

INTERNATIONAL PUBLIC PARTNERSHIPS LIMITED
PORTFOLIO UPDATE
FOR THE PERIOD 1 JANUARY TO 23 JUNