 100 per cent availability-style infrastructure assets maintained a consistently high asset availability rate of 99.9 per cent.
- Net cash generated at the Portfolio Company level ahead of projections, with no material lockups or defaults.
- We focus on partnering with highly rated, creditworthy public sector entities and strategically invest in countries with solid credit ratings (AA to AAA), including Australia, Canada, Germany, the Netherlands, Norway, the UK, and the US. This geographic diversification enhances our ability to mitigate risks and capture opportunities across different economic landscapes.

Generating high-quality, stable, predictable and inflation-linked cash flows

- Contracted high-quality inflation linkage of 0.5 per cent.
- Reaffirmed 6 per cent dividend growth target for 2024 and 2 per cent dividend growth target for 2025.
- Paid a second interim 2023 dividend of 3.965pps in April 2024.
- Declared a dividend of 4.20pps for H1 2024, to be paid in October 2024.
- The cash dividend cover for H1 2024 was 1.47x. We expect the FY 2024 cover to be in the range of 1.3x to 1.4x (FY 2023: 1.40x).
- Based on current estimates, and even if there were to be no further acquisitions, the portfolio could continue to generate a progressive dividend for the next 15 years.
- Weighted average discount rate remained flat at 7.3 per cent in H1 2024 (31 December 2023: 7.3 per cent), and is well supported by external secondary market transactions, reflecting an equity risk premium of c. 3.3 per cent.

Continued resilient performance and prudent financial management

- In H1 2024, our NAV total return per share was 2.4 per cent. This return consisted of a dividend of 3.965pps paid in April, partially offset by a modest 0.3 per cent decrease in NAV per share to 147.4pps (at 31 December 2023: 147.8pps) largely the impact of net negative foreign exchange movements.
- These valuation impacts were partially offset by the updated inflation and deposit rate assumptions, aligned with current macroeconomic data, along with value enhancements to our portfolio.
- As of 30 June 2024, our financial health remains solid with no structural gearing at Group level. With limited exceptions only, borrowing costs are fixed at the Portfolio Company level, providing stability and predictability. 55 of 56 projects have no refinancing risk during the concession period.
- Our proportionate share of Portfolio Company deposits were in excess of £300 million at 30 June 2024. We take a proactive approach to treasury management, which includes implementing cash pooling arrangements in Canada and the UK, as well as active treasury management in other jurisdictions to maximise the interest earned on cash deposits. This strategy enables us to achieve competitive rates across all currencies, with a weighted average interest rate of approximately 4.9 per cent being achieved across jurisdictions at 30 June 2024.
- Our net cash position remained robust at £20.6 million as of 30 June 2024, with no cash drawings outstanding under the RCF. The strong financial liquidity positions us well to consider opportunities that will enhance long-term shareholder value.

Value-enhancing active asset management

- We are committed to optimising operational performance to drive efficiencies and maximise portfolio value. Our proactive management approach ensures that our investments in social infrastructure assets consistently deliver sustained benefits to communities and stakeholders, while generating attractive long-term returns to our shareholders.
- We prioritise client satisfaction, as evidenced by the strong overall Net Promoter Score of 56 from our project clients, which is in the top quartile of the achievable range, underscoring our commitment to maintaining robust client relationships and delivering exceptional performance.
- Despite the increasing cost pressures attributed to heightened levels of inflation in recent times, our diligent approach to cost management has allowed us to maintain our ongoing charges at a competitive level of 0.90 per cent.

Focus on disciplined growth and capital allocation strategy

- Our strategy focuses on investing in high-quality assets with secure long-term cash flows and high inflation correlation, while our capital allocation policy involves benchmarking each potential investment against other alternative capital allocation options. Our governance model also ensures full alignment between the management's interests and those of our shareholders.
- In H1 2024, we considered numerous investment opportunities across various sectors and regions in which we operate. As none of these opportunities met our requirements, we did not make any new investments during this period.

Progressing on our Environmental, Social and Governance commitments

- Our stand-alone Sustainability Report details our strong ESG credentials, and the significant work being done on several fronts.

Company presentation for analysts and investors

A Company presentation for analysts and investors will take place today, Thursday, 29 August 2024, at 9.00am (BST) time via live webcast and dial in conference call.

To register for the live analyst webcast, please use this link:

https://stream.brrmedia.co.uk/broadcast/668ff6b236704318d5bce5c3

For those analysts and investors who wish to attend the live conference call, please contact InvestorServices@bb-gi.com

In addition, BBGI will be hosting a separate presentation for retail investors via the Investor Meet Company platform on the day at 2.30pm (BST). This presentation is open to all existing and potential shareholders.

Questions can be submitted pre-event via your Investor Meet Company dashboard or at any time during the live presentation.

Investors can sign up to Investor Meet Company for free and add to meet BBGI Global Infrastructure S.A. via:

https://www.investormeetcompany.com/bbgi-global-infrastructure-sa/register-investor

Investors who already follow BBGI on the Investor Meet Company platform will automatically be invited.

FOR FURTHER INFORMATION, PLEASE CONTACT:

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NOTES

BBGI Global Infrastructure S.A. (BBGI) is a responsible infrastructure investment company and a constituent of the FTSE 250 that invests in and actively manages for the long-term a globally diversified, low-risk portfolio of essential social infrastructure investments.

BBGI is committed to delivering stable and predictable cash flows with progressive long-term dividend growth and attractive, sustainable, returns for shareholders. BBGI has a proactive approach to preserving and enhancing the value of its investments, and to delivering well maintained social infrastructure for communities and end users, whilst serving society by supporting local communities.

All of BBGI's investments are supported by secure public sector-backed contracted revenues, with high-quality inflation linkage. BBGI's investment portfolio is 100 per cent operational with all its investments located across highly rated investment grade countries with stable, well developed operating environments.

BBGI's in-house management team is incentivised by shareholder returns and consistently maintains low comparative ongoing charges.

Further information about BBGI is available on its website at www.bb-gi.com*.

The Company's LEI: 529900CV0RWCOP5YHK95

Any reference to the Company or BBGI refers also to its subsidiaries (where applicable).

** Neither the Company's website nor the content of any website accessible from hyperlinks on its website (or any other website) is (or is deemed to be) incorporated into, or forms (or is deemed to form) part of this announcement.*

BBGI Interim Report **2024**

About BBGI

BBGI Global Infrastructure S.A. (BBGI, the 'Company', and together with its consolidated subsidiaries, the 'Group') is a global infrastructure investment company providing responsible capital to build and maintain critical social infrastructure[i].

From hospitals to schools, to affordable housing and safer roads, we partner with the public sector to deliver social infrastructure that forms the building blocks of local economies, while creating sustainable value for all stakeholders.

Our purpose:

Our purpose is to deliver social infrastructure for healthier, safer and more connected communities, while creating sustainable value for all stakeholders.

Our vision:

We invest to serve and connect people.

Our values:

- Trusted to deliver

- Dependable partner

- Investor with impact

- Present-focused, future-ready

Six Months in Numbers

Financial highlights[ii]

2024 target dividend growth	2025 target dividend growth	Cash dividend cover
+6%	+2%	1.47x
8.40 pence per share ('pps')	8.57pps	FY 2023:1.40x
NAV per share	**NAV total return in the period**	**Annualised NAV total return per share since IPO**
147.4p	+2.4%	8.5%
(31 Dec 2023: 147.8p)		
High-quality inflation linkage	**Annualised ongoing charges**	**Net cash**
0.5%	0.90%	£20.6m
FY 2023: 0.5%	FY 2023: 0.93%	No drawings under RCF

Portfolio highlights

- Strong operational performance of our globally diversified portfolio of 56 high-quality, 100 per cent availability-style infrastructure assets.
- Maintained a consistently high asset availability rate of 99.9 per cent.
- Contracted high-quality inflation linkage of 0.5 per cent.
- Reaffirmed 6 per cent dividend growth target for 2024 and 2 per cent dividend growth target for 2025.
- Net cash generated at the Portfolio Company level ahead of projections, with no material lockups or defaults.
- No cash drawings on the revolving credit facility ('RCF').
- No structural gearing at Group level.
- All 56 of our projects are financed on a non-recourse basis, 55 of which have no refinancing risk during the concession period.
- Weighted average discount rate stable at 7.3 per cent (31 December 2023: 7.3 per cent), reflecting an equity risk premium of c. 3.3 per cent.

Portfolio at a Glance

The fundamentals

Based on portfolio value as at 30 June 2024.

Investment type
100 per cent availability-style[iii] revenue stream.

Investment Type	
Availability-style revenue assets	100%
Regulated assets	-
Demand based assets	-
	100%

Investment status
Low-risk operational portfolio.

Investment Status	
Operational	100%
Construction	-
	100%

Geographical split
Geographically diversified in stable developed countries.

Geographical Split	
Canada	35%
UK	33%
Continental Europe	13%
US	10%
Australia	9%
	100%

Sector split
Well-diversified sector exposure with large allocation to low-risk availability-style road and bridge investments.

Sector Split	
Transport	54%
Healthcare	20%
Civic infrastructure	12%
Education	9%
Affordable housing	3%
Clean energy	2%
	100%

Investment life
Long investment life with 40 per cent of portfolio by value with a duration of greater than or equal to 20 years; of which 6 per cent of the portfolio are non-concession assets delivering dividends and growth into the future for shareholders.

Investment Life	
Non-concession assets	6%
Concession assets	94%
≥25 years	14%
≥20 years and <25 years	20%
≥10 years and <20 years	51%
<10 years	9%
	100%

Country rating
All assets located in countries with ratings between AA and AAA[iv].

Country rating	
AAA	57%
AA+	10%
AA	33%
	100%

Investment ownership
80 per cent of assets by value in the portfolio are 50 per cent owned or greater.

Investment Ownership	
100%	47%
≥75% and <100%	7%
≥50% and <75%	26%
<50%	20%
	100%

Top ten investments
Well-diversified portfolio with no major single asset exposure.

Top Ten Investments	
Golden Ears Bridge (Canada)	11%
Ohio River Bridges (US)	10%
A7 Motorway (Germany)	4%
Northern Territory Secure Facilities (Australia)	4%

A1/A6 Motorway (Netherlands)	4%
Victorian Correctional Facilities (Australia)	4%
Liverpool & Sefton Clinics (UK)	3%
M1 Westlink (UK)	3%
Women's College Hospital (Canada)	3%
Poplar Affordable Housing & Recreation Centres (UK)	3%
Remaining investments	51%
	100%

Projected portfolio cash flow

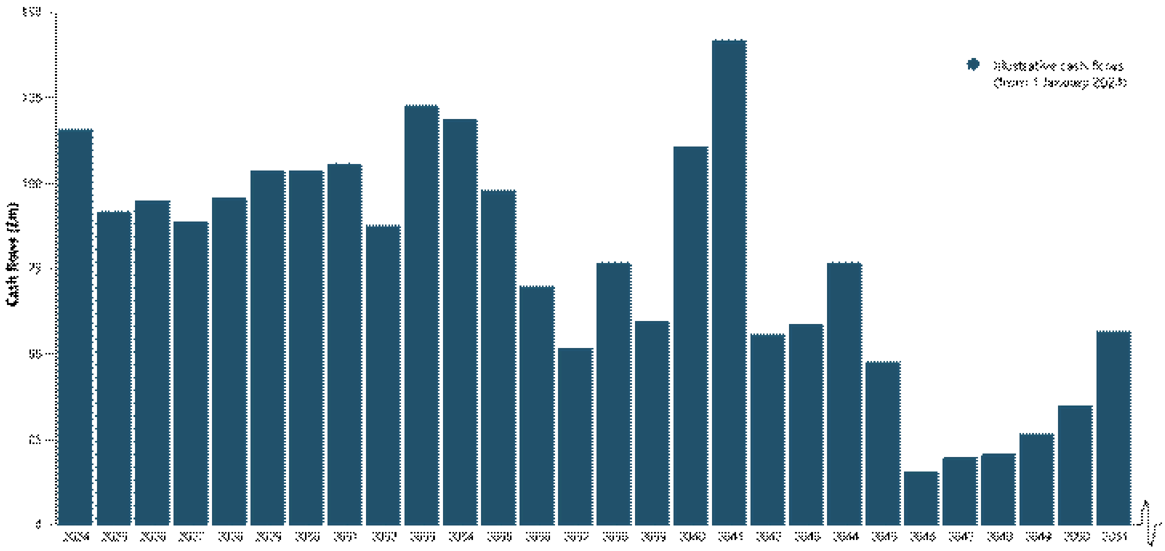
The Company's underlying assets generate a consistent and long-term stream of cash flows for the portfolio. These cash flows have a high degree of visibility and certainty, owing to the involvement of government or government-backed counterparties and the contractual nature of the agreements.

Investing in concessions requires a careful balance between long-term benefits and inherent limitations. On one hand, the contractual cash flows are exceptionally resilient, indexed to inflation, and inherently defensive. However, these benefits are tempered by the fact that the cash flows are finite, concluding at the end of each concession term.

To enhance disclosure and provide investors with more detailed information, we are now reporting a sub-category within our portfolio, to distinguish our concession assets from non-concession assets. Non-concession assets are assets where the Portfolio Company either holds a freehold interest or a long-term leasehold interest in the underlying asset, compared to a concession arrangement where the asset returns to the public client at the end of the contract. This sub-category of non-concession assets includes a portion of our UK LIFT (Local Improvement Finance Trust) assets, which represents approximately 6 per cent of our total portfolio value. The LIFT assets, primarily healthcare facilities, are designed for long-term use, and with regular maintenance and upgrades, can have significantly longer income-generating lifespans for BBGI. As a result of this reclassification, the average remaining life of our portfolio has been extended from 18.8 years to 22.8 years. This reporting change does not impact the valuation methodology, nor has there been any change in the underlying assumptions relating to the assets.

By prioritising the acquisition of assets with long residual life and investing excess cash flows into new projects, while maintaining a progressive dividend, BBGI plans to maintain a portfolio with a long weighted average life.

Based on current estimates, and if there were to be no further acquisitions, the portfolio could continue to generate a progressive dividend for the next 15 years.



This illustrative chart, as at 30 June 2024, is a target only and is not a profit forecast. There can be no assurance this target will be met. The illustrative target cash flows do not consider any further acquisitions, unforeseen costs, expenses or other factors that may affect the portfolio assets and therefore the impact on the cash flows to the Company. As such, the graph above should not in any way be construed as forecasting the actual cash flows from the portfolio. There are cash flows extending beyond 2051 but for illustrative purposes, these are excluded from the chart above.

Chair's Statement

On behalf of the Supervisory Board, I am pleased to report another period of robust operational and financial performance. This performance underpins the quality of our secure asset class, active asset management approach, and disciplined capital allocation, and is a testament of our proven track record in delivering long-term sustainable returns for our shareholders.

Our high-quality inflation-linked cash flows generated by our portfolio of availability-style core infrastructure assets has enabled us to meet consistently or exceed dividend targets since the IPO in 2011, providing our shareholders with predictable, progressive and fully cash-covered dividends for over a decade.

All 56 of our infrastructure assets performed strongly, achieving a consistently high asset level availability rate and are fully operational. Our strong overall Net Promoter Score of 56 from our project clients, which is in the top quartile of the achievable range, a measure of client satisfaction, further underscores our commitment to delivering strong performance.

Continued resilient performance and prudent capital management
In the first half of 2024, our NAV total return per share was 2.4 per cent. This return consisted of a dividend of 3.965pps paid in April, partially offset by a modest decrease in NAV per share of 0.3 per cent to 147.4 pence, largely due to the impact of net negative foreign exchange movements. The weighted average discount rate remained unchanged at 7.3 per cent.

The defensive and global nature of our portfolio has again provided stable, predictable and inflation-linked cash flows. We increased our FY 2024 dividend target by 6.0 per cent to 8.40pps, after a similar increase in FY 2023, and the FY 2025 dividend target reflects a further increase of 2.0 per cent to 8.57pps. With strong cash dividend cover of 1.47x during H1 2024, we expect FY 2024 dividend cover to be in the range of 1.3x to 1.4x. Over the medium term, we expect cashflows to continue to support a healthy dividend cover and provide ample headroom to sustain a progressive dividend policy well into the future.

Share price fails to reflect portfolio strengths
Despite consistently delivering robust financial and operational performance and increasing dividends by 6.0 per cent in FY 2023 and targeting a further 6.0 per cent growth in FY 2024, BBGI's share price traded at an average discount of 11.7 per cent during the first half of the year compared to the reported NAV for FY 2023. We believe this general weakness in the share price reflects sentiment across the UK-listed Investment Trust sector following a rapid rise in interest rates and other headwinds affecting the sector and BBGI has not been immune to some of these forces.

We continue to recognise a disconnect between private market valuations of similar high-quality core infrastructure assets, as evidenced by recent secondary market transactions, and the valuations currently ascribed by public markets. The transaction activity in the secondary market reinforces our confidence in the attractiveness of these asset classes.

The Supervisory Board and Management Board believe BBGI's share price as of end-June 2024 does not adequately reflect the strength and performance of our underlying portfolio. We continue to closely monitor our share price and the discount compared to our published NAV.

The recent forecasts from central banks and economists globally indicate that base interest rates have stabilised and are expected to decline from the second half of 2024, which bodes well for the sector. Our current share price offers an attractive FY 2024 and FY 2025 dividend yield of 6.3 per cent and 6.4 per cent respectively.[v]

Governance structure aligns shareholders and management interests
BBGI is internally managed, with appropriate governance and management incentivisation arrangements. This structure is unique among infrastructure investment companies listed on the London Stock Exchange and ensures full alignment of the Management Board's interest with those of our shareholders. Another important aspect of our internally managed structure is the rigorous approach towards valuation which is undertaken by the team. The valuation is reviewed by an independent third-party valuation expert and scrutinised by our auditors, with oversight by the Supervisory Board throughout the entire process.

The Management Board is incentivised for long-term value creation and preservation, focusing on enhancing the quality of the underlying portfolio and shareholder returns, rather than merely expanding assets under management, which could potentially dilute portfolio quality and shareholder returns.

BBGI continues to maintain one of the lowest ongoing charges in the sector, at 0.90 per cent, thanks to our efficient and cost-effective internal management.

Progressing on our Environmental, Social and Governance commitments
Central to our mission is our commitment to ensuring our assets deliver high-quality services to communities while maintaining long-term returns for our shareholders. We build long-term relationships with all stakeholders and promote positive ESG practices at both corporate and portfolio levels. Our investments in core infrastructure assets, such as schools, hospitals, civic infrastructure, affordable housing, clean energy generation and transportation networks, demonstrate our commitment to align with six SDGs and the social investment objective of our SFDR article 8 categorisation. By partnering with government and government-backed entities, we ensure the responsible delivery and long-term management of these essential facilities, supporting healthier, safer, and more connected communities.

Our long-standing commitment to responsible investment and the integration of ESG factors as a core pillar of our investment strategy have allowed us to progress against our ESG targets. In addition to engaging with regulatory bodies on the SFDR consultation and collaborating with industry bodies on net-zero practices for PPP, we have, for the first time, obtained external verification of our reported GHG portfolio emissions. This significant undertaking demonstrates our commitment to transparency and proactive action.

I encourage shareholders to review our stand-alone Sustainability Report, which details our strong ESG credentials, and the significant work being done on several fronts.

Read more: Sustainability Report

We are confident amidst uncertainty
The current macroeconomic and geopolitical landscape presents challenges, but we remain confident in our strategy. Notably we have seen a reduction in inflation in the first half of the year, with forecasts suggesting gradual declines in base interest rates in the second half of this year. While these macroeconomic factors are beyond our control, we are committed to maintaining a disciplined approach to capital allocation, financial management and portfolio enhancement to deliver low-risk, sustainable long-term returns for our shareholders.

While 2024 sees election cycles in some of the regions where we operate, we anticipate a broad political consensus on the urgent need for substantial infrastructure investments, which is crucial for economic growth and societal well-being. Our availability-style investments are protected against demand fluctuations and regulatory risks, ensuring stable returns and long-term value for our shareholders.

Our Management Board, with their proven disciplined and meticulous approach, continues to carefully manage the Company's risk profile and explore ways to further optimise assets and portfolio construction and generate additional value for our shareholders over the long term.

Sarah Whitney
Chair
28 August 2024

CEO's Statement

Our robust operational and financial performance during H1 2024 underscores the strength and resilience of our core infrastructure portfolio, enhanced by active asset management and disciplined capital allocation. The predictability and resilience of our business model have been successfully demonstrated once again in this reporting period.

Valuation and NAV update
Our globally diversified portfolio of low-risk, essential social infrastructure assets, backed by creditworthy public-sector counterparties, generates long-term, inflation-linked, sustainable cash flows. During H1 2024, all our assets were fully operational and continued to perform well.

The shift in macroeconomic conditions and a changing interest rate environment has resulted in a majority of the UK-listed alternative investment trusts trading at a discount to NAV. However, since the beginning of 2024, inflation has been declining, and short-term interest rates are showing early signs of stabilisation. Recent forecasts from central banks and economists globally also suggest that base interest rates have peaked and are expected to decline in the second half of 2024. We are seeing early signs of this trend with reductions by central banks in interest rates in the EU and Canada and more recently, in August, a reduction by the Bank of England.

During the first six months of the year, the NAV total return per share was +2.4 per cent.[vi]

- Paid a second interim 2023 dividend of 3.965 pence per share in April 2024.
- Declared a dividend of 4.20pps for H1 2024, to be paid in October 2024.
- As of 30 June 2024, our NAV per share declined marginally by 0.3 per cent to 147.4 pence, compared to 147.8 pence at 31 December 2023.
- The weighted average discount rate remained flat at 7.3 per cent in H1 2024 and is well supported by external secondary market transactions.
- After accounting for the offsetting effect of our hedging strategy, the net negative impact of foreign exchange movements resulted in a reduction of 0.7 per cent in the NAV per share.
- These valuation impacts were partially offset by the updated inflation and deposit rate assumptions, aligned with current macroeconomic data, along with value enhancements to our portfolio.

Enhancing shareholder returns through progressive, well-covered dividends
The value generated by our high-quality, inflation-linked portfolio, coupled with disciplined capital management, enabled the Company to increase the dividend target by 6.0 per cent to 8.40pps in FY 2024, following a 6.0 per cent increase in FY 2023. We declared a dividend of 4.20pps for H1 2024 and reaffirm our FY 2025 dividend target of 8.57pps. The dividend growth in FY 2023 and FY 2024 is a testament to our high-quality inflation linkage, where we were able to pass on the benefit to our shareholders. The cash dividend cover for H1 2024 was 1.47x and we expect the FY 2024 cover to be in the range of 1.3x to 1.4x (FY 2023: 1.40x).

We have successfully navigated several macroeconomic cycles and have consistently met or exceeded our dividend targets since our IPO, providing investors with a progressive and fully cash-covered dividend for over a decade. The predictable cash flows from our existing portfolio provide the necessary headroom for the Company to sustain progressive annual dividends for the next 15 years, even without additional investments.

In March 2024, BBGI joined the AIC's next generation of dividend heroes in recognition of ten years of successive dividend growth.

Focus on disciplined growth and optimal capital allocation
Our strategy focuses on investing in high quality assets with secure long-term cash flows and high inflation correlation, while our capital allocation policy involves benchmarking each potential investment against other alternative capital allocation options. Our governance model also ensures full alignment between the management's interests and those of our shareholders.

In H1 2024, we considered over 50 investment opportunities across various sectors and regions in which we operate. However, as none of these opportunities met our requirements, we did not make any new investments during this period.

Prudent approach to financial management
Despite challenging macroeconomic conditions and rapidly rising interest rates in recent times, our underlying business model remains resilient and is a testament to our long-standing prudent and rigorous approach to portfolio construction and financial management. As of 30 June 2024, our financial health remains solid with no structural gearing at Group level. With limited exceptions only, borrowing costs are fixed at the Portfolio Company level, providing stability and predictability. 55 of 56 projects have no refinancing risk during the concession period.

Our proportionate share of Portfolio Company deposits were in excess of £300 million at 30 June 2024. We take a proactive approach to treasury management, which includes implementing cash pooling arrangements in Canada and the UK, as well as active treasury management in other jurisdictions to maximise the interest earned on cash deposits. This strategy enables us to achieve competitive rates across all currencies, with a weighted average interest rate of approximately 4.9 per cent being achieved across jurisdictions as of 30 June 2024. We have always managed our corporate debt facilities prudently, expanding our portfolio without overleveraging. Our net cash position remained robust at £20.6 million as of 30 June 2024, with no cash drawings outstanding under the RCF. This strong financial liquidity positions us well to consider opportunities that will enhance long-term shareholder value.

Value-enhancing active asset management
We are committed to optimising operational performance to drive efficiencies and maximise portfolio value. Our proactive management approach ensures that our investments in social infrastructure assets consistently deliver sustained benefits to communities and stakeholders, while generating attractive long-term returns to our shareholders.

As the only internally managed equity infrastructure investment company listed on the London Stock Exchange, our structure ensures complete alignment of interest with our shareholders. Our focus is on creating long-term value rather than simply increasing our assets under management. All 56 of our infrastructure assets performed strongly, achieving a consistently high asset level availability rate of 99.9 per cent and are fully operational.

We prioritise client satisfaction, as evidenced by the strong overall Net Promoter Score of 56 from our project clients, which is in the top quartile of the achievable range, underscoring our commitment to maintaining robust client relationships and delivering exceptional performance.

Sustainable, diversified and resilient portfolio
Our investment strategy is well-anchored in a resilient business model designed for stability and sustained growth. Our low-risk, high-quality investment approach reflects our commitment to creating sustainable, long-term value for all stakeholders, generating predictable and steady revenue streams supported by robust inflation linkage.

We focus on partnering with highly rated, creditworthy public sector entities and strategically invest in countries with solid credit ratings (AA to AAA), including Australia, Canada, Germany, the Netherlands, Norway, the UK, and the US. This geographic diversification enhances our ability to mitigate risks and capture opportunities across different economic landscapes.

Looking forward
Since our public listing in 2011, we have consistently demonstrated a disciplined approach to value creation. Our portfolio of high-quality, long-term, inflation-linked assets, coupled with our disciplined capital allocation and active asset management approach, positions us well to preserve and enhance portfolio value and deliver attractive returns to our shareholders.

Stabilising, and potential reductions in interest rates, combined with an ever-increasing demand for infrastructure investments, presents a long-term growth opportunity for BBGI. As governments worldwide navigate the challenges associated with the high levels of public debt and the growing need for new infrastructure projects and repairing and maintaining ageing infrastructure, specialist investors like BBGI are well placed to play a critical role.

We will maintain a disciplined and prudent approach to capital allocation, prioritising the optimal use of cash for maximum value accretion for all our stakeholders. Simultaneously, we will continue to proactively manage our portfolio, enhancing existing assets and identifying opportunities for new investments to maintain or improve portfolio metrics. Growth in the infrastructure asset class will be driven by key factors such as demographics, digitalisation, decarbonisation, and addressing the decay of ageing infrastructure.

With our robust balance sheet, a portfolio generating secure, predictable cash flows that exceed our dividend objectives, and an undrawn RCF, we are well positioned to navigate evolving markets with both discipline and ambition, delivering attractive value to all our stakeholders.

Duncan Ball
CEO
28 August 2024

Key Highlights for H1 2024

Half-year dividend

4.20pps

to be paid in October 2024, in line with target of 8.40pps for the year.

NAV total return in period

2.4%

Strong cash dividend cover

1.47

1.4 / x

AIC Next Generation 'Dividend Hero'

In March 2024, BBGI joined the AIC's next generation of 'dividend heroes', in recognition of achieving 10 years of successive dividend growth.

Our Investment Strategy

BBGI provides access to a globally diversified portfolio of infrastructure investments, which generate long-term and sustainable returns and serve a critical social purpose in their local communities.

Our portfolio is well diversified across sectors in education, healthcare, civic infrastructure (fire, police, modern correctional facilities, municipal and administrative buildings), affordable housing, clean energy and transport infrastructure assets.

Our business model is built on four strategic pillars:

Low-risk

- Availability-style investment strategy.
- Secure, public sector-backed contracted revenues.
- Stable, predictable cash flows, with high-quality inflation linkage.

Internally managed

- Management Board interests aligned with those of shareholders.
- Disciplined investment and portfolio construction approach.
- Lowest comparative ongoing charges.[vii]

Globally diversified

- Well-constructed portfolio with investments in seven highly rated investment grade countries.
- Stable, well-developed operating environments.
- No excessive reliance on any single market.

Strong ESG approach

- Sustainability fully integrated into the business model.
- Comprehensive climate risk analysis across the portfolio.
- Focus on delivering positive social impact - SFDR Article 8.[viii]

Consistent delivery of objectives

Our business model is the bedrock of our success, enabling us to deliver:

- **Robust shareholder returns**
- **Low correlation to other asset classes**
- **Sustainable growth**

Operating Model

We follow a proven operating model based on three principles, which are fundamental to our success: value-driven active asset management, prudent financial management and a selective investment strategy. This model aims to preserve and create value, while achieving portfolio growth, ensuring that ESG considerations are embedded in our processes.

Our **active asset management** approach seeks to ensure stable operational performance, preservation of value and, where possible, identification and incorporation of value enhancements over the lifetime of the assets under our stewardship. Our approach aims to reduce costs to our public sector clients and asset end-users to enhance the operational efficiency of each asset and to generate a high level of asset availability, underpinning the social purpose of our portfolio.

Our **prudent financial management** approach focuses on efficient cash and corporate cost management and the implementation of our foreign exchange hedging strategy. Due to our portfolio's geographical diversification, we are exposed to foreign exchange volatility, which we actively seek to mitigate.

We pursue a **selective investment strategy**, so our Management Board's focus remains within its area of expertise, and we uphold the strategic pillars defined by our investment proposition. We actively seek, through portfolio construction, investments with long-term, predictable, and high-quality inflation-linkage.

Value-driven active asset management

We pursue a standardised approach across our portfolio to preserve value, to derive operational and value enhancements, and to improve clients' experience, including:

- maintaining strong client relationships, by prioritising regular meetings and active engagement to achieve high rates of client satisfaction;
- focused asset management, to ensure cash distributions are on time, and on or above budget;
- focused cost management and portfolio-wide cost-saving initiatives, to leverage economies of scale, such as portfolio insurance and standardised management contracts for Portfolio Companies, and thorough lifecycle cost reviews;
- comprehensive monitoring, to ensure we fulfil our contractual obligations;
- detailed climate risk assessment, verified portfolio GHG emissions and annual ESG monitoring to evaluate the sustainable performance of each of our investments, ensure good governance and mitigate risks;
- maintaining high availability levels by proactively managing any issues, including site visits to all significant investments; and
- measured exposure to construction risk to support NAV uplift by de-risking assets over the construction period.

Prudent financial management

We focus on cash performance at both the asset and portfolio level to drive efficiencies, including:

- progressive future dividend growth, underpinned by high-quality inflation linkage and strong portfolio distributions;
- low ongoing charges through our efficient and cost-effective internal management structure;
- managing and mitigating foreign exchange risk through our hedging strategy: hedging forecast portfolio distributions, balance sheet hedging through foreign exchange forward contracts, and borrowing in non-Sterling currencies;
- Euro-denominated running costs, which provide a natural hedge against Euro-denominated portfolio distributions;
- monitoring and periodically reviewing Portfolio Company debt facilities and investigating potential refinancing benefits;
- efficient treasury management processes to maximise interest income on deposits in the underlying Portfolio Companies; and
- maintaining modest cash balances at the corporate level to limit cash drag, facilitated through access to the RCF.

Selective investment strategy and strategic investment partnership

We maintain strategic discipline in our investment strategy and portfolio composition □to ensure we pursue growth that builds shareholder value, not just for growth's sake, including:□

- broad industry relationships throughout multiple geographies to source attractive investment opportunities;
- pre-emption rights to acquire co-shareholders' interests;
- visible pipeline through a North American strategic partnership, which offers an option, but not an obligation, to transact;
- no undue exposure to any single market;
- robust framework embedding sustainability screening into investment due diligence;
- revolving corporate debt facility and internal cash generation to support transaction execution;
- focus on the Management Board's core areas of expertise; and
- 100 per cent of the Management Board and Supervisory Board are shareholders. 87 per cent of our employees own shares or have vesting shareholding entitlements which align our interests with those of our shareholders. The entire team at BBGI is focused on making the portfolio better, not just bigger, as we are motivated by the same metrics which are important to shareholders - growth in NAV per share and dividends.

We leverage strong relationships with leading construction companies to source potential pipeline investments, which support our low-risk and globally diversified investment strategy. Typically, these contractors have secured the mandate to design and build new assets, but often look to divest financially after the construction period has finished - thereafter often maintaining facility management contracts through a long-term partnership. BBGI is an attractive partner for several reasons:

- We are a long-term investor, which is attractive to government and government-backed counterparties.
- We are considered a reliable source of liquidity should a construction partner decide to sell.
- Having a financial partner is a prerequisite for some construction companies so they can avoid consolidating Portfolio Company debt onto the balance sheet of their parent company.
- We have extensive asset credentials and a strong track record, which can assist with the shortlisting process for new projects.

We operate within a niche of the infrastructure sector characterised by transactions of a more modest scale, which affords us specific advantages compared to large unlisted infrastructure funds, which typically invest substantial amounts of capital. In recent times, a significant portion of capital has flowed into a handful of substantial infrastructure funds, many of which have raised fund targets in excess of US 10 billion. These larger funds prioritise the deployment of substantial amounts of capital and, as a result, do not actively engage in the smaller-scaled transaction space where we excel. Within our market niche, we are recognised as a dependable partner and consequently have very good visibility of potential opportunities.

Portfolio Review

Portfolio summary

Our investments as at 30 June 2024 consisted of interests in 56 high-quality, availability-style social infrastructure assets, 100 per cent of which are fully operational. The portfolio is well diversified across sectors in education, healthcare, civic infrastructure (fire stations, police stations, modern correctional facilities, municipal and administrative buildings), affordable housing, clean energy, and transport infrastructure assets.

Located in Australia, Canada, Germany, the Netherlands, Norway, the UK, and the US, all Portfolio Companies are in stable, well-developed, and highly rated investment grade countries.

No.	Asset*	Country	Percentage holding %
1	A1/A6 Motorway	Netherlands	37.1
2	A7 Motorway	Germany	49
3	Aberdeen Western Peripheral Route	UK	33.3
4	Avon & Somerset Police HQ	UK	100
5	Ayrshire and Arran Hospital	UK	100
6	Barking Dagenham & Havering (LIFT)	UK	60
7	Bedford Schools	UK	100
8	Belfast Metropolitan College	UK	100
9	Burg Correctional Facilities	Germany	90
10	Canada Line	Canada	26.7
11	Champlain Bridge	Canada	25
12	Clackmannanshire Schools	UK	100
13	Cologne Schools	Germany	50
14	Coventry Schools	UK	100
15	E18 Motorway	Norway	100
16	East Down Colleges	UK	100
17	Frankfurt Schools	Germany	50
18	Fürst Wrede Military Base	Germany	50
19	Gloucester Royal Hospital	UK	50
20	Golden Ears Bridge	Canada	100
21	Highway 104	Canada	50
22	John Hart Generating Station	Canada	80
23	Kelowna & Vernon Hospitals	Canada	100
24	Kent Schools	UK	50
25	Kicking Horse Canyon	Canada	50
26	Lagan College	UK	100
27	Lisburn College	UK	100
28	Liverpool & Sefton Clinics (LIFT)	UK	60
29	M1 Westlink	UK	100
30	M80 Motorway	UK	50
31	McGill University Health Centre	Canada	40
32	Merseycare Hospital	UK	79.6
33	Mersey Gateway Bridge	UK	37.5
34	N18 Motorway	Netherlands	52
35	North Commuter Parkway	Canada	50

35	North Commuter Parkway	Canada	50
36	North East Stoney Trail	Canada	100
37	North London Estates Partnership (LIFT)	UK	60
38	North West Fire and Rescue	UK	100
39	North West Regional College	UK	100
40	Northern Territory Secure Facilities	Australia	100
41	Northwest Anthony Henday Drive	Canada	50
42	Ohio River Bridges	USA	66.7
43	Poplar Affordable Housing & Recreational Centres	UK	100
44	Restigouche Hospital Centre	Canada	80
45	Rodenkirchen Schools	Germany	50
46	Royal Women's Hospital	Australia	100
47	Scottish Borders Schools	UK	100
48	South East Stoney Trail	Canada	40
49	Stanton Territorial Hospital	Canada	100
50	Stoke & Staffs Rescue Service	UK	85
51	Tor Bank School	UK	100
52	Unna Administrative Centre	Germany	90
53	Victorian Correctional Facilities	Australia	100
54	Westland Town Hall	Netherlands	100
55	William R. Bennett Bridge	Canada	80
56	Women's College Hospital	Canada	100

**Projects are listed in alphabetical order*

Operating model in action

Preserving and enhancing value through active asset management

The elevated interest rates across all jurisdictions in recent years have led to a renewed emphasis on treasury management and optimisation. During the reporting period, we have benefitted from cash pooling arrangements in the UK and Canada to maximise interest generated on cash deposits of our Portfolio Companies.

Value-accretive activities, including effective lifecycle cost management, Portfolio Company savings, change order revenue and active treasury management provided a modest contribution to the NAV.

The operational performance of the Portfolio Companies continued to be strong. Through our active value-driven approach to asset management and the robustness of our portfolio, we have achieved an asset availability level of 99.9 per cent. Deductions were either borne by third-party facility management companies and road operators or were part of planned expenditures.

There were no material lock-ups or default events in the underlying debt financing agreements reported during the period. This means that all our investments contributed to our strong dividend cover with net cash generated by our Portfolio Companies ahead of projections. We are very proud of this achievement.

Client satisfaction is paramount to us, and in 2023, our efforts were reflected with a high Net Promoter Score of 56 from our project clients, which is in the top quartile of the achievable range. We will undertake our annual survey in H2 2024 and will pay close attention to the results as these metrics underscore our sustained commitment to fostering robust client relationships and delivering excellence.

High-quality inflation linkage

During the reporting period, inflation rates declined in the jurisdictions where BBGI invests, in some cases in line with our expectations and in some cases more than expected.

Our equity cash flows are positively linked to inflation at approximately 0.5 per cent for a one percent change in the rate of inflation. If inflation is one per cent higher than our assumptions for all future periods, all else being equal, returns should increase from 7.3 per cent to 7.8 per cent. We achieve this high-quality inflation linkage through contractual indexation mechanics in our Project Agreements with our public sector clients at each Portfolio Company and update the inflation adjustment at least annually.

We pass on the indexation mechanism to our subcontractors - on whom we rely to support our assets' operations - providing an inflation cost hedge to manage effectively our cost base. The Portfolio Companies enter into facilities management and operating subcontracts that mirror the inflation arrangements contained in the Project Agreement. In the UK, Project Agreements tend to have a Retail Price Index ('RPI') adjustment factor, while other regions commonly use Consumer Price Index ('CPI') indexation. However, some Project Agreements have bespoke inflation indices that reflect expected operations and maintenance costs.

The extent of a Portfolio Company's linkage to inflation is determined by the portion of income and costs linked to inflation. In most cases, cash flows are positively inflation-linked as the indexation of revenues is greater than the indexation of expenses.

The high-quality and defensive nature of our inflation linkage is underpinned by:

Contractual increases: The adjustment for inflation is a contractual component of the availability-style cash flows for each Portfolio Company, supported by creditworthy government or government-backed counterparties in AA to AAA-rated countries. While other types of assets may offer a strong theoretical inflation linkage (e.g., the ability to raise prices in response to an increase in CPI), they may be subject to changes in elasticity of demand. For example, toll roads and student accommodation projects may have the potential to increase prices in response to an increase in CPI but may be hindered by market demand from increasing revenue, while costs may simultaneously rise. Such assets would therefore need to be priced at an appropriate risk-adjusted basis.

Protection against rising costs: We transfer the indexation mechanism to our subcontractors, who are crucial in supporting the operations of our assets. This arrangement serves as an inflation cost hedge, helping us to control efficiently our cost base. Similarly, in most cases, the risk of energy cost increases rests with our public sector client or has been passed down to the subcontractor.

No dependence on regulatory review: The inflation adjustment is automatic and contractual and is not subject to regulatory review or substantial lags. Once the relevant reference factor is published, the adjustment is mechanical.

Prudent financial management

Our assets continued to perform well during the reporting period with net cash generated during the period ahead of projections. Our net cash position as of 30 June 2024 was £20.6 million with no cash drawings outstanding under the RCF.

We have efficient cash management in place, which aims to avoid cash drag. We employ a proven financing strategy by initially drawing on our RCF to bridge finance investments, with the cost of borrowing being 165 basis points (bps) over the reference bank rate. Subsequently, we raise new equity or use free cash flows generated by the Portfolio Companies to repay the RCF, thereby clearing the temporary debt. The committed amount available to the Company from the RCF is £230 million, which matures in May 2026. To mitigate renewal risk, BBGI engages with lenders to renew the facility well in advance of its expiry date.

We manage our RCF with prudence and discipline, expanding our portfolio without overleveraging our financials and acknowledging that the equity capital market is not perpetually accessible. In 2022, we utilised our RCF to secure two new assets - the John Hart Generating Station in Canada and the A7 Motorway in Germany - for approximately £64.4 million. The RCF drawings for these investments have been fully repaid using surplus cash flows generated by our portfolio, showcasing our capacity for organic growth without resorting to external capital resources.

Each of our Portfolio Companies is financed on a non-recourse basis, with 55 of our 56 assets securely financed and not subject to refinancing requirements. One Portfolio Company has a refinancing obligation in December 2025. However, the Portfolio Company benefits from a hedged base market interest rate and is therefore only sensitive to changes in lenders' required margins over base interest rates. In line with our loan agreements, we maintain substantial cash reserves within these Portfolio Companies. As at 30 June 2024, BBGI's proportionate share in the total cash balances held by the Portfolio Companies was in excess of £300 million, which was earning a weighted average interest rate of approximately 4.9 per cent across jurisdictions.

Our strategic hedging policy enables us to mitigate partially the effects of foreign exchange fluctuations. Moreover, we have adopted a proactive treasury management approach to optimise the interest earned on the reserve accounts of our Portfolio Companies.

Despite the increasing cost pressures attributed to heightened levels of inflation in recent times, our diligent approach to cost management has allowed us to maintain our ongoing charges at a competitive level of 0.90 per cent.

Selective investment strategy
During the period, we remained active in the market and considered in excess of 50 new investment opportunities. As none of these opportunities met our requirements, we did not make any new investments during this period. Our strategy focuses on investing in high quality assets with secure long-term cash flows and high inflation correlation, while our capital allocation policy involves benchmarking each potential investment against other alternative capital allocation options.

Our commitment to disciplined growth is centred on enhancing shareholder value, reinforced by our unique internal management structure, rather than merely increasing assets under management. As the only internally managed equity infrastructure investment company listed on the London Stock Exchange, we are confident that our governance model ensures the interests of our management are in harmony with those of our shareholders.

We adhere to strict criteria when evaluating new investments, carefully weighing the relative appeal of different capital deployment options, all the while keeping an eye on the long-term strategic objectives, including the desire to maintain or lengthen the life of the portfolio. We will continue with this judicious approach as we pursue sustainable growth and value creation for our shareholders.

Supply chain monitoring
The Management Board consistently monitors the potential concentration risk posed by operations and maintenance ('O&M') contractors that provide counterparty services to our assets. The table below depicts the level of O&M contractor exposure as a percentage of portfolio value.

	O&M Contractors[ix]	
1	*Portfolio Company inhouse*	12%
2	*Capilano Highway Services*	11%
3	*AtkinsRéalis O&M*	9%
4	*Black & McDonald*	5%
5	*Cushman and Wakefield*	5%
6	*Integral FM*	5%
7	*Hochtief Solutions AG*	4%
8	*Honeywell*	4%
9	*Intertoll Ltd*	3%
10	*Amey Community Ltd*	3%
11	*Carmacks Maintenance Services*	3%
12	*Guildmore Ltd*	3%
13	*Graham AM*	3%
14	*BEAR Scotland*	3%
15	*Galliford Try FM*	3%
16	*Remaining investments*	24%
		100%

We have a strict supply chain monitoring policy, maintain a diverse contractor base, and implement risk mitigation measures to address proactively any potential issues in our supply chain. The Management Board has thoroughly assessed the risk exposure and has not identified any significant risks.

Construction defects
We proactively monitor the quality of our assets to identify promptly any construction defects. When necessary, we take appropriate remediation measures to ensure the highest standard of our portfolio. The responsibility for, and the cost of remediation and related deductions lie with the relevant construction subcontractor on each asset, in line with statutory limitation periods. This plays an important role in our effective counterparty risk management.

Latent defects risk was mitigated during the reporting period, with 48 per cent of portfolio value covered by either limitation or warranty periods and there were no material defects reported on any of our portfolio assets.

Latent Defects Limitations / Warranty Period Remaining	
Expired	52%
Within 1 year	8%
1-2 years	5%
2-5 years	19%
5-10 years	11%
10+ years	5%
	100%

Project hand-back
At the end of a concession, the private partner transfers control and management of the project back to the public sector. This process is termed 'hand-back'. The concessions for two of the Company's UK education assets will expire in January 2026 and August 2027. Together these two projects represent less than one per cent of the portfolio.

Preparations for their hand-back is progressing well. Following the Infrastructure and Projects Authority UK's guidelines, collaborative working groups have been established, comprising representatives from the Client, the FM contractor, and the Portfolio Companies, each involved in the projects. The FM contractor bears the hand-back risk for both assets. Interactions and cooperation among all parties are robust, fostering strong relationships. As at the reporting date, no risks that could affect either of the Portfolio Companies have been identified in the process. We have established transparent communication channels with our subcontractors and public partners, fostering a collaborative partnership built on measurable outcomes, including clear hand-back requirements.

Six per cent of BBGI's portfolio consists of non-concession assets, which are not subject to hand-back requirements. Less than one per cent of the Portfolio is subject to hand-back in the next five years.

Market Trends and Pipeline

Over the past two years, global interest rates have risen significantly in response to persistent inflation, resulting in elevated macroeconomic uncertainty.

More recently, inflation has been declining and short-term interest rates are showing signs of stabilisation. Current forecasts from central banks and economists globally suggest that interest rates have peaked and are expected to decline from the second half of 2024. We are seeing early and economists globally suggest that interest rates have peaked and are expected to decline from the second half of 2024. We are seeing early signs of this trend with reductions already made by central banks in interest rates in the EU and Canada and more recently, in August, a reduction by the Bank of England.

The stabilising interest rate environment has supported continued improvement in the volume of secondary market transactions. Despite this, a disconnect continues to persist between private market valuations of similar high-quality core infrastructure assets, as evidenced by recent secondary market transactions, and the valuations currently ascribed by public markets.

New opportunities
As a long-term investor in the sector, BBGI believes that growth in the infrastructure asset class will be driven by demographic trends, the modernisation and renewal of ageing infrastructure, digitalisation, and decarbonisation. With our robust balance sheet and strong financial liquidity, we are well positioned to navigate the evolving infrastructure landscape. Our rigorous and disciplined approach to investments and capital allocation enables us to focus on high quality assets with secure long-term cash flows and a strong correlation to inflation, thereby strengthening the overall composition of our portfolio and generating long-term value for our shareholders.

The immense, unmet global demand for infrastructure is the most significant long-term driver for investment in the sector. According to the Global Infrastructure Hub, the global gap between government infrastructure spending and investment required will reach USD 15 trillion by 2040.[x] The required public investment in infrastructure appears to be constrained due to considerable public debts and ongoing deficits providing specialist investors like BBGI an opportunity to play a critical role. Our experienced team is committed to identifying attractive core infrastructure opportunities with long term cash flow visibility, strong inflation linkage, and a strong social purpose which will allow us to diversify and enhance the composition of our core infrastructure portfolio.

Canada

To support Canada's investment ambitions, the Canadian Infrastructure Bank has a mandate to invest in infrastructure that benefits Canadians and attracts private capital, with an objective to invest CAD 3-5 billion annually. Canada is in the midst of its 'Investing in Canada Plan,' which launched in 2016 with a commitment to invest over CAD 180 billion until 2028 for infrastructure projects across five streams: Public Transit, Green, Social, Trade and Transportation, and Rural and Northern Communities.[xi]

US

Deglobalisation is an important megatrend that will bolster private infrastructure investments. The onshoring of manufacturing capacity and an increased focus on energy security will necessitate significant investments. Supporting infrastructure for transportation networks, energy supply, utility services, and high-speed internet access will be needed to safeguard such investments, creating tailwinds for the sector in the US. The Infrastructure Investment and Jobs Act provides for USD 1.2 trillion in spending, USD 550 billion of which will be new federal spending to rebuild roads and bridges, improve clean water infrastructure resilience, enhance EV charging infrastructure, expand broadband access, and more.[xii]

BBGI is confident that an attractive pipeline of social infrastructure projects will continue to emerge in the US and Canada. With 17 investments across North America, an experienced team, and strong industry relationships, BBGI is well positioned to originate investment opportunities in the region.

EU

The European Commission's infrastructure investment priorities include becoming the first climate-neutral continent, creating an economy that ensures social fairness and prosperity for all, modernising Europe for the digital age, and enhancing Europe's role and influence in the global arena. By clearly defining its priorities and providing supporting initiatives, the EU establishes a framework that significantly influences public and private infrastructure investments across various sub-sectors in its member states. The energy and transportation sectors are significantly impacted by the ambitions of the European Green Deal. Similarly, the EU's digital strategy, with a clear focus on data, technology, and infrastructure, aims to make digital transformation beneficial for people and businesses, while also contributing to the target of a climate-neutral Europe by 2050. Both initiatives are part of the wider EUR 800 billion NextGenerationEU plan.[xiii] We anticipate a continuous flow of pipeline opportunities in the core infrastructure space. BBGI has established a strong investment presence in Germany and the Netherlands, and we are well-positioned to capitalise on future social infrastructure opportunities.

UK

The Infrastructure and Projects Authority provided a robust assessment of infrastructure investment needs in the UK over the next decade, estimating a total of GBP 700-775 billion.[xiv] The new UK Government plans to bring together key institutions and present a compelling proposition for investors, leveraging private capital to support the delivery of these investments. The Labour manifesto outlined a comprehensive plan to boost infrastructure investments, emphasising sustainable development and economic growth, focussing on housing development, clean energy, and transportation. Social and transportation infrastructure in the UK have been core investment areas for BBGI and new opportunities may emerge as a result of the government's commitment to infrastructure initiatives and its constrained balance sheet.

Australia

The Australian Government remains committed to a ten-year, AUD 120 billion infrastructure pipeline.[xv] With a focus on nationally significant infrastructure projects, this will continue benefiting investments in the land transport network and other key freight routes, as well as in projects supporting broader national priorities such as social and affordable housing. Combined with the planned activities from State and Territory governments, there is a significant effort towards social infrastructure, including hospitals, education, housing, and energy transformation.

Outlook
As governments continue to run deficits and the demand for upgrading and constructing new infrastructure grows globally, there is an ongoing need for private sector investment in infrastructure. With our internal management structure and a clear alignment with investors' interests, BBGI will remain patient and disciplined, transacting only when an opportunity is clearly accretive to our portfolio metrics and investor returns. By leveraging our extensive network, we identify and screen opportunities in the core social infrastructure sector, positioning ourselves to seize the right investments. BBGI remains committed to disciplined growth and balanced portfolio construction, and has grown from 19 social infrastructure assets in 2011 to 56 today, including roads, schools, healthcare facilities, transportation, and civic infrastructure.

Performance Overview and Key Metrics

The Management Board is pleased to present the Key Performance Indicators ('KPIs') for the six months ended 30 June 2024.

KPIs
Certain KPIs for the past three and a half years are outlined below.

KPI	Target	Dec-21	Dec-22	Dec-23	Jun-24	Commentary
Dividends (paid or declared)	Progressive long-term dividend growth in pps	7.33	7.48	7.93	4.20	50% of the 2024 target declared
Cash dividend cover	>1.0x	1.31x	1.47x	1.40x	1.47x	Achieved
NAV per share	Positive NAV per share growth	2.1%	6.6%	(1.4%)	(0.3%)	Not achieved during the reporting period
Annualised NAV per share total return since IPO	7% to 8% annualised	8.8%	9.1%	8.6%	8.5%	Achieved
Annualised		10.4%	8.8%	7.6%	7.0%	Refer to

Annualised total shareholder return since IPO		10.4%	8.8%	7.6%	7.0%	Refer to 'return track record' below for commentary
Ongoing charges	Competitive cost position	0.86%	0.87%	0.93%	0.90%[xvi]	Achieved
Asset availability	> 98% asset availability	✓	✓	✓	✓	Achieved
Single asset concentration risk (as a percentage of portfolio)	To be less than 25% of portfolio immediately post-acquisition	11% (ORB[i])	11% (ORB)	11% (GEB[ii])	11% (GEB)	Achieved
Availability-style assets (as a percentage of portfolio)	>75% of portfolio is availability-style	✓	✓	✓	✓	Achieved

i Ohio River Bridges
ii Golden Ears Bridge

Investment performance
Return track record
As has always been evident in our approach, we continue to maintain a disciplined growth strategy with high-quality core infrastructure assets and optimal capital allocation, aimed at our long-term strategic rationale of optimising overall portfolio composition and enhancing shareholder value. Since our IPO, we have delivered an annualised NAV total return of 8.5 per cent and an annualised total shareholder return of 7.0 per cent until 30 June 2024.

Relative to the Company's share price performance since IPO, BBGI's share price has been volatile over the past two years. This is consistent with the trend across the UK-listed Investment Trust sector. BBGI's 10-year beta to the FTSE All-Share Index is 0.29 (31 December 2023: 0.28). This low beta suggests that BBGI share price is less volatile than the overall market, making it a potentially stable investment for investors seeking low risks and steady income. Beta measures share price volatility relative to the market, with a value less than one indicating lower volatility.

Over the last two years BBGI's share price has not been immune to some of the headwinds affecting the UK-listed Investment Trust sector. BBGI's share price has traded at an average discount of 11.7 per cent during the first half of the year compared to the reported NAV for FY 2023. The Board does not believe that BBGI's share price as of 30 June 2024, adequately reflects the value of our low-risk portfolio, high-quality inflation linkage, robust financial and operational performance.

We are closely monitoring the movement of our share price and the discount compared to our published NAV. Any potential action undertaken would be within the confines of our capital allocation strategy, including our progressive dividend policy, and prioritising the long-term interests of all our shareholders.

Dividends
Distributions on the ordinary shares are expected to be paid twice a year, normally in respect of the six months to 30 June and the six months to 31 December.

In April 2024, we paid a second interim dividend of 3.965pps for the period 1 July 2023 to 31 December 2023. Together with the first interim dividend (which was paid in October 2023), the total dividend for the year ended 31 December 2023 amounted to 7.93pps. The Board approved a 2024 interim dividend of 4.20pps to be paid on 17 October 2024, which is in line with its dividend target for the full year of 8.40pps. Furthermore, the Board is reaffirming a dividend target for 2025 of 8.57pps.

Average dividend increase 2012 to 2024

3.6%

Delivering real returns
BBGI's progressive dividend outpaced UK CPI delivering positive real returns to shareholders

Valuation

The Management Board is responsible for carrying out the fair market valuation of the Company's investments. This valuation is prepared by the internal valuation team and subsequently reviewed and approved by the Management Board before being presented to the Supervisory Board for consideration as part of its approval of the Annual and Interim Reports. The valuation occurs semi-annually on 30 June and 31 December and is reviewed by an independent third-party valuation expert, to prepare an opinion for BBGI on the appropriateness of the fair market valuation attributed to the Company's portfolio of investments. The independent third-party valuation expert is active in the availability-style infrastructure market and has experience in valuing the types of investments held by the Company.

The Company's investments are principally non-market traded investments with predictable long-term contracted revenue; therefore, the valuation is determined using the discounted cash flow methodology. Our forecast assumptions for key macroeconomic factors impacting cash flows include inflation rates and deposit rates, changes in tax legislation, and enacted changes in taxation rates during the reporting period. These assumptions are based on market data, publicly available economic forecasts, and long-term historical averages. We also exercise judgement in assessing the future cash flows from each investment, using detailed financial models produced by each Portfolio Company and adjusting these models, where necessary, to reflect our assumptions as well as any specific cash flow assumptions. The Company's consolidated valuation is a sum-of-the-parts valuation with no further adjustments made to reflect scale, scarcity, portfolio effect or diversification of the overall portfolio.

The fair value of each investment is then determined by applying an appropriate discount rate, alongside contracted foreign exchange rates, or reporting period-end foreign exchange rates, and withholding taxes (as applicable).

The discount rates applied consider investment risks, including the phase of the investment (construction, ramp-up or stable operation), investment-specific risks and opportunities, and country-specific factors.

The Management Board's determination of appropriate discount rates involves judgement based on market transactions and knowledge, insights from investment and bidding activities, benchmark analysis with comparable companies and sectors, discussions with advisers and publicly available information. As a reasonability check to our market-based approach and providing further guidance to determine the appropriate market discount rates, the Company complements its market-based approach by using the capital asset pricing model ('CAPM') where government risk-free rates plus a risk premium are used to calibrate discount rates.

A sensitivity analysis on the key assumptions is provided below.

The tables below illustrate the breakdown of movements in the NAV per share and portfolio value.

NAV per share movement 31 December 2023 to 30 June 2024
The NAV per share at 30 June 2024 was 147.4pps (31 December 2023: 147.8pps), representing a decrease of 0.3 per cent. In the period, the Company achieved a NAV total return of 2.4 per cent per share.

NAV per share movement 31 December 2023 to 30 June 2024	Pence per share
NAV per share at 31 December 2023	**147.8**

Dividends paid to BBGI shareholders[i]	(4.0)
NAV return[ii]	4.3
Change in market discount rate	-
Change in macroeconomic assumptions	0.3
Foreign exchange net movement	(1.0)
NAV per share at 30 June 2024	**147.4**

i This figure represents the cash dividends paid in the period.
ii The NAV return represents amongst other things, (i) the unwinding of the discount factor applied to those future investment cash flows (ii) portfolio performance, the net effect of actual inflation, and updated operating assumptions to reflect current expectations, and (iii) changes in the Company's working capital position.

Portfolio value movements 31 December 2023 to 30 June 2024
The portfolio value at 30 June 2024 was £1,030.0 million (31 December 2023: £1,047.1 million), representing a decrease of 1.6 per cent.

Portfolio value movement 31 December 2023 to 30 June 2024	£ million
Portfolio value at 31 December 2023	**£1,047.1**
Distributions from investments[i]	(£50.9)
Rebased opening portfolio value at 1 January 2024	£996.2
Portfolio return[ii]	£39.0
Change in market discount rate	-
Change in macroeconomic assumptions	£2.1
Foreign exchange net movement	(£7.2)
Portfolio value at 30 June 2024	**£1,030.0**

i While distributions from Investments at FVPL reduce the portfolio value, there is no impact on the Company's NAV as the effect of the reduction in the portfolio value is offset by the receipt of cash at the consolidated Group level. Distributions in the above graph are shown net of withholding tax.
ii Portfolio return comprises the unwinding of the discount rate, portfolio performance, the net effect of actual inflation, and updated operating assumptions to reflect current expectations.

Macroeconomic assumptions
In addition to the discount rates, we use the following assumptions ('Assumptions') for the cash flows:

		30 June 2024	31 December 2023
Inflation	UK(i) RPI/CPIH	3.30% for 2024 then 3.00% (RPI) / 2.25% (CPIH)	3.80% for 2024 then 3.00% (RPI) / 2.25% (CPIH)
	Canada	2.60% for 2024; 2.20% for 2025 then 2.00%	2.50% for 2024; 2.10% for 2025 then 2.00%
	Australia	3.80% for 2024; 2.80% for 2025 then 2.50%	3.50% for 2024; 3.00% for 2025 then 2.50%
	Germany(ii)	2.30% for 2024 then 2.00%	2.70% for 2024; 2.10% for 2025 then 2.00%
	Netherlands(ii)	2.30% for 2024 then 2.00%	2.70% for 2024; 2.10% for 2025 then 2.00%
	Norway(ii)	3.80% for 2024; 3.00% for 2025 then 2.25%	4.50% for 2024; 2.50% for 2025 then 2.25%
	US	2.50% for 2024 then 2.50%	2.50%
Deposit rates (p.a.)	UK	4.75% to December 2024 then 2.75%	4.50% to December 2024 then 2.50%
	Canada	5.00% to December 2024 then 2.50%	4.75% to December 2024 then 2.50%
	Australia	4.75% to December 2024 then 3.50%	4.75% to December 2024 then 3.50%
	Germany/ Netherlands	3.00% to December 2024 then 2.00%	3.25% to December 2024 then 2.00%
	Norway	4.75% to December 2024 then 2.75%	4.75% to December 2024 then 2.75%
	US	5.00% to December 2024, then 2.50%	4.50% to December 2024, then 2.50%
Corporate tax rates (p.a.)	UK	25.00%	25.00%
	Canada(iii)	23.00% / 26.50% / 27.00% / 29.00%	23.00% / 26.50% / 27.00% / 29.00%
	Australia	30.00%	30.00%
	Germany(iv)	15.83%	15.83%
	Netherlands	25.80%	25.80%
	Norway	22.00%	22.00%
	US	21.00%	21.00%

(i) On 25 November 2020, the UK Government announced the phasing out of the RPI after 2030 to be replaced with the Consumer Prices Index including owner occupiers Housing costs ('CPIH'). The Company's UK portfolio indexation factor changes from RPI to CPIH beginning on 1 January 2031.
(ii) Consumer Price Index ('CPI') indexation only. Where investments are subject to a basket of indices, a projection for non-CPI indices is used.
(iii) Individual tax rates vary among Canadian provinces and territories: Alberta; Ontario, Quebec, Northwest Territories; Saskatchewan, British Columbia; New Brunswick.
(iv) Including solidarity charge; individual local trade tax rates are considered in addition to the tax rate above.

Key drivers for NAV change
The rebased opening portfolio value, after cash distributions from investments of £50.9 million, was £996.2 million.

Portfolio return consists of several components, including the unwinding of the discount rate, portfolio performance, the net effect of actual inflation, and updated operating assumptions:
During the period, the Company recognised a £39.0 million portfolio return, representing a 3.7 per cent increase in the NAV, £37.4 million resulting from the unwinding of discount rates, with the balance, £1.6 million, attributed to portfolio performance, which reflects current expectations based on the Company's hands-on active asset management. As the portfolio moves closer to forecast investment distribution dates, the time value of those cash flows increases on a net present value basis and this effect is called unwinding. The Company delivered positive value enhancements through our active asset management approach. These value-accretive activities included effective lifecycle cost management, Portfolio Company cost savings, change order revenue, and active treasury management.

Change in market discount rates:
The weighted average discount rate remained unchanged at 7.3 per cent (31 December 2023: 7.3 per cent), which the Management Board continues to believe appropriate for a portfolio of stable availability-style social infrastructure investments.

Our valuation approach is largely unchanged from IPO. To determine the appropriate discount rate for each jurisdiction, the Company employs its judgement using a multifaceted market-based approach, combining market transactional analysis, benchmarking with comparable companies and sectors, discussions with relevant market advisers, and utilising publicly available information. Transactional levels are still subdued compared to the 2020 to early 2022 levels; however, we have observed transaction volumes increasing, creating an appropriate sample size for each region in which we invest. Over the past 18 months, we have observed over 50 transactions in the concession based infrastructure sector with approximately 50 per cent of those either closing or launching in H1 2024. The secondary market appears balanced with buyers and sellers transacting at stable prices. These data points provide relevant transactional evidence supporting the discount rates used by the Company.

Complementing our market-based approach, particularly when there is reduced market transaction data, is the CAPM, which integrates government risk-free rates and a risk premium, with adjustments made to account for observed volatility in risk-free rates during the period. The CAPM analysis acts as a reasonability check, providing guidance for potential discount rate adjustments in instances where transaction data is more limited.

Individual risk-free rates have closed above the December 2023 rates, resulting in an increase in the weighted average risk-free rate to 4.0 per cent (31 December 2023: 3.6 per cent). Using this risk-free rate a portfolio risk premium of approximately 3.3 per cent is derived.

Whilst it appears that the macroeconomic uncertainty experienced over 2023 is stabilising, during the period long-term risk-free rates increased on average between c. 30bps to 50bps across the jurisdictions where we invest. The uncertainty continues to contribute to a cautious environment in the infrastructure secondaries market; however, we are seeing the market stabilise with an increasing number of transactions closing as mentioned above, suggesting that buyers and sellers are adapting to the current environment and markets are achieving a balance.

A portfolio risk premium of 3.3 per cent is within historic ranges. The Management Board believes this to be appropriate for the Company's social infrastructure investment portfolio, particularly considering the market transactions observed and our low-risk, availability-style portfolio with high-quality inflation-linked cash flows.

Going forward, the Company is confident that the demand for stable and resilient availability-style assets, offering long-term, predictable and inflation-linked cash flows, will remain strong.

Specific discount rates consider risks associated with the investment including the phase the investment is in, such as construction, ramp-up or stable operation, investment-specific risks and opportunities, and country-specific factors. For investments in the construction phase, we apply a risk premium to reflect the higher-risk inherent during this stage of the investment's lifecycle. Currently, the portfolio has no investments under construction; and has one investment in the ramp-up phase, Highway 104, which represents less than one per cent of the overall portfolio value.

Furthermore, we have applied risk premiums or discounts to a limited number of other investments based on their individual circumstances. For example, we have adjusted acute care hospitals in the UK, where a risk premium of 50bps continues to be applied. The only UK acute care hospital in the portfolio is Gloucester Royal Hospital, representing less than one per cent of the overall NAV. This risk premium reflects the ongoing situation in the UK, where some public health clients are facing cost pressures and are actively seeking cost savings, including deductions. To date, BBGI has not been affected.

Average Discount Rates[i]

	Weighted average risk free government bonds[ii]	Risk premium	Discount Rate
Jun-07	4.8%	2.7%	7.4%
Dec-07	4.3%	3.1%	7.5%
Jun-08	4.6%	3.3%	7.9%
Dec-08	3.5%	4.5%	8.0%
Jun-09	4.1%	4.3%	8.5%
Dec-09	4.3%	4.3%	8.6%
Jun-10	3.8%	4.7%	8.4%
Dec-10	3.8%	4.7%	8.6%
Jun-11	3.9%	4.7%	8.6%
Dec-11	2.9%	5.7%	8.5%
Jun-12	2.6%	5.9%	8.5%
Dec-12	2.7%	5.9%	8.5%
Jun-13	3.2%	5.2%	8.4%
Dec-13	3.5%	4.9%	8.4%
Jun-14	3.1%	5.3%	8.4%
Dec-14	2.3%	5.8%	8.2%
Jun-15	2.5%	5.5%	8.1%
Dec-15	2.4%	5.5%	7.9%
Jun-16	1.7%	6.1%	7.8%
Dec-16	2.2%	5.4%	7.6%
Jun-17	2.1%	5.4%	7.5%
Dec-17	2.1%	5.3%	7.4%
Jun-18	2.1%	5.1%	7.2%
Dec-18	2.0%	5.2%	7.2%
Jun-19	1.5%	5.6%	7.1%
Dec-19	1.5%	5.5%	7.1%
Jun-20	0.8%	6.2%	7.0%
Dec-20	0.9%	5.9%	6.8%
Jun-21	1.5%	5.1%	6.6%
Dec-21	1.5%	5.1%	6.6%
Jun-22	3.0%	3.6%	6.6%
Dec-22	3.8%	3.1%	6.9%
Jun-23	3.8%	3.4%	7.2%
Dec-23	3.6%	3.7%	7.3%
Jun-24	4.0%	3.3%	7.3%

i Sector average from listed peers for the period from June 2007 until June 2011 and the BBGI discount rate from December 2011.

ii Based on the weighted geographical breakdown of the BBGI portfolio as at each valuation period; considering the following securities yield rates: Canadian Government Debt - 20 Years, UK Government Debt - 20 Years, Australian Government Debt - 15 Years, US Treasury Bond - 30 Years, German Government Bunds - 20 Years, Norway Swap Rate - 10 Years and Netherlands Government Debt - 20 Years.

Change in macroeconomic assumptions:
During the period, the Company recognised a modest increase in the portfolio value of £2.1 million, or a 0.2 per cent increase in the NAV, attributed to changes in macroeconomic assumptions. The primary driver of this increase is the change in short-term deposit rate assumptions which were updated to reflect the higher rates being received by our Portfolio Companies, as well as our long-term deposit rate assumption in the UK. While we have seen some central bank rate cuts in Canada and Continental Europe, and more recently in the UK, they have not been reduced to the levels that were forecast at the beginning of the reporting period. This has therefore resulted in higher short-term deposit rates than forecast in the December 2023 valuation. Changes in short-term inflation assumptions which continue to trend downward had a minor negative effect on the NAV.

Foreign exchange:
A significant proportion of the Company's underlying investments are denominated in currencies other than Sterling. The Company maintains its accounts, prepares the valuation and pays dividends in Sterling. Accordingly, fluctuations in exchange rates between Sterling and the relevant local currencies will affect the value of the Company's underlying investments.

The Group uses forward currency swaps to (i) hedge 100 per cent of forecast cash flows over the next four years on an annual rolling basis, and (ii) to implement balance sheet hedging in order to limit the decrease in the NAV to approximately three per cent, for a ten per cent adverse movement in foreign exchange rates.[xvii] This is achieved by hedging a portion of the non-Sterling and non-Euro portfolio value. Forecast distributions in Euro are not hedged, as a natural hedge is in place due to a significant portion of the Company's running costs being denominated in Euro. The effect of the Company's hedging strategy can also be expressed as a theoretical or implicit portfolio allocation to Sterling exposure. In other words, on an unhedged basis, the portfolio allocation to Sterling exposure at 30 June 2024 would need to be approximately 73 per cent to obtain the same NAV sensitivity to a ten per cent adverse change in foreign exchange rates, as shown in the foreign exchange sensitivity table.

During the period ended 30 June 2024, the appreciation of Sterling ('GBP') against the Canadian Dollar ('CAD'), Australian Dollar ('AUD'), the Euro ('EUR') and the Norwegian Krone ('NOK'), and the depreciation against the US Dollar ('USD') accounted for a net decrease in the portfolio value of £7.2 million, or 0.7 per cent of the 30 June 2024 NAV. Since IPO in December 2011, the net cumulative effect of foreign exchange movements on the portfolio value, after considering the effect of balance sheet hedging, has been a decrease of £6.0 million.

The table below shows the closing exchange rates, which were used to convert unhedged future cash flows into the reporting currency at 30 June 2024.

GBP/	Valuation impact	FX rates as of 30 June 2024	FX rates as of 31 December 2023	FX rate change
AUD	Negative	1.8957	1.8690	(1.43%)
CAD	Negative	1.7297	1.6871	(2.53%)
EUR	Negative	1.1800	1.1532	(2.32%)
NOK	Negative	13.5082	12.9571	(4.25%)
USD	Positive	1.2645	1.2731	0.68%

For valuation purposes, the forecast distributions from investments are converted to Sterling at either the contracted foreign exchange rate, for 100 per cent of non-Sterling and non-Euro-denominated cash flows forecast to be received over the next four years, or at the closing foreign exchange rate at 30 June 2024 for the unhedged future cash flows. Although the closing rate is the required conversion rate to use for the unhedged future cash flows, it is not necessarily representative of future exchange rates as it reflects a specific point in time.

Macroeconomic and geopolitical events
The quality and predictability of our portfolio's cash flows have become more noticeable given the general market uncertainty and the still elevated, yet more stable, inflation levels compared to 2022 and 2023. While we acknowledge uncertainty in some regions where we operate, our anticipation is for a broad political consensus on the urgent need for substantial infrastructure investments. Against this backdrop, the Company remains well-positioned through its high-quality inflation linkage, achieved through annually updated contractual indexation in the Company's project agreements.

Additionally, there has been no material adverse effect on the portfolio valuation resulting from current global conflicts. This is primarily because the Company holds a low-risk portfolio with contracted cash flows, coupled with strong stakeholder collaboration to identify and mitigate any potential adverse effects.

Sensitivities

Variable		
Discount Rate +/- 1%	**-7.1%**	**8.1%**
Inflation Rate -/+ 1%	**-3.7%**	**4.1%**
Deposit Rate -/+ 1%	**-2.0%**	**2.0%**
Combined +/-1% inflation, deposit rates, and discount rates	**1.9%**	**-1.6%**
Foreign Exchange +/- 10%	**-2.8%**	**2.9%**
Lifecycle Costs +/- 10%	**-2.3%**	**2.1%**
Corporate Tax Rate +/- 1%	**-1.2%**	**1.1%**
Refinancing - Senior Debt Rate + 1%	**-0.8%**	**0.0%**
GDP -/+ 0.5%	**0.0%**	**0.0%**

Discount rate sensitivity
The weighted average discount rate applied to the Company's portfolio of investments is the single most important judgement and variable.

The following table shows the sensitivity of the NAV to a change in the discount rate.

Discount rate sensitivity(i)	Change in NAV 30 June 2024
Increase by 1% to c. 8.3%	(£74.4) million, i.e. (7.1%)
Decrease by 1% to c. 6.3%	£85.3 million, i.e. 8.1%

(i) Based on the weighted average rate of 7.3 per cent.

Inflation has increased in all jurisdictions across BBGI's geographies, and interest rates have risen from historical lows, although in some jurisdictions these trends have reversed over the period. Should long-term interest rates change substantially further, this may affect discount rates, and as a result, impact portfolio valuation.

Combined sensitivity: inflation, deposit rates and discount rates It is reasonable to assume that macroeconomic movements would affect discount rates, deposit rates and inflation rates, and not be isolated to one variable. To illustrate the effect of this combined movement on the Company's NAV, two scenarios were created assuming a one percentage point change in the weighted average discount rate, and a one percentage point change in both deposit and inflation rates above the macroeconomic assumptions.

Combined sensitivity: inflation, deposit rates and discount rates	Change in NAV 30 June 2024
Increase by 1%	(£16.3) million, i.e. (1.6%)
Decrease by 1%	£19.5 million,

[illegible]	[illegible] i.e. 1.9%

Inflation sensitivity
The Company's investments are contractually entitled to receive contracted revenue streams from public sector clients, which are typically adjusted every year for inflation (e.g. RPI, CPI, or a basket of indices). Facilities management subcontractors for accommodation investments and operating and maintenance subcontractors for transport investments have similar indexation arrangements.

This inflation linkage is achieved through contractual indexation mechanics in the various project Agreements with the public sector clients at the Portfolio Companies and the inflation adjustment updated at least annually

The table below shows the sensitivity of the NAV to a change in inflation rates compared to the assumptions in the table above:

Inflation sensitivity	Change in NAV 30 June 2024
Inflation +1%	£42.9 million, i.e. 4.1%
Inflation −1%	(£38.7) million, i.e. (3.7%)

Foreign exchange sensitivity
As described above, a significant proportion of the Company's underlying investments are denominated in currencies other than Sterling.

The following table shows the sensitivity of the NAV to a change in foreign exchange rates:

Foreign exchange sensitivity(i)	Change in NAV 30 June 2024
Increase by 10%	(£30.0) million, i.e. (2.8%)
Decrease by 10%	£30.8 million, i.e. 2.9%

(i) Sensitivity in comparison to the spot foreign exchange rates at 30 June 2024 and considering the contractual and natural hedges in place, derived by applying a ten per cent increase or decrease to the Sterling/foreign currency rate.

Deposit rate sensitivity
Portfolio Companies typically have cash deposits that are required to be maintained as part of the senior debt funding requirements (e.g. six-month debt service reserve accounts and maintenance reserve accounts). The asset cash flows are positively correlated with the deposit rates.

The table below shows the sensitivity of the NAV to a percentage point change in long-term deposit rates compared to the long-term assumptions in the table above:

Deposit rate sensitivity	Change in NAV 30 June 2024
Deposit rate +1%	£21.4 million, i.e. 2.0%
Deposit rate −1%	(£21.3) million, i.e. (2.0%)

Lifecycle costs sensitivity
Lifecycle costs are the cost of planned interventions or replacing material parts of an asset to maintain it over the concession term. They involve larger items that are not covered by routine maintenance and, for roads, will include items such as replacement of asphalt, rehabilitation of surfaces, or replacement of equipment. Lifecycle obligations are generally passed down to the facility maintenance provider, except for transportation investments, where these obligations are typically retained by the Portfolio Company.

Of the 56 investments in the portfolio, 20 investments retain the lifecycle obligations. The remaining 36 investments have this obligation passed down to the subcontractor.

The table below shows the sensitivity of the NAV to a change in lifecycle costs:

Lifecycle costs sensitivity(i)	Change in NAV 30 June 2024
Increase by 10%	(£24.3) million, i.e. (2.3%)
Decrease by 10%	£22.4 million, i.e. 2.1%

(i) Sensitivity applied to the 20 investments in the portfolio that retain the lifecycle obligation i.e. the obligation is not passed down to the subcontractor.

Corporate tax rate sensitivity
The profits of each Portfolio Company are subject to corporation tax in the country where the Portfolio Company is located.

The table below shows the sensitivity of the NAV to a change in corporate tax rates compared to the assumptions in the table above:

Corporate tax rate sensitivity	Change in NAV 30 June 2024
Tax rate +1%	(£12.2) million, i.e. (1.2%)
Tax rate −1%	£12.0 million, i.e. 1.1%

Refinancing: senior debt rate sensitivity
Assumptions are used where a refinancing of senior debt is required for an investment during the remaining investment concession term. The refinancing sensitivity relates to Northern Territory Secure Facilities, the only asset in the Company's portfolio with a refinancing requirement, as it is common practice in the Australian infrastructure market to have senior debt durations that are typically between five and seven years. We assume three refinancings for the Northern Territory Secure Facilities, between the fourth quarter of 2025 and the fourth quarter of 2038. Long-term interest rate hedges fully mitigate base rate risk, leaving exposure only to potential changes in margin.

The table below shows the sensitivity of the NAV to a one percentage point increase in the forecast debt rate.

Senior debt refinancing sensitivity	Change in NAV 30 June 2024
Debt rate +1%	(£8.5) million, i.e. (0.8%)

Gross Domestic Product sensitivity
Our portfolio is not sensitive to movements in GDP.

Details of the principal risks faced by the Group are outlined in the Key Risk Update of this report. Refer to our Annual Report for further information.

Key Portfolio Company and portfolio cash flow Assumptions underlying the NAV calculation include:

The discount rates and the assumptions, as set out above, continue to be applicable.
The updated financial models used for the valuation accurately reflect the terms of all agreements relating to the Portfolio Companies and represent a fair and reasonable estimation of future cash flows accruing to the Portfolio Companies.
Cash flows from and to the Portfolio Companies are received and made at the times anticipated.
Non-UK investments are valued in local currency and converted to Sterling at either the period-end spot foreign exchange rates or the contracted foreign exchange rate.
Where the operating costs of the Portfolio Companies are contractually fixed, such contracts are performed according to

- Where the operating costs of the Portfolio Companies are contractually fixed, such contracts are performed according to terms, and where such costs are not fixed, they remain within the current forecasts in the valuation models.
- Where lifecycle costs/risks are borne by the Portfolio Companies, they remain in line with current forecasts in the valuation models.
- Contractual payments to the Portfolio Companies remain on track and contracts with public sector or public sector-backed counterparties are not terminated before their contractual expiry date.
- Any deductions or abatements during the operations period of Portfolio Companies are passed down to subcontractors under contractual arrangements or are part of the planned (lifecycle) forecasts.
- Changes to the concession period for certain investments are realised.
- In cases where the Portfolio Companies have contracts which are in the construction phase, they are either completed on time or any delay costs are borne by the construction contractors.
- Enacted tax rates, enacted regulatory changes, or expected regulatory changes with a high probability, on or prior to this reporting period-end with a future effect materially impacting cash flow forecasts, are reflected in the financial models.

In forming the above assessments, BBGI uses its judgement and works with our Portfolio Company management teams, as well as using due diligence information from, or working with, suitably qualified third parties such as technical, legal, tax and insurance advisers.

Financial Results

Basis of accounting

We have prepared the Group's Condensed Consolidated Interim Financial Statements in accordance with International Financial Reporting Standards accounting standards ('IFRS') as adopted by the European Union ('EU'). In accordance with IFRS 10, and as assessed by the Management Board, the Company qualifies as an investment entity ('Investment Entity') and, therefore, does not consolidate its investments in subsidiaries that qualify as investments at fair value through profit or loss ('Investments at FVPL'). However, certain subsidiaries that are not Investments at FVPL, but instead provide investment-related services or activities that relate to the investment activities of the Group, are consolidated.

As an Investment Entity, the Company recognises distributions from Investments at FVPL as a reduction in their carrying value. These distributions reduce the estimated future cash flows which are used to determine the fair value of Investments at FVPL. The accounting principles applied are consistent with those principles applied in the prior year reportings.

Income and costs

Pro Forma Income Statement Investment Basis	Period ended 30 June 2024 £ million	Period ended 30 June 2023 £ million
Income from Investments at FVPL	**35.0**	21.2
Other operating income	**0.2**	1.5
Operating income	**35.2**	22.7
Administrative expenses	**(6.9)**	(6.3)
Other operating expenses	**(0.5)**	(1.8)
Net finance result	**(0.7)**	(1.4)
Net loss on balance sheet hedging	**(0.7)**	-
Profit before tax	**26.4**	13.2
Income tax expense - net	**(0.3)**	(2.1)
Profit for the period	**26.1**	11.1
Other comprehensive income	**(0.1)**	1.1
Total comprehensive income	**26.0**	12.2
Basic earnings per share (pence)	**3.65**	1.55

Certain comparative figures have been reclassified to align with the current period presentation. These changes primarily affect how the unrealised components of the mark-to-market cash flow and balance sheet hedges are reported. Previously, both the unrealised and realised components of the mark-to-market of the cash flow and balance sheet hedges were included in Income from Investments at FVPL. In the current presentation, the realised components of the mark-to-market of the cash flow and balance sheet hedges are now shown separately under Other operating income/expenses and under Net loss on balance sheet hedging. These reclassifications do not affect the profit reported or the NAV in the current and prior period.

During the six-month period, the Group recognised an income from Investments at FVPL amounting to £35.0 million (30 June 2023: £21.2 million). This income comprises the following components:

Investment Basis	Period ended 30 June 2024 £ million	Period ended 30 June 2023 £ million
Discount unwinding	**37.4**	37.4
Net movement in foreign exchange	**(7.2)**	(12.9)
Change in macroeconomic assumptions	**2.1**	13.8
Change in market discount rate	**-**	(26.8)
Value enhancements	**1.6**	7.6
Withholding tax gross up	**1.1**	2.1
Income from Investments at FVPL	**35.0**	21.2

In the table above, the withholding taxes settled during the reporting period are added back in order to present Income from Investments at FVPL on a gross basis.

Administrative expenses include personnel expenses, legal and professional fees and office and administration expenses. For more details, refer to the Group Level Corporate Cost Analysis provided below..

Group Level Corporate Cost Analysis

The table below is prepared on an accrual basis.

Corporate costs	Period ended 30 June 2024 £ million	Period ended 30 June 2023 £ million
Personnel expenses	**4.9**	4.1
Legal and professional fees	**1.4**	1.5
Office and administration	**0.5**	0.7
Subscription tax	**0.3**	0.3
Acquisition-related costs	**-**	0.2
Corporate costs - excluding net finance result	**7.1**	6.8

Income taxes	Period ended 30 June 2024 £ million	Period ended 30 June 2023 £ million
Income and deferred tax expense - net	**0.3**	2.1

The Company, being an undertaking for collective investment in Luxembourg, is exempt from corporate income tax and instead incurs a 0.05 per cent annual subscription tax on its total net assets, which is included in Corporate costs. As a SICAV, the Company is not liable for capital gains or income taxes. Taxes on all other consolidated subsidiaries adhere to the rates applicable in their respective jurisdictions.

Net finance result	Period ended 30 June 2024 £ million	Period ended 30 June 2023 £ million
Finance costs on loan and borrowings	**0.9**	1.7
Interest income on bank deposits	**(0.2)**	(0.3)
Net finance result	**0.7**	1.4

Finance costs on loan and borrowings includes borrowing costs, commitment fees, and other related fees associated with the RCF. As at 30 June 2024, the Group had no outstanding borrowings under the RCF.

Ongoing Charges
The Ongoing Charges ('OGC') percentage presented in the table below is prepared in accordance with the AIC recommended methodology, latest update published in April 2022.

The percentage represents the annualised reduction or drag on shareholder returns as a result of recurring operational expenses incurred in managing the Group's consolidated entities and provides an indication of the level of recurring costs likely to be incurred in managing the Group in the future.

Ongoing charges information	Period ended 30 June 2024 (annualised)	Year ended 31 Dec 2023
Ongoing charges (using AIC recommended methodology)	**0.90%**	0.93%

In accordance with the AIC recommended methodology, fees that are linked to investment performance could be viewed as analogous to performance fees paid by externally managed investment companies and should therefore be excluded from the principal OGC calculation.

Annualised fees directly linked to investment performance as a percentage of average NAV are estimated to be 0.22 per cent. Combined therefore, the estimated annualised aggregate of ongoing charges plus investment performance fees is 1.12 per cent.

Movements in net cash/(debt)

	Period ended 30 June 2024 £ million	Period ended 30 June 2023 £ million
Net cash/(debt) at the beginning of the reporting period	**9.7**	(26.3)
Distributions from Investments at FVPL(i)	**50.5**	53.9
Dividends paid	**(28.3)**	(25.1)
Net cash flows used in operating activities	**(8.7)**	(11.7)
Net cash flows used in other investing activities	**(0.7)**	-
Net cash flows used in other financing activities	**(1.6)**	-
Impact of foreign exchange gain/(loss) on net cash/(debt)	**(0.3)**	1.3
Net cash/(debt) at the end of the reporting period	**20.6**	(7.9)

(i) Distributions in the above table are shown gross of withholding tax. The associated withholding tax outflow is included in 'Net cash flows used in operating activities'.

The Group's portfolio of investments continued to perform strongly over the period, with net cash generated ahead of projections.

The Company had no drawdowns outstanding on the RCF as at 30 June 2024.

Refer to the Condensed Consolidated Interim Statement of Cash Flows for further details on cash flows during the six-month period ended 30 June 2024.

Cash Dividend Cover
For the six months ended 30 June 2024, the Group achieved a cash dividend cover ratio of 1.47x (period ended 30 June 2023: 1.68x) calculated as follows:

	30 June 2024 £ million (except ratio)	30 June 2023 £ million (except ratio)
Distributions from Investments at FVPL - cash basis	**50.5**	53.9
Less: Net cash flows used in operating activities	**(8.7)**	(11.7)
Net distributions	**41.8**	42.2
Divided by cash dividends paid	**28.3**	25.1
Cash dividend cover (ratio)	**1.47x**	1.68x

The strong cash dividend coverage for the period was underpinned by BBGI's high-quality, contracted, inflation-linked cash flows. The cash dividend cover for FY 2024 is forecast to be in the range of 1.3x to 1.4x.

Pro Forma Balance Sheet

Investment Basis	30 June 2024 £ million	31 Dec 2023 £ million
Investments at FVPL	**1,030.0**	1,047.1
Trade and other receivables	**2.5**	0.9
Other assets/(liabilities) - net	**0.3**	(1.1)
Net cash	**20.6**	9.7
NAV attributable to ordinary shares	**1,053.4**	1,056.6

Three-year comparative of Investment Basis NAV	30 June 2024	31 Dec 2023	31 Dec 2022
NAV (millions)	**1,053.4**	1,056.6	1,069.2
NAV per share (pence)	**147.4**	147.8	149.9

The NAV total return per share in the six months ended 30 June 2024 was 2.4 per cent.

The Investment Basis NAV decreased by 0.3 per cent to £1,053.4 million as at 30 June 2024 (31 December 2023: £1,056.6 million) and by 0.3 per cent on an Investment Basis NAV per share basis. The NAV per share is calculated by dividing the NAV by the number of Company shares issued and outstanding at the end of the reporting period. This information presents the residual claim of each shareholder to the net assets of the Group.

Reconciliation of Investment Basis to IFRS

Reconciliation of Condensed Consolidated Interim Income Statement	30 June 2024			30 June 2023		
	Investment Basis £ million	Adjust £ million	Consolidated IFRS £ million	Investment Basis £ million	Adjust £ million	Consolidated IFRS £ million
Income from Investments at FVPL(i)	**35.0**	**(5.2)**	**29.8**	21.2	(15.3)	5.9
Other operating income (ii)	**0.2**	**2.3**	**2.5**	1.5	5.8	7.3
Operating income	**35.2**	**(2.9)**	**32.3**	22.7	(9.5)	13.2
Administrative expenses	**(6.9)**	**-**	**(6.9)**	(6.3)	-	(6.3)
Other operating expenses (ii)	**(0.5)**	**-**	**(0.5)**	(1.8)	1.3	(0.5)
Net finance result	**(0.7)**	**-**	**(0.7)**	(1.4)	-	(1.4)
Net gain/(loss) on balance sheet hedging (ii)	**(0.7)**	**2.9**	**2.2**	-	8.1	8.1
Profit before tax	**26.4**	**-**	**26.4**	13.2	(0.1)	13.1
Tax expense - net	**(0.3)**	**-**	**(0.3)**	(2.1)	0.1	(2.0)
Profit for the period	**26.1**	**-**	**26.1**	11.1	-	11.1

(i) As outlined above, prior year comparative figures have been reclassified to ensure consistency with the current year's presentation. This reclassification does not change the previously reported profit for the year nor the prior period NAV.

(ii) The adjustment to Other operating income, Other operating expenses and Net gain/(loss) on balance sheet hedging relates to the unrecognised net results from our hedging transactions. While these transactions are presented separately under IFRS, they are partly included as part of Income from Investments at FVPL under Investment Basis reporting.

Reconciliation of Condensed Consolidated Interim Statement of Financial Position	30 June 2024			31 December 2023		
	Investment Basis £ million	Adjust (i) £ million	Consolidated IFRS £ million	Investment Basis £ million	Adjust £ million	Consolidated IFRS £ million
Investments at FVPL	**1,030.0**	**(5.1)**	**1,024.9**	1,047.1	0.1	1,047.2
Trade and other receivables	**2.5**	**-**	**2.5**	0.9	-	0.9
Other assets/(liabilities) - net	**0.3**	**-**	**0.3**	(1.1)	0.1	(1.0)
Net cash	**20.6**	**-**	**20.6**	9.7	-	9.7
Derivative financial assets/(liabilities) - net	**-**	**5.1**	**5.1**	-	(0.2)	(0.2)
NAV attributable to ordinary shares	**1,053.4**	**-**	**1,053.4**	1,056.6	-	1,056.6

(i) Under IFRS, unrealised positions on foreign exchange hedging contracts are reported separately under derivative financial asset (liability).

Alternative Performance Measures

Alternative Performance Measures ('APM') are understood as a financial measure of historical or future financial performance, financial position, or cash flows, other than a financial measure defined or specified under IFRS. The Group reports a selection of APM as summarised in the table below and as used throughout this Interim Report. The Management Board believes that these APM provide additional information that may be useful to the users of this Interim Report.

The APM presented here should supplement the information presented in the Financial Statement section of this Report. The APM used are not measures of performance or liquidity under IFRS and should not be considered in isolation or as a substitute for measures of profit, or as an indicator of the Group's operating performance as determined in accordance with IFRS.

APM	Explanation	30 June 2024	31 December 2023
Annualised NAV total return per share	On a compounded annual growth rate basis. This represents the steady-state annual growth rate based on the NAV per share at 30 June 2024 assuming dividends declared since IPO in December 2011 have been reinvested.(i) Investment performance can be assessed by comparing this figure to the	**8.5%**	8.6%

	7 per cent to 8 per cent TSR target set at IPO.		
Annualised total shareholder return since IPO ('Annualised TSR')	On a compounded annual growth rate basis. This represents the steady state annual growth rate based on share price as at 30 June 2024, assuming dividends declared since IPO in December 2011 have been reinvested.	**7.0%**	7.6%
Asset availability	Calculated as a percentage of actual availability payments received, relative to the scheduled availability fee payments. The Company targets a rate in excess of 98 per cent. A high asset availability rate can be viewed as a proxy to strong underlying asset performance.	**99.9%**	99.9%
Cash dividend cover	The cash dividend cover is a multiple that divides the total net cash generated in the period (available for distribution to investors) by the total cash dividends paid in the period based on the cash flow from operating activities under IFRS. A high cash dividend cover ratio reduces the risk that the Group will not be able to continue making fully covered dividend payments.	**1.47x**	1.40x
Inflation linkage	Represents the contractual, index-linked provisions, which adjust annually to provide a positive and high-quality link to inflation. The measure represents the increase in portfolio returns if inflation is one percentage point higher than our modelled assumptions for all future periods. Under current assumptions, the expected portfolio return would increase from 7.3 per cent to 7.8 per cent for a one percentage point increase to our inflation assumptions.	**0.5%**	0.5%
NAV total return per share	The NAV per share total return measures the performance of the investment by accounting for changes in the net asset value per share in the reporting period and reinvested dividends.	**2.4%**	**3.8%**
Net cash	This amount, when considered in conjunction with the available commitment under the Group's RCF (unutilised RCF amount of £229 million as at 30 June 2024), is an indicator of the Group's ability to meet financial commitments, to pay dividends, and to undertake acquisitions.	**£20.6 million**	£9.7 million
Ongoing charges	Represents the estimated reduction or drag on shareholder returns as a result of recurring operational expenses incurred in managing the Group's consolidated entities and provides an indication of the level of recurring costs likely to be incurred in managing the Group in the future.	**0.90%**[ii]	0.93%
Single asset concentration risk (as a percentage of portfolio)	Represents the proportion of the total portfolio value that is attributed to the single largest asset. It provides an indication to which the Group's performance is dependent on the single asset.	**11% Golden Ears Bridge**	**11% Golden Ears Bridge**

APM	Explanation	30 June 2024	31 December 2023
Target dividend	Represents the forward-looking target dividend per share. These are targets only and are not a profit forecast. There can be no assurance that these targets will be met or that the Company will make any distribution at all.	**8.40pps for 2024; 8.57pps for 2025**	8.40pps for 2024; 8.57pps for 2025
Ten-year beta	Calculated using the FTSE All-Share, ten-year data	**0.29**	0.28

	representing the ten years preceding 30 June 2024. This performance measure demonstrates the level of volatility of the Company's shares in comparison to the wider equity market. A low beta suggests that the share price is less volatile than the overall market.		
Total shareholder return since IPO ('TSR')	The TSR combines share price appreciation and dividends paid since IPO in December 2011 to represent the total return to the shareholder expressed as a percentage. This is based on share price at 30 June 2024 and after adding back dividends paid or declared since IPO.	**133.4%**	141.1%
Weighted average remaining asset life	Represents the weighted average, by value, of the remaining individual asset life in years. Calculated by reference to the existing portfolio at 30 June 2024, assuming no future portfolio additions.	**22.8**	19.3

(i) Calculated using the Morningstar methodology.
(ii) Annualised

Key Risk Update

BBGI's approach to risk management and detailed analysis of the risks facing the business are set out in the Risk section of BBGI's 2023 Annual Report (pages 44-53), which can be accessed on the Company's website at www.bb-gi.com. The principal risks identified for the remaining six months of the financial year, and the controls and strategies used to mitigate them, have not materially changed from those reported in the 2023 Annual Report. Below is a summary of the key risks and notable updates during the period.

Principal Risks Overview
The principal risks to the Company remain consistent with those identified in the 2023 Annual Report and are summarised as follows: - Market risks - Credit risks - Counterparty risks - Liquidity risks - Operational risks - Sustainability risks.

Notable Updates
Macroeconomic Risk
While macroeconomic uncertainty has shown signs of stabilisation since 2023, it continues to present a risk to the business across several areas, including interest rates, inflation, and foreign exchange. Among these, our globally diversified asset base, with two-thirds of our portfolio denominated in non-Sterling currencies, remains particularly exposed to potential adverse movements in foreign exchange rates. To mitigate this risk, we have implemented a hedging strategy, which the Management Board reviews at least annually, and maintain the ability to borrow in the currency of our underlying investments. This, combined with the natural hedge provided by euro-denominated running costs, helps us manage foreign exchange risk effectively.

To further assess the impact of macroeconomic risks, we have conducted sensitivity analyses, which demonstrate that our portfolio's cash flows remain robust even under stressed economic scenarios. These analyses are available in the Valuation section of this report.

Regulatory and Compliance Risk
The global regulatory landscape remains complex, influenced by ongoing geopolitical uncertainty and changes in laws and regulations that could impact our operations. To manage this risk, Company representatives seek regular briefings from legal and tax advisers, while BBGI's globally diversified portfolio reduces the impact of regulatory and tax changes in any single country.

The introduction of the Digital Operational Resilience Act (DORA) in the EU is a notable regulatory development, requiring enhanced resilience in digital operations. In response, we have initiated a comprehensive review of our IT systems to ensure compliance and have introduced additional safeguards to meet these new obligations.

Conclusion
In summary, the Management Board remains vigilant in monitoring and managing the principal risks facing the business. Our diversified portfolio, prudent financial management, and proactive risk mitigation strategies ensure that we are well-prepared to navigate the challenges ahead. We remain committed to maintaining the stability and resilience of our operations amidst evolving risks.

Sustainability

BBGI was created with the purpose of responsibly investing in infrastructure that delivers essential services to communities, while enhancing long-term shareholder returns. We maintain this commitment by embedding ESG as one of our strategic pillars, ensuring our assets deliver high quality services to communities and stakeholders in the long-run. We also prioritise sustainability considerations within our own business operations and continue to monitor the ESG performance of both BBGI and its Portfolio Companies.

Please refer to our most recent Sustainability Report for details of our achievements during the period.

Read more: Sustainability Report

Auditors Review Report

Report on Review of Condensed Consolidated Interim Financial Statements

To the Management Board of

BBGI Global Infrastructure S.A.
6E, Route de Trèves
L-2633 Senningerberg
Grand Duchy of Luxembourg

We have reviewed the accompanying condensed consolidated interim financial statements of BBGI Global Infrastructure S.A. (the "Company") and its subsidiaries (the "Group"), which comprise the condensed consolidated interim statement of financial position as at 30 June 2024, and the condensed consolidated interim income statement, the condensed consolidated interim statement of other comprehensive income, the condensed consolidated interim statement of changes in equity and the condensed consolidated interim statement of cash flow for the six-month period then ended, and a summary of significant accounting policies and other explanatory information.

ended, and a summary of significant accounting policies and other explanatory information.

Management Board's responsibility for the condensed consolidated interim financial statements

The Management Board is responsible for the preparation and fair presentation of these condensed consolidated interim financial statements in accordance with International Financial Reporting Standards as adopted by the European Union, and for such internal control as the Management Board determines is necessary to enable the preparation of condensed consolidated interim financial statements that are free from material misstatement, whether due to fraud or error.

Responsibility of the "Réviseur d'entreprises agréé"

Our responsibility is to express a conclusion on these condensed consolidated interim financial statements based on our review. We conducted our review in accordance with International Standard on Review Engagements (ISRE 2410) as adopted for Luxembourg by the "Institut des Réviseurs d'Entreprises". This standard requires us to comply with relevant ethical requirements and conclude whether anything has come to our attention that causes us to believe that the condensed consolidated interim financial statements, taken as a whole, are not prepared in all material respects in accordance with the applicable financial reporting framework.

A review of condensed consolidated interim financial statements in accordance with ISRE 2410 is a limited assurance engagement. The "Réviseur d'entreprises agréé" performs procedures, primarily consisting of making inquiries of management and others within the Company, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing. Accordingly, we do not express an audit opinion on these condensed consolidated interim financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial statements do not give a true and fair view of the financial position of BBGI Global Infrastructure S.A. as of 30 June 2024, and of its financial performance and its cash flows for the six month period then ended in accordance with IFRS Accounting Standards as adopted by the European Union.

PricewaterhouseCoopers, Société coopérative
Represented by
Emanuela Sardi
Luxembourg, 28 August 2024

Condensed Consolidated Interim Income Statement

For the six months ended 30 June 2024 (Unaudited)

In thousands of Sterling	Notes	30 June 2024	30 June 2023
Income from investments at fair value through profit or loss	10	**29,749**	6,064
Other operating income	8	**2,494**	7,250
Operating income		**32,243**	13,314
Administrative expenses	5	**(6,926)**	(6,337)
Other operating expenses	6,12	**(471)**	(498)
Operating expenses		**(7,397)**	(6,835)
Results from operating activities		**24,846**	6,479
Net finance result	7	**(713)**	(1,419)
Net gain on balance sheet hedging	18	**2,194**	8,057
Profit before tax		**26,327**	13,117
Income tax expense - net	12	**(260)**	(2,054)
Profit for the period		**26,067**	11,063
Earnings per share			
Basic earnings per share (pence)	14	**3.65**	1.55
Diluted earnings per share (pence)	14	**3.64**	1.55

The accompanying notes form an integral part of the unaudited condensed consolidated interim financial statements.

Condensed Consolidated Interim Statement of Other Comprehensive Income

For the six months ended 30 June 2024 (Unaudited)

In thousands of Sterling	Note	30 June 2024	30 June 2023
Profit for the period		**26,067**	11,063
Items that may be reclassified to profit or loss, net of tax			
Exchange difference on translation of foreign operations	13	**(97)**	1,124
Total comprehensive income for the period		**25,970**	12,187

The accompanying notes form an integral part of the unaudited condensed consolidated interim financial statements.

Condensed Consolidated Interim Statement of Financial Position

As at 30 June 2024

In thousands of Sterling	Notes	30 June 2024 (Unaudited)	31 December 2023 (Audited)
Assets			

	Notes		
Property and equipment	9	1,327	93
Investments at fair value through profit or loss	10	1,024,905	1,047,244
Deferred tax assets	12	1,438	983
Derivative financial assets	18	4,177	2,663
Other non-current assets		811	994
Non-current assets		1,032,658	1,051,977
Trade and other receivables	19	2,485	865
Other current assets		1,629	1,329
Derivative financial assets	18	1,282	-
Cash and cash equivalents	11	20,624	9,672
Current assets		26,020	11,866
Total assets		1,058,678	1,063,843
Equity			
Share capital	13	852,386	852,386
Additional paid-in capital	13	2,518	3,113
Translation and other capital reserves	13	(10,902)	(1,635)
Retained earnings		209,443	202,764
Equity attributable to the owners of the Company		1,053,445	1,056,628
Liabilities			
Lease liabilities	16	1,080	-
Non-current liabilities		1,080	-
Loans and borrowings	15,16	426	233
Trade and other payables	17	2,237	2,697
Derivative financial liabilities	18	335	2,823
Tax liabilities	12	1,155	1,462
Current liabilities		4,153	7,215
Total liabilities		5,233	7,215
Total equity and liabilities		1,058,678	1,063,843

Net asset value attributable to the owners of the Company	13	1,053,445	1,056,628
Net asset value per ordinary share (pence)	13	147.4	147.8

The accompanying notes form an integral part of the unaudited condensed consolidated interim financial statements.

Condensed Consolidated Interim Statement of Changes in Equity

For the six months ended 30 June 2024 (Unaudited)

In thousands of Sterling	Notes	Share capital	Additional paid-in capital	Translation and other capital reserve	Retained earnings	Total equity
Balance as at 31 December 2023 (Audited)		852,386	3,113	(1,635)	202,764	1,056,628
Total comprehensive income for the six months ended 30 June 2024						
Profit for the period		-	-	-	26,067	26,067
Other comprehensive income		-	-	(9,054)	8,957	(97)
Total comprehensive income for the period		-	-	(9,054)	35,024	25,970
Transactions with the owners of the Company, recognised directly in equity						
Cash dividends	13	-	-	-	(28,345)	(28,345)
Purchase of treasury shares		-	-	(1,564)	-	(1,564)
Equity settlement of share-based compensation	13,19	-	(2,634)	1,351	-	(1,283)
Share-based payment	13,19	-	2,039	-	-	2,039
Balance as at 30 June 2024 (Unaudited)		852,386	2,518	(10,902)	209,443	1,053,445

In thousands of Sterling	Notes	Share capital	Additional paid-in capital	Translation and other capital reserve	Retained earnings	Total equity
Balance as at 31 December 2022 (Audited)		850,007	2,502	14,371	202,298	1,069,178
Total comprehensive income for the six months ended 30 June 2023						
Profit for the period		-	-	-	11,063	11,063
Other comprehensive income		-	-	(10,498)	11,622	1,124
Total comprehensive income for the period		-	-	(10,498)	22,685	12,187
Transactions with the owners of the Company, recognised directly in equity						
Scrip dividends	13	1,536	-	-	(1,536)	-
Cash dividends	13	-	-	-	(25,143)	(25,143)
Equity settlement of share-based compensation	13,19	742	(1,283)	-	-	(541)
Share-based payment	13,19	-	1,075	-	-	1,075
Share issuance costs	13	(30)	-	-	-	(30)
Balance as at 30 June 2023 (Unaudited)		852,255	2,294	3,873	198,304	1,056,726

The accompanying notes form an integral part of the unaudited condensed consolidated interim financial statements.

Condensed Consolidated Interim Statement of Cash Flows

For the six months ended 30 June 2024 (Unaudited)

In thousands of Sterling	Notes	30 June 2024	30 June 2023
Operating activities			
Profit for the period		**26,067**	11,063
Adjustments for:			
Depreciation expense	5	**55**	25
Net finance result	7	**713**	1,419
Income from investments at fair value through profit or loss	10	**(29,749)**	(6,064)
Net gain on derivative financial instruments	18	**(4,590)**	(13,761)
Foreign currency exchange loss/(gain) - net	6,8	**202**	(1,511)
Share-based compensation	19	**2,039**	1,075
Income tax expense - net	12	**260**	2,321
Working capital adjustments:			
Trade receivables and other assets		**(1,697)**	(1,312)
Trade and other payables		**41**	(55)
Cash used in operating activities		**(6,659)**	(6,800)
Interest paid and other borrowing costs		**(721)**	(1,589)
Interest received		**180**	308
Realised gain/(loss) on derivative financial instruments - net	18	**7**	(1,255)
Taxes paid		**(1,483)**	(2,347)
Net cash flows used in operating activities		**(8,676)**	(11,683)
Investing activities			
Distributions received from investments at fair value through profit or loss	10	**50,452**	53,884
Realised loss on derivative financial instruments - net		**(701)**	-
Acquisition of property and equipment		**(14)**	(3)
Net cash flows from investing activities		**49,737**	53,881
Financing activities			

Dividends paid	13	**(28,345)**	(25,143)
Repayment of loans and borrowings	15	**(5,000)**	(45,520)
Proceeds from the issuance of loans and borrowings	15	**5,000**	15,000
Purchase of treasury shares	13	**(1,564)**	-
Payment of lease liabilities		**(72)**	-
Debt and equity instruments issue cost	13	**-**	(30)
Net cash flows used in financing activities		**(29,981)**	(55,693)
Net increase (decrease) in cash and cash equivalents		**11,080**	(13,495)
Impact of foreign exchange gain on cash and cash equivalents		**(128)**	218
Cash and cash equivalents as at 1 January		**9,672**	31,157
Cash and cash equivalents as at 30 June	11	**20,624**	17,880

The accompanying notes form an integral part of the unaudited condensed consolidated interim financial statements.

Notes to the Condensed Consolidated Interim Financial Statements

For the six months ended 30 June 2024

1. Corporate information
BBGI Global Infrastructure S.A.,('BBGI', or the 'Company' or, together with its consolidated subsidiaries, the 'Group') is an investment company incorporated in Luxembourg in the form of a public limited liability company (société anonyme) with variable share capital (société d'investissement à capital variable, or 'SICAV') and regulated by the Commission de Surveillance du Secteur Financier ('CSSF') under Part II of the amended Luxembourg law of 17 December 2010 on undertakings for collective investments with an indefinite life. The Company qualifies as an alternative investment fund within the meaning of Article 1 (39) of the amended law of 12 July 2013 on alternative investment fund managers ('2013 Law') implementing Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers and amending Directives 2003/41/EC and 2009/65/EC and Regulations (EC) No 1060/2009 and (EU) No 1095/2010 and is authorised as an internal alternative investment fund manager in accordance with Chapter 2 of the 2013 Law. The Company was admitted to the official list of the UK Listing Authority (premium listing, closed-ended investment company) and to trading on the main market of the London Stock Exchange on 21 December 2011.

As at 1 January 2021, the main market of the London Stock Exchange is not considered as an EU regulated market (as defined by the MiFID II). As a result, Directive 2004/109/EC of the European Parliament and of the Council of 15 December 2004, on the harmonisation of transparency requirements in relation to information about issuers whose securities are admitted to trading on a regulated market, and amending Directive 2001/34/EC (the Transparency Directive) as implemented in Luxembourg law by the act dated 11 January 2008 on transparency requirements for issuers (the Transparency Act 2008), among other texts, do not apply to the Company.

The Company's registered office is 6E, route de Trèves, L-2633 Senningerberg, Luxembourg and is registered with the Registre de Commerce et des Sociétés Luxembourg under the number B163879.

The Company is a closed-ended investment company that invests principally in a diversified portfolio of Public Private Partnership ('PPP')/Private Finance Initiative ('PFI') infrastructure or similar style assets. As at 30 June 2024, the Group has no investment that is under construction (30 June 2023: one).

As at 30 June 2024, the Group employed 25 staff (30 June 2023: 25 staff).

Reporting period
The Group's interim reporting period runs from 1 January to 30 June each year. The Group's condensed consolidated interim income statement, condensed consolidated interim statement of other comprehensive income, condensed consolidated interim statement of financial position, condensed consolidated interim statement of changes in equity, and condensed consolidated interim statement of cash flows include comparative figures as at 31 December 2023 and 30 June 2023, as appropriate.

These condensed consolidated interim financial statements were approved by the Management Board on 28 August 2024.

2. Basis of preparation
Statement of compliance
These condensed consolidated interim financial statements for the six-month reporting period ended 30 June 2024 have been prepared in accordance with International Accounting Standards ('IAS') 34 *Interim Financial Reporting* in accordance with IFRS Accounting Standards as adopted by the European Union.

The interim report does not include all of the notes normally included in an annual consolidated financial statements. Accordingly, this report should be read in conjunction with the annual consolidated financial statements for the year ended 31 December 2023.

The Group follows, to the fullest extent possible, the provisions of the Standard of Recommended Practices issued by the Association of Investment Companies ('AIC SORP'). If a provision of the AIC SORP is in direct conflict with IFRS as adopted by the EU, the standards of the latter prevail.

The condensed consolidated interim financial statements have been prepared on a historical cost basis, except for investments at fair value through profit or loss ('Investments at FVPL') and derivative financial instruments that have been measured at fair value.

Changes in accounting policy
The accounting policies, measurement and valuation principles applied by the Group in these condensed consolidated interim financial statements are consistent with those applied by the Group in its annual consolidated financial statements as at and for the year ended 31 December 2023, except for the adoption of new standards effective as at 1 January 2024.

New and amended standards applicable to the Group starting on 1 January 2024 are as follows:

Amendments to IAS 1: Classification of Liabilities as Current or Non-current
The amendments specify the requirements for classifying liabilities as current or non-current and clarify:

-What is meant by a right to defer settlement

-That a right to defer must exist at the end of the reporting period

-That classification is unaffected by the likelihood that an entity will exercise its deferral right

-That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

The amendments had no significant impact on the Group's condensed consolidated interim financial statements.

Functional and presentation currency
These condensed consolidated interim financial statements are presented in Sterling, the Company's functional currency. All amounts presented in tables throughout the report have been rounded to the nearest thousand, unless otherwise stated.

The Company as an investment entity
The Management Board has assessed that the Company is an investment entity in accordance with the provisions of IFRS 10. The Company meets the following criteria to qualify as an investment entity:

a) *Obtains funds from one or more investors for the purpose of providing those investors with investment management services* - The Group is internally managed with management focused solely on managing those funds received from its shareholders in order to maximise investment income/returns.

b) *Commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income, or both.* - The investment objectives of the Company are to:

- Provide investors with secure and highly predictable long-term cash flows whilst actively managing the investment portfolio with the intention of maximising return over the long-term.
- Target an annual dividend payment with the aim to increase this distribution progressively over the longer term.
- Target an IRR which is to be achieved over the longer term via active management and to enhance the value of existing investments.

The above-mentioned objectives support the fact that the main business purpose of the Company is to seek to maximise investment income for the benefit of its shareholders.

c) *Measures and evaluates performance of substantially all of its investments on a fair value basis* - The investment policy of the Company is to invest in equity, subordinated debt or similar interests issued in respect of infrastructure assets that have been developed predominantly under the PPP/PFI or similar styled procurement models. Each of these assets is valued at fair value. The valuation is carried out on a six-monthly basis as at 30 June and 31 December each year.

Based on the Management Board's assessment, the Company also meets the typical characteristics of an investment entity as follows:

a) *it has more than one investment* - as at 30 June 2024, the Company has 56 investments;

b) *it has more than one investor* - the Company is listed on the London Stock Exchange with its shares held by a broad pool of investors;

c) *it has investors that are not related parties of the entity* - other than those shares held by the Supervisory Board and Management Board Directors, and certain other employees, all remaining shares in issue (more than 99 per cent) are held by non-related parties of the Company; and

d) *it has ownership interests in the form of equity or similar interests* - ownership in the Company is through equity interest.

3. Material accounting judgements, estimates and assumptions
The preparation of condensed consolidated interim financial statements in conformity with IFRS requires the Management Board to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

In the process of applying the Group's accounting policies, the Management Board has made the following judgements that would have the most significant effect on the amounts recognised in the condensed consolidated interim financial statements.

3.1 Assessment as an investment entity
Refer to Note 2 for the discussion on this topic.

3.2 Fair value measurement
The Group accounts for its investments in PPP/PFI entities ('Portfolio Companies') as Investments at FVPL. The valuation is determined using the discounted cash flow methodology. The cash flows forecast to be received by the Company or its consolidated subsidiaries, generated by each of the underlying assets, and adjusted as appropriate to reflect the risk and opportunities, have been discounted using asset-specific discount rates. The valuation methodology is unchanged from previous reporting periods.

The fair value of other financial assets and liabilities, other than current assets and liabilities, is determined by discounting future cash flows at an appropriate discount rate and with reference to recent market transactions, where appropriate. Further information on assumptions and estimation uncertainties are disclosed in Note 18.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs in the valuation methodology, as follows:

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

If the inputs to measure fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety at the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

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

3.3 Going concern basis of accounting
The Management Board has satisfied itself that the Group has adequate resources to continue in operational existence for at least 12 months from the date of approval of the condensed consolidated interim financial statements. After due consideration, the Management Board believes it is appropriate to adopt the going concern basis of accounting in preparing the condensed consolidated interim financial statements.

4. Segment reporting
IFRS 8 - Operating Segments adopts a 'through the eyes of the management' approach to an entity's reporting of information relating to its operating segments, and also requires an entity to report financial and descriptive information about its reportable segments.

Based on a review of information provided to the Management Board, the Group has identified five reportable segments based on the geographical concentration risk. The main factor used to identify the Group's reportable segments is the geographical location of the asset.

The Management Board has concluded that the Group's reportable segments are: (1) UK; (2) North America; (3) Australia; (4) Continental Europe; and (5) Holding activities. These reportable segments are the basis on which the Group reports information to the Management Board.

Profit or loss for the period for the six months ended are presented below:

For the six months ended 30 June 2024 In thousands of Sterling	UK	North America	Australia	Continental Europe	Holding Activities	Total Group
Income from investments at fair value through profit or loss						

('Income from Investments at FVPL')	**17,507**	**8,352**	**1,774**	**2,116**	**-**	**29,749**
Administrative expenses	**-**	**-**	**-**	**-**	**(6,926)**	**(6,926)**
Other operating income - net	**-**	**-**	**-**	**-**	**2,023**	**2,023**
Results from operating activities	**17,507**	**8,352**	**1,774**	**2,116**	**(4,903)**	**24,846**
Net finance result	**-**	**-**	**-**	**-**	**(713)**	**(713)**
Net gain on balance sheet hedging	**-**	**-**	**-**	**-**	**2,194**	**2,194**
Income tax expense - net	**-**	**-**	**-**	**-**	**(260)**	**(260)**
Profit/(loss) for the period	**17,507**	**8,352**	**1,774**	**2,116**	**(3,682)**	**26,067**

For the six months ended 30 June 2023 **In thousands of Sterling**	**UK**	**North America**	**Australia**	**Continental Europe**	**Holding Activities**	**Total Group**
Income from Investments at FVPL	8,062	(2,980)	(3,642)	4,624	-	6,064
Administrative expenses	-	-	-	-	(6,337)	(6,337)
Other operating income - net	-	-	-	-	6,752	6,752
Results from operating activities	8,062	(2,980)	(3,642)	4,624	415	6,479
Net finance result	-	-	-	-	(1,419)	(1,419)
Net gain on balance sheet hedging	-	-	-	-	8,057	8,057
Income tax expense - net	-	-	-	-	(2,054)	(2,054)
Profit/(loss) for the period	8,062	(2,980)	(3,642)	4,624	4,999	11,063

Condensed consolidated interim statement of financial position segment information as at 30 June 2024 and 31 December 2023 are presented below.

As at 30 June 2024 **In thousands of Sterling**	**UK**	**North America**	**Australia**	**Continental Europe**	**Holding Activities**	**Total Group**
Assets						
Property and equipment	**-**	**-**	**-**	**-**	**1,327**	**1,327**
Investments at FVPL	**340,400**	**463,501**	**95,300**	**125,704**	**-**	**1,024,905**
Other non-current assets	**-**	**-**	**-**	**-**	**6,426**	**6,426**
Current assets	**-**	**-**	**-**	**-**	**26,020**	**26,020**
Total assets	**340,400**	**463,501**	**95,300**	**125,704**	**33,773**	**1,058,678**
Liabilities						
Non-current	-	-	-	-	**1,080**	**1,080**
Current	-	-	-	-	**4,153**	**4,153**
Total liabilities	-	-	-	-	**5,233**	**5,233**

As at 31 December 2023 **In thousands of Sterling**	**UK**	**North America**	**Australia**	**Continental Europe**	**Holding Activities**	**Total Group**
Assets						
Property and equipment	-	-	-	-	93	93
Investments at FVPL	341,635	477,734	97,181	130,694	-	1,047,244
Other non-current assets	-	-	-	-	4,640	4,640
Current assets	-	-	-	-	11,866	11,866
Total assets	341,635	477,734	97,181	130,694	16,599	1,063,843
Liabilities						
Non-current	-	-	-	-	-	-
Current	-	-	-	-	7,215	7,215
Total liabilities	-	-	-	-	7,215	7,215

The Holding activities of the Group include the activities which are not specifically related to a specific asset or region but to those companies which provide services to the Group. The total current assets classified under Holding activities mainly represent cash and cash equivalents.

Transactions between reportable segments are conducted at arm's length and are accounted for in a similar way to the basis of accounting used for third parties. The accounting methods used for all the segments are similar and comparable with those of the Company.

5. Administrative expenses

In thousands of Sterling	Six months ended 30 June 2024	Six months ended 30 June 2023
Personnel expenses		
Short-term benefits	**2,735**	2,843
Share-based compensation expenses (Note 19)	**2,038**	1,075
Supervisory Board fees	**173**	158
	4,946	4,076
Legal and professional fees	**1,422**	1,496
Office and other expenses	**503**	740
Depreciation expense	**55**	25
	6,926	6,337

Short-term benefits relate to the Management Board and staff, and include basic salaries, staff bonus, short-term incentive plan ('STIP'), social security contributions and other related expenses.

Share-based compensation expenses include the deferred portion of the STIP and long-term incentive plan ('LTIP') pertaining to the Management Board and the Staff Award Plan.

The Group has engaged certain third parties to provide legal, depositary, audit, tax and other services. Expenses incurred in relation to these services are classified as legal and professional fees.

Included in legal and professional fees are audit fees and other audit-related services amounting to £256,000 (30 June 2023: £242,000). There were no non-audit-related services for the six months ended 30 June 2024 (30 June 2023: £nil).

6. Other operating expenses

In thousands of Sterling	Six months ended 30 June 2024	Six months ended 30 June 2023
Subscription tax (Note 12)	**269**	267
Foreign currency exchange loss - net	**202**	-
Acquisition-related costs	**-**	231
	471	498

7. Net finance result

In thousands of Sterling	Six months ended 30 June 2024	Six months ended 30 June 2023
Finance costs on loans and borrowings (Note 15)	**(893)**	(1,727)
Interest income on bank deposits	**180**	308
	(713)	(1,419)

8. Other operating income

In thousands of Sterling	Six months ended 30 June 2024	Six months ended 30 June 2023
Gain on derivative financial instruments(i) - net (Note 18)	**2,396**	5,704
Foreign currency exchange gain - net	**-**	1,511
Others	**98**	35
	2,494	7,250

(i) Relates to foreign exchange hedging on forecast distributions from Investments at FVPL.

9. Property and equipment
Property and equipment relate mostly to right-of-use assets amounting to £1,240,000 (31 December 2023: £nil).

10. Investments at FVPL

In thousands of Sterling	30 June 2024	31 December 2023
Balance at 1 January	**1,047,244**	1,102,844
Income from Investments at FVPL(i)	**29,749**	38,865
Distributions received from Investments at FVPL	**(52,088)**	(94,465)
	1,024,905	1,047,244

(i) This account reflects the unrealised gains on the valuation of Investments at FVPL. For the six months ended 30 June 2023, the income from investments at FVPL amounted to £6,064,000.

Income from Investments at FVPL include the impact of foreign exchange for the six months ended 30 June 2024 amounting to a net loss of £7.2 million (six months ended 30 June 2023: net loss of £21.0 million).

Refer to Note 18 of the condensed consolidated interim financial statements for further information on Investments at FVPL.

Distributions from Investments at FVPL are received after either: (a) financial models have been tested for compliance with certain ratios; or (b) financial models have been submitted to the external lenders of the Portfolio Companies; or (c) approvals from external lenders on the financial models have been obtained.

As at 30 June 2024 and 31 December 2023, loans and interest receivable from unconsolidated subsidiaries are embedded within Investments at FVPL.

The valuation of Investments at FVPL considers all future cash flows related to each individual Portfolio Company.

11. Cash and cash equivalents

In thousands of Sterling	30 June 2024	31 December 2023
Cash at banks	**13,109**	9,672
Short-term deposits	**7,515**	-
	20,624	9,672

Cash and cash equivalents include cash at banks and short-term deposits held on demand and are recognised at cost which approximates fair values. Short-term deposits, earning interest at prevailing rates, are a key component of the Group's cash management strategy and are utilised based on the Group's immediate cash needs.

12. Taxes
The Company, as an undertaking for collective investment, is exempt from corporate income tax in Luxembourg and instead pays an annual subscription tax of 0.05 per cent on the value of its net assets.

subscription tax of 0.05 per cent on the value of its net assets.

For the six months ended 30 June 2024, the Company incurred a subscription tax expense, included in other operating expenses, of £269,000 (30 June 2023: £267,000). The Company as a collective investment vehicle is not subject to taxes on capital gains or income. All other consolidated companies are subject to taxation at the applicable rate in their respective jurisdictions.

The Company has adopted IFRS 10, resulting in its designation as an investment entity (see Note 2). Consequently, tax expenses of unconsolidated subsidiaries are not shown as a separate line item in these condensed consolidated interim financial statements. Instead, these taxes are incorporated into the fair value calculation of Investments at FVPL with the net income of each Portfolio Company taxed in its respective jurisdiction.

During the six months ended 30 June 2024, the Group recognised an income tax expense - net of £260,000 (30 June 2023: income tax expense - net of £2,054,000). The tax liability as at 30 June 2024 is £1,155,000 (31 December 2023: £1,462,000).

Deferred tax assets as at 30 June 2024 amounted to £1,438,000 (31 December 2023: £983,000) and represents losses available for offsetting against future taxable income.

In December 2021, the Organisation for Economic Co-operation and Development (OECD) issued model rules for a new global minimum tax framework (Pillar Two), and various governments around the world have issued, or are in the process of issuing, legislation on this.

13. Capital and reserves
Share capital
Changes in the Company´s share capital are as follows:

In thousands of Sterling	30 June 2024	31 December 2023
Share capital as at 1 January	**852,386**	850,007
Share capital issued through scrip dividends	**-**	1,536
Equity settlement of share-based compensation (Note 19)	**-**	888
Share issuance costs	**-**	(45)
	852,386	852,386

The changes in the number of ordinary shares of no-par value issued and outstanding by the Company are as follows:

In thousands of shares	30 June 2024	31 December 2023
Shares outstanding as at 1 January	**714,877**	713,331
Purchase of treasury shares	**(1,107)**	-
Shares issuance through scrip dividends	**-**	1,017
Shares issued as share-based compensation - net	**962**	529
	714,732	714,877

All of the ordinary shares issued rank pari passu. The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at general meetings of the Company.

The Company meets the minimum share capital requirement as imposed under the applicable Luxembourg regulation.

Additional paid-in capital
Additional paid-in capital amounting to £2,518,000 (31 December 2023: £3,113,000) relates to the fair value of awards recognised under share-based payment arrangements with the Management Board and selected employees.

Translation and other capital reserve
Foreign currency differences are recognised in other comprehensive income and presented in the foreign currency translation reserve in equity except for exchange differences from intragroup monetary items which are reflected in the condensed consolidated interim income statement. The translation reserve amounting to a debit balance of £10,902,000 (31 December 2023: debit balance of £1,635,000) comprises foreign currency differences arising from the translation of the financial statements of foreign operation. The remaining balance of other capital reserve relates to statutory amounts required to be allocated to this reserve account, which may not be distributed, and the Company's treasury shares.

Dividends
The dividends declared and paid by the Company during the six months ended 30 June 2024 and 2023 are as follows:

In thousands of Sterling except as otherwise stated	30 June 2024
2023 2nd interim dividend of 3.965 pence per qualifying ordinary share - for the period 1 July 2023 to 31 December 2023	**28,345**

The 31 December 2023 2nd interim dividend was paid in April 2024. The scrip alternative was not available with this dividend payment.

In thousands of Sterling except as otherwise stated	30 June 2023
2022 2nd interim dividend of 3.740 pence per qualifying ordinary share - for the period 1 July 2022 to 31 December 2022	26,679

The 31 December 2022 2nd interim dividend was paid in April 2023. The value of the scrip election was £1,536,000, with the remaining amount of £25,143,000 paid in cash to those investors that did not elect for scrip.

Net Asset Value ('NAV')

The consolidated NAV and NAV per share as at 30 June 2024, 31 December 2023 and 31 December 2022 were as follows:

In thousands of Sterling	2024	2023	2022
NAV attributable to the owners of the Company	**1,053,445**	1,056,628	1,069,178
NAV per ordinary share (pence)	**147.4**	147.8	149.9

14. Earnings per share
a) Basic earnings per share
The basic earnings per share is calculated by dividing the profit for the period by the weighted average number of ordinary shares outstanding.

In thousands of Sterling	Six months ended 30 June 2024	Six months ended 30 June 2023
Profit for the period	**26,067**	11,063
Weighted average number of ordinary		

shares in issue	**714,829**	714,368
Basic earnings per share (in pence)	**3.65**	1.55

The weighted average number of ordinary shares outstanding for the purpose of calculating the basic earnings per share is computed as follows:

In thousands of shares	Six months ended 30 June 2024	Six months ended 30 June 2023
Shares outstanding as at 1 January	**714,877**	713,331
Purchase of treasury shares	**(369)**	-
Effect of scrip dividends issued	**-**	763
Shares issued as share-based compensation	**321**	274
Weighted average - outstanding shares	**714,829**	714,368

b) Diluted earnings per share

The diluted earnings per share is calculated by dividing the profit for the period by the weighted average number of ordinary shares outstanding, after adjusting for the effects of all potential dilutive ordinary shares.

The weighted average number of potential diluted ordinary shares for the purpose of calculating the diluted earnings per share is computed as follows:

In thousands of shares	Six months ended 30 June 2024	Six months ended 30 June 2023
Weighted average number of ordinary shares for basic earnings per share	**714,829**	714,368
Effect of potential dilution from share-based payment	**1,723**	1,212
Weighted average number of ordinary shares for diluted earnings per share	**716,552**	715,580

The price of the Company's shares for the purpose of calculating the potential dilutive effect of award letters (Note 19) was based on the average market price for the six months ended 30 June 2024 and 30 June 2023, respectively, during which period the awards were outstanding.

15. Loans and borrowings

The Group has a multi-currency Revolving Credit Facility ('RCF') with ING Bank, KFW IPEX Bank, DZ Bank, Frankfurt Am Main and SMBC Bank EU AG for a total commitment of £230 million. The tenor of the RCF is five years (maturing in May 2026). The borrowing margin is 165 bps over the reference bank rate. Under the RCF, the Group retains the possibility to consider larger transactions by virtue of having structured a further £70 million incremental accordion tranche, for which no commitment fees will be paid.

Outstanding drawdowns under the RCF as at 30 June 2024 amounted to £nil (31 December 2023: £nil). As at 30 June 2024, the Group has utilised £1.4 million (31 December 2023: £1.4 million) of the £230 million RCF, which was being used to cover letters of credit.

The RCF unamortised debt issuance cost amounted to £609,000 as at 30 June 2024 (31 December 2023: £771,000). The unamortised debt issuance cost is presented as part of other non-current assets in the condensed consolidated interim statement of financial position.

The total finance cost incurred under the RCF for the six months ended 30 June 2024 amounted to £875,000 (30 June 2023: £1,727,000) which includes the amortisation of debt issuance costs of £162,000 (30 June 2023: £162,000). RCF related fees payable as at 30 June 2024 amounted to £243,000 (31 December 2023: £233,000).

Changes in liabilities arising from financing activities

In thousands of Sterling	1 January 2024	Proceeds	Repayment	Foreign exchange	Others	30 June 2024
Loans and borrowings - non-current	**-**	**5,000**	**(5,000)**	**-**	**-**	**-**

In thousands of Sterling	1 January 2023	Proceeds	Repayment	Foreign exchange	Others	31 December 2023
Loans and borrowings - non-current	56,390	15,000	(71,404)	(1,080)	1,094	-

Pledges and collaterals in relation to the RCF

As at 30 June 2024 and 31 December 2023, the Group has provided a pledge over shares issued by consolidated subsidiaries, pledge over receivables between the consolidated subsidiaries and pledge over the bank accounts of the consolidated subsidiaries.

Based on the provisions of the RCF, in the event of continuing event of default, the lender, among other things, will have the right to cancel all commitments and declare all or part of utilisations to be due and payable, including all related outstanding amounts, and exercise or direct the security agent to exercise any or all of its rights, remedies, powers or discretions under the RCF.

The Group operated comfortably within covenant limits of the RCF during the six months ended 30 June 2024 and year ended 31 December 2023.

16. Lease liabilities

The Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The non-current portion of the lease liabilities as at 30 June 2024 amounting to £1,080,000 are presented separately in the condensed consolidated interim statement of financial position (31 December 2023: £nil). The current portion of the lease liabilities, amounting to £183,000 as at 30 June 2024 (31 December 2023: £nil), are included in loans and borrowing.

17. Trade and other payables

Trade and other payables amounting to £2,237,000 as at 30 June 2024 (31 December 2023: £2,697,000) are non-interest bearing and are usually settled within six months.

18. Fair value measurements and sensitivity analysis

The fair values of financial assets and liabilities, together with the carrying amounts shown in the condensed consolidated interim statement of financial position are presented below. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value (i.e., cash and cash equivalents, trade and other receivables, trade payables, accruals and other payables and loans and borrowings).

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined under Note 3.2 Fair value measurement:

30 June 2024 In thousands of Sterling	Fair value Level 1	Level 2	Level 3	Total
Financial assets				

measured at fair value				
Investments at FVPL	**-**	**-**	**1,024,905**	**1,024,905**
Derivative financial assets	**-**	**5,459**	**-**	**5,459**
Financial liabilities measured at fair value				
Derivative financial liabilities	**-**	**(335)**	**-**	**(335)**

31 December 2023 In thousands of Sterling	Fair value Level 1	Level 2	Level 3	Total
Financial assets measured at fair value				
Investments at FVPL	-	-	1,047,244	1,047,244
Derivative financial assets	-	2,663	-	2,663
Financial liabilities measured at fair value				
Derivative financial liabilities	-	(2,823)	-	(2,823)

There were no transfers between any levels during the year.

Investments at FVPL
The Management Board is responsible for carrying out the fair market valuation of the Company's investments, which it then presents to the Supervisory Board. The valuation is carried out on a six-monthly basis as at 30 June and 31 December each year. The valuation is reviewed by an independent third-party valuation expert.

The valuation is determined using the discounted cash flow methodology. The cash flow forecasts, generated by each of the underlying Portfolio Companies, are received by the Company or its subsidiaries, adjusted as appropriate to reflect risks and opportunities, and discounted using asset-specific discount rates. The valuation methodology remains unchanged from previous reporting periods.

Key Portfolio Company and portfolio cash flow assumptions underlying NAV calculation include:
- Discount rates and the Assumptions, as set out below, continue to be applicable.

- The updated financial models used for the valuation accurately reflect the terms of all agreements relating to the Portfolio Companies and represent a fair and reasonable estimation of future cash flows accruing to the Portfolio Companies.

- Cash flows from and to the Portfolio Companies are received and made at the times anticipated.

- Non-UK investments are valued in local currency and converted to Sterling at either the period-end spot exchange rates or the contracted foreign exchange rate.

- Where the operating costs of the Portfolio Companies are contractually fixed, such contracts are performed according to terms, and where such costs are not fixed, they remain within the current forecasts in the valuation models.

- Where lifecycle costs/risks are borne by the Portfolio Companies, they remain in line with the current forecasts in the valuation models.

- Contractual payments to the Portfolio Companies remain on track and contracts with public sector or public sector backed counterparties are not terminated before their contractual expiry date.

- Any deductions or abatements during the operations period of Portfolio Companies are passed down to subcontractors under contractual arrangements or are part of the planned (lifecycle) forecasts.

- Changes to the concession period for certain investments are realised.

- In cases where the Portfolio Companies have contracts which are in the construction phase, they are either completed on time or any delay costs are borne by the construction contractors.

- Enacted tax rates, enacted regulatory changes, or expected regulatory changes with a high probability, on or prior to this reporting period-end with a future effect materially impacting cash flow forecasts, are reflected in the financial models.

In forming the below assessments, BBGI uses its judgement and works with our Portfolio Company management teams, as well as using due diligence information from, or working with, suitably qualified third parties such as technical, legal, tax and insurance advisers.

Macroeconomic assumptions		**30 June 2024**	**31 December 2023**
Inflation	UK(i) RPI/CPIH	**3.30% for 2024 then 3.00% (RPI) / 2.25% (CPIH)**	3.80% for 2024; then 3.00% (RPI) / 2.25% (CPIH)
	Canada	**2.60% for 2024; 2.20% for 2025 then 2.00%**	2.50% for 2024; 2.10% for 2025 then 2.00%
	Australia	**3.80% for 2024; 2.80% for 2025 then 2.50%**	3.50% for 2024; 3.00% for 2025 then 2.50%
	Germany (ii)	**2.30% for 2024 then 2.00%**	2.70% for 2024; 2.10% for 2025 then 2.00%
	Netherlands(ii)	**2.30% for 2024 then 2.00%**	2.70% for 2024; 2.10% for 2025 then 2.00%
	Norway(ii)	**3.80% for 2024; 3.00% for 2025 then 2.25%**	4.50% for 2024; 2.50% for 2025 then 2.25%
	US	**2.50% for 2024 then 2.50%**	2.50%
Deposit rates (p.a.)	UK	**4.75% to December 2024 then 2.75%**	4.50% to December 2024 then 2.50%
	Canada	**5.00% to December 2024 then 2.50%**	4.75% to December 2024 then 2.50%
	Australia	**4.75% to December 2024 then 3.50%**	4.75% to December 2024 then 3.50%
	Germany/ Netherlands	**3.00% to December 2024 then 2.00%**	3.25% to December 2024 then 2.00%
	Norway	**4.75% to December 2024 then 2.75%**	4.75% to December 2024 then 2.75%
	US	**5.00% to December 2024, then 2.50%**	4.50% to December 2024, then 2.50%
Corporate tax rates (p.a.)	UK	**25.00%**	25.00%
	Canada(iii)	**23.00% / 26.50% / 27.00% / 29.00%**	23.00% / 26.50% / 27.00% / 29.00%

Australia	**30.00%**	30.00%
Germany(iv)	**15.83%**	15.83%
Netherlands	**25.80%**	25.80%
Norway	**22.00%**	22.00%
US	**21.00%**	21.00%

(i) On 25 November 2020, the UK Government announced the phasing out of the Retail Price Index ('RPI') after 2030 to be replaced with the Consumer Prices Index including owner occupiers Housing costs ('CPIH'). The Company's UK portfolio indexation factor changes from RPI to CPIH beginning on 1 January 2031.
(ii) Consumer Price Index ('CPI') indexation only. Where investments are subject to a basket of indices, a projection for non-CPI indices is used.
(iii) Individual tax rates vary among Canadian provinces and territories: Alberta; Ontario; Quebec; Northwest Territories; Saskatchewan; British Columbia; New Brunswick.
(iv) Including solidarity charge; individual local trade tax rates are considered in addition to the tax rate above.

Discount rate sensitivity
The weighted average discount rate applied to the Company's portfolio of investments is the single most important judgement and variable.

The following table shows the sensitivity of the NAV to a change in the discount rate:

	+1% to 8.3% in 2024(i)			**-1% to 6.3% in 2024(i)**	
Effects in thousands of Sterling	**NAV**	**Profit or loss**		**NAV**	**Profit or loss**
30 June 2024	**(74,437)**	**(74,437)**		**85,267**	**85,267**
31 December 2023	(76,995)	(76,995)		88,329	88,329

(i) Based on the weighted average discount rate of 7.3 per cent (31 December 2023: 7.3 per cent).

Inflation has increased in all jurisdictions across BBGI's geographies, and interest rates have risen from historical lows, although in some jurisdictions these trends have reversed over the period. In the event long-term interest rates rise substantially further, this is likely to further affect discount rates, and as a result, negatively impact portfolio valuation.

Combined sensitivity: inflation, deposit rates and discount rates
It is reasonable to assume that macroeconomic movements would affect discount rates, deposit rates and inflation rates, and not be isolated to one variable. To illustrate the effect of this combined movement on the Company's NAV, two scenarios were created assuming a one percentage point change in the weighted average discount rate, and a one percentage point change in both deposit and inflation rates above the macroeconomic assumptions.

	+1%			**-1%**	
Effects in thousands of Sterling	**NAV**	**Profit or loss**		**NAV**	**Profit or loss**
30 June 2024	**(16,345)**	**(16,345)**		**19,544**	**19,544**
31 December 2023	(16,344)	(16,344)		19,915	19,915

Inflation sensitivity
The Company's investments are contractually entitled to receive contracted revenue streams from public sector clients, which are typically adjusted every year for inflation (e.g. RPI, CPI, or a basket of indices). Facilities management subcontractors for accommodation investments and operating and maintenance subcontractors for transport investments have similar indexation arrangements.

This inflation-linkage is achieved through contractual indexation mechanics in the various project agreements with the public sector clients at the portfolio companies and the inflation adjustment updated at least annually.

The table below shows the sensitivity of the NAV to a change in inflation rates compared to the assumptions in the table above:

	+1%			**-1%**	
Effects in thousands of Sterling	**NAV**	**Profit or loss**		**NAV**	**Profit or loss**
30 June 2024	**42,899**	**42,899**		**(38,706)**	**(38,706)**
31 December 2023	45,370	45,370		(40,852)	(40,852)

Foreign exchange sensitivity
As described above, a significant proportion of the Company's underlying investments are denominated in currencies other than Sterling.

The following table shows the sensitivity of the NAV to a change in foreign exchange rates:

	Increase by 10%(i)			**Decrease by 10%(i)**	
Effects in thousands of Sterling	**NAV**	**Profit or loss**		**NAV**	**Profit or loss**
30 June 2024	**(30,010)**	**(30,010)**		**30,792**	**30,792**
31 December 2023	(30,875)	(30,875)		31,161	31,161

(i) Sensitivity in comparison to the spot foreign exchange rates at 30 June 2024 and considering the contractual and natural hedges in place, derived by applying a 10 per cent increase or decrease to the Sterling/foreign currency rate.

Deposit rate sensitivity
Portfolio Companies typically have cash deposits that are required to be maintained as part of the senior debt funding requirements (e.g. six months' debt service reserve accounts, maintenance reserve accounts). The asset cash flows are positively correlated with the deposit rates.

The table below shows the sensitivity of the NAV to a percentage-point change in long-term deposit rates compared to the long-term assumptions in the table above:

	+1 %			**-1%**	
Effects in thousands of Sterling	**NAV**	**Profit or loss**		**NAV**	**Profit or loss**
30 June 2024	**21,388**	**21,388**		**(21,312)**	**(21,312)**
31 December 2023	21,029	21,029		(21,674)	(21,674)

Lifecycle costs sensitivity
Lifecycle costs are the cost of planned interventions or replacing material parts of an asset to maintain it over the concession term. They involve larger items that are not covered by routine maintenance and, for roads, it will include items such as replacement of asphalt, rehabilitation of surfaces, or replacement of electromechanical equipment. Lifecycle obligations are generally passed down to the facility maintenance provider, with the exception of transportation investments, where these obligations are typically retained by the Portfolio Company.

Of the 56 investments in the portfolio, 20 investments retain the lifecycle obligations. The remaining 36 investments have this obligation passed down to the subcontractor.

The following table shows the sensitivity of the NAV to a change in lifecycle costs:

	Increase by 10%[i]			Decrease by 10%[i]	
Effects in thousands of Sterling	**NAV**	**Profit or loss**		**NAV**	**Profit or loss**
30 June 2024	**(24,342)**	**(24,342)**		**22,424**	**22,424**
31 December 2023	(24,865)	(24,865)		22,801	22,801

(i) Sensitivity applied to the 20 investments in the portfolio that retain the lifecycle obligation i.e. the obligation is not passed down to the subcontractor.

Corporate tax rate sensitivity
The profits of each Portfolio Company are subject to corporation tax in the country where the Portfolio Company is located.

The table below shows the sensitivity of the NAV to a change in corporate tax rates compared to the assumptions in the table above:

	+1%			-1%	
Effects in thousands of Sterling	**NAV**	**Profit or loss**		**NAV**	**Profit or loss**
30 June 2024	**(12,221)**	**(12,221)**		**12,042**	**12,042**
31 December 2023	(12,189)	(12,189)		12,045	12,045

Refinancing: senior debt rate sensitivity
Assumptions are used where a refinancing of senior debt is required for an investment during the remaining investment concession term. The refinancing sensitivity relates to Northern Territory Secure Facilities, the only asset in the Company's portfolio with refinancing requirement. This asset, as it is common practice in the Australian infrastructure market to have senior debt durations that are typically between five and seven years. We assume three refinancings for the Northern Territory Secure Facilities, between the fourth quarter of 2025 and the fourth quarter of 2038. Long-term interest rate hedges fully mitigate base rate risk, leaving exposure only to potential changes in margin.

The table below shows the sensitivity of the NAV to a one percentage point increase to the forecasted debt rate.

	Margin +1%	
Effects in thousands of Sterling	**NAV**	**Profit or loss**
30 June 2024	**(8,534)**	**(8,534)**
31 December 2023	(7,942)	(7,942)

Derivative financial instruments
The fair value of derivative financial instruments ('foreign exchange forward contracts') is calculated by the difference between the contractual forward rate and the estimated forward exchange rates at the maturity of the forward contract. The foreign exchange forward contracts are fair valued periodically by the counterparty bank. The fair value of foreign exchange forward contracts as at 30 June 2024 amounted to a net receivable of £5,124,000 (31 December 2023: £160,000 - net liability). The counterparty bank has an S&P/Moody's credit rating of A+/A1.

The Group uses forward currency swaps to (i) hedge 100 per cent of forecasted distributions over the next four years on an annual rolling basis ('cash flow hedging'), and (ii) to implement balance sheet hedging, when taken together with the cashflow hedging, seeks to limit the decrease in the NAV to approximately 3 per cent, for a 10 per cent adverse movement in foreign exchange rates ('balance sheet hedging').

During the six months ended 30 June 2024, the Group recognised the following net gain/(loss) on derivative financial instruments at FVPL:

	Six months ended		Six months ended	
In thousands of Sterling	**30 June 2024 Realised**	**30 June 2024 Unrealised**	**30 June 2023 Realised**	**30 June 2023 Unrealised**
Cash flow hedging	**7**	**2,389**	(1,255)	6,959
Balance sheet hedging	**(701)**	**2,895**	-	8,057
	(694)	**5,284**	(1,255)	15,016

The Group has exposure to the following risks from financial instruments:

Credit risk
Credit risk is the risk that the counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Group, resulting in:

1) impairment or reduction in the amounts recoverable from receivables and other current and non-current assets; and

2) non-recoverability, in part or in whole, of cash and cash equivalents deposited with banks.

Liquidity risk
Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

The Group's policy over liquidity risk is that it will seek to have sufficient liquidity to meet its liabilities and obligations when they fall due.

The Group manages liquidity risk by maintaining adequate cash and cash equivalents and access to borrowing facilities to finance day-to-day operations and medium to long-term capital needs. The Group also regularly monitors the forecast and actual cash requirements and matches the maturity profiles of the Group's financial assets and financial liabilities.

Market risk
Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices, will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the returns.

19. Related parties and key contracts
All transactions with related parties were undertaken on an arm's length basis.

Supervisory Board fees
The members of the Supervisory Board of the Company were entitled to a total of £173,000 in fees for the six months ended 30 June 2024 (30 June 2023: £158,000).

Directors' shareholding in the Company

In thousands of shares	**30 June 2024**	**31 December 2023**
Management Board		
Duncan Ball	**1,448**	1,071
Michael Denny	**873**	650
Andreas Parzych (i)	**34**	34
Supervisory Board		
June Aitken	**69**	56
Sarah Whitney	**60**	60
Andrew Sykes	**60**	40

[illegible]	[illegible]	[illegible]
Christopher Waples	**29**	17
Jutta af Rosenborg	**8**	8
	2,581	1,936

(i) Appointed on 31 January 2024

Remuneration of the Management Board
The Management Board members are entitled to a fixed remuneration under their contracts and are also entitled to participate in a STIP and a long-term incentive plan ('LTIP'). Compensation under their contracts is reviewed annually by the Remuneration Committee.

The total short-term and other long-term benefits recorded in the condensed consolidated interim income statement for the Management Board, as the key management personnel are as follows:

In thousands of Sterling	Six months ended 30 June 2024	Six months ended 30 June 2023
Short-term benefits	**967**	1,411
Share-based payment	**1,151**	951
	2,118	2,362

Share-based compensation of the Management Board

Each of the members of the Management Board participates in the Group's LTIP.

During the six months ended 30 June 2024, the Company settled the outstanding obligation under the 2020 LTIP Award and the 2023 Deferred STIP, net of taxes, through the issuance of 466,097 shares and 133,307 shares respectively. The total accrued amount prior to current period settlement under the 2020 LTIP Award and the 2023 Deferred STIP was £613,000 and £310,000 respectively.

Trade and other receivables

As at 30 June 2024, trade and other receivables include short-term net receivables from non-consolidated subsidiaries amounting to £2,485,000 (31 December 2023: £865,000).

20. Standards issued but not yet effective
A number of new standards and amendments to standards are effective for annual periods beginning after 1 January 2024 and earlier application is permitted; however, the Group has not early adopted any of the forthcoming new or amended standards in preparing these condensed consolidated interim financial statements. The Group intends to adopt these new and amended standards, if applicable, when they become effective.

Board Members, Agents and Advisers

Supervisory Board
Sarah Whitney (Chair)
Andrew Sykes (Senior Independent Director)
June Aitken
Jutta af Rosenborg
Christopher Waples

Management Board
Duncan Ball (Chief Executive Officer)
Michael Denny (Chief Financial and Operations Officer)
Andreas Parzych (Executive Director)
Registered Office
6E route de Trèves
L-2633 Senningerberg
Grand Duchy of Luxembourg

Auditors
PricewaterhouseCoopers, Société cooperative
2 rue Gerhard Mercator
B.P. 1443
L-1014 Luxembourg
Grand Duchy of Luxembourg

Corporate Brokers
Winterflood Securities Limited
Riverbank House
2 Swan Lane
London EC4R 3GA
United Kingdom

Corporate Brokers
Jefferies International Limited
100 Bishopsgate
London EC2N 4JL
United Kingdom

Depository, Receiving Agent and UK Transfer Agent
Link Market Services Trustees Limited
10th Floor
Central Square
29 Wellington Street
Leeds
LSl 4DL
United Kingdom

Luxembourg CSD Principal Agent
Banque Internationale à Luxembourg S.A.
69 route d'Esch
Office PLM 018A
L-2953 Luxembourg
Grand Duchy of Luxembourg

Central Administrative Agent, Luxembourg Registrar and Transfer Agent, Depositary and Principal Paying Agent
CACEIS Investor Services Bank S.A.
14 Porte de France
L-4360 Esch-sur-Alzette
Grand Duchy of Luxembourg

EEA based Centralised Securities Depository
LuxCSD S.A.
42 Avenue John F. Kennedy
L-1855 Luxembourg
Grand Duchy of Luxembourg

Communications Adviser
H/Advisors Maitland
3 Pancras Square
London N1C 4AG
United Kingdom

Registre de Commerce et des Sociétés (RCS) Luxembourg B163879

Listing	Chapter 15 premium listing, closed-ended investment company
Trading	Main Market
ISIN	LU0686550053
SEDOL	B6QWXM4
Ticker	BBGI
Indices	FTSE 250, FTSE 350, FTSE 350 High Yield and FTSE All-Share

Glossary

AIC
The UK Association of Investment Companies, the trade association for closed-ended investment companies in the UK

AGM
Annual General Meeting of the Company's shareholders

AIC Code
The 2019 AIC Code of Corporate Governance

AIC SORP
Standard of Recommended Practices issued by the AIC

AIF
Alternative Investment Fund

AIFM Law/2013 Law
The Luxembourg amended law of 12 July 2013 on Alternative Investment Fund Managers

AIFMD
EU Alternative Investment Fund Managers Directive

APM
Alternative Performance Measures, are understood as a financial measure of historical or future financial performance, financial position, or cash flows, other than a financial measure defined or specified under IFRS.

Availability-style
Availability-style, unlike 'demand-based' means that revenues are paid provided the asset is available for use

BBGI/Company
BBGI Global Infrastructure S.A.

CAPM
Capital Asset Pricing Model

Carbon neutral
A state where the residual GHG emissions have been balanced out by financing activities that remove atmospheric CO ('offsets')

Circular 18/698
CSSF circular 18/698, published 23 August 2018, concerning Authorisation and organisation of investment fund managers incorporated under Luxembourg law; Specific provisions on the fight against money laundering and terrorist financing applicable to investment fund managers and entities carrying out the activity of registrar agent

Concession asset
Concession assets are assets where the asset returns to the public client at the end of the contract

Corporate Emissions
GHG emissions that pertain to our business activities

CSSF
Commission de Surveillance du Secteur Financier, the public institution that supervises the professionals and products of the Luxembourg financial sector, including the Company

CPI
Consumer Price Index

DTR
The UK Disclosure Guidance and Transparency Rules

ECL
Expected Credit Losses

EIR Effective Interest Rate

ESG
Environmental, Social and Governance

ESMA
European Securities and Markets Authority

FCA
The UK Financial Conduct Authority

Financed Emissions
GHG emissions from our investments

FRC
Financial Reporting Council, the UK's regulator of auditors, accountants and actuaries, and responsible for setting the UK's Corporate Governance and Stewardship Codes

FRC Code
The UK Corporate Governance Code 2018

GDP
Gross Domestic Product

GHG
Greenhouse Gas

Group
The Company and its subsidiaries

IFRS
International Financial Reporting Standards as adopted by the European Union

Investments at FVPL
Investments at fair value through profit or loss

IPO
Initial Public Offering

KPI
Key Performance Indicator

LIBOR
London Interbank Offered Rate

LIFT
The UK's Local Improvement Finance Trust

Lock-up
In a PPP project, a lock-up period refers to a contractual restriction that prevents equity holders from distributing profits or dividends to ensure financial stability and reinvestment in the project during its critical phases

LTIP
Long-Term Incentive Plan

Management Board
The Executive Directors of the Company

NAV
Net Asset Value

NED
Independent Non-Executive Director, a member of the Supervisory Board

NPPR
The UK's National Private Placement Regime

NZAM
The Net Zero Asset Managers initiative

O&M
Operation and Maintenance

Offsets
Removing CO_2 from the atmosphere, by financing projects which are either creating natural carbon dioxide sinks or technology that captures carbon dioxide from the air. The long-term removals must be measurable, verifiable, permanent and additional. Offsets cannot be done in isolation to combat climate change, they must be supported by science-based targets and GHG reduction pathways

OGC
Ongoing Charges

Pathways
Net zero pathways show how much and how quickly companies need to reduce their GHG emissions to reach their science-based GHG reduction targets

PFI
Private Finance Initiative

PPP
Public Private Partnership

PwC
PricewaterhouseCoopers société cooperative, the Company's External Auditor

RCF
Revolving Credit Facility for up to £230 million, with the possibility of increasing the quantum to £300 million by means of an accordion provision, and matures in May 2026

RPI
Retail Price Index

Science-based targets
Targets adopted by companies to reduce GHG emissions are considered 'science-based' if they follow a pathway that is consistent with the latest climate science and keeping warming to below 1.5°C

SDG, SDGs
The UN Sustainable Development Goals

SFDR
Sustainable Finance Disclosure Regulation

SONIA
Sterling Overnight Index Average

STIP
Short-Term Incentive Plan

Supervisory Board
The independent Non-Executive Directors of the Company

TCFD
Task Force on Climate-Related Financial Disclosures

TSR
Total Shareholder Return

UNGC
UN Global Compact

Cautionary Statement

Certain sections of this Interim Report, including, but not limited to, the Chair's Statement and the Strategic Report of the Management Board, have been prepared solely to provide additional information to shareholders to assess the Group's strategies and the potential for those strategies to succeed. This additional information should not be relied on by any other party or for any other purpose.

These sections may include statements that are, or may be deemed to be, 'forward-looking' statements. These forward-looking statements can be identified using forward-looking terminology, including the terms: 'believes', 'estimates', 'anticipates', 'forecasts', 'projects', 'expects', 'intends', 'may', 'will' or 'should' or, in each case, their negative or other variations or comparable terminology.

These forward-looking statements include matters that are not historical facts. They appear throughout this document and include statements regarding the intentions, beliefs or current expectations of the Management and Supervisory Boards concerning, among other things, the investment objectives and investment policy, financing strategies, investment performance, results of operations, financial condition, liquidity, prospects and distribution policy of the Group, and the markets in which it invests.

By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not a guarantee of future performance. The Group's actual investment performance, results of operations, financial condition, liquidity, distribution policy and the development of its financing strategies may differ materially from the impression created by the forward-looking statements contained in this document.

Subject to their legal and regulatory obligations, the Management and Supervisory Boards expressly disclaim any obligations to update or revise any forward-looking statement contained herein to reflect any change in expectations with regard thereto or any change in events, conditions, or circumstances on which any statement is based.

In addition, these sections may include target figures and guidance for future financial periods. Any such figures are targets only and are not forecasts.

This report has been prepared for the Group, and therefore gives greater emphasis to those matters that are significant to BBGI Global Infrastructure S.A. and its subsidiaries when viewed as a whole.

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[1] Based on BBGI's share price as of 27 August 2024

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[i] Social infrastructure refers to public infrastructure assets and services. It includes education, healthcare, civic infrastructure (fire, police, modern correctional facilities, municipal and administrative buildings), affordable housing, clean energy and transport infrastructure assets. In exchange for providing these assets and services, BBGI receives a revenue stream that is paid directly by the public sector.

[ii] Refer to the Alternative Performance Measures section of this Interim Report for further details.

[iii] Availability-style means revenues are paid provided the assets are available for use, so our portfolio has no exposure to demand-based or regulated investments.

[iv] Source: Standard & Poor's credit ratings.

[v] Based on BBGI's share price as of 27 August 2024

[vi] Refer to the Alternative Performance Measurement section of this Interim Report for further details.

[vii] In comparison to the latest publicly available information for all closed-ended, London Stock Exchange-listed equity infrastructure investment companies.

[viii] SFDR disclosure requirements. The Company is designated as an Article 8 Fund under SFDR and reports on criteria for a socially beneficial investment.

[ix] For this illustration, when a project has more than one FM contractor and/or O&M contractor, the exposure is allocated equally among the contractors.

[x] https://outlook.gihub.org/

[xi] https://housing-infrastructure.canada.ca/plan/about-invest-apropos-eng.html

[xii] https://www.ey.com/en_us/infrastructure-investment-and-jobs-act

[xiii] https://commission.europa.eu/strategy-and-policy/priorities-2019-2024_en

[xiv] https://www.gov.uk/government/publications/national-infrastructure-and-construction-pipeline-2023/analysis-of-the-national-infrastructure-and-construction-pipeline-2023-html

[xv] https://minister.infrastructure.gov.au/c-king/media-release/budget-2023-24-strengthening-australias-120-billion-infrastructure-pipeline

[xvi] The June 2024 ongoing charge is calculated on an annualised basis. Refer to the Alternative Performance Measurement section of this Interim Report for further details.

[xvii] Based on the portfolio composition on the date the balance sheet hedge contracts are entered into.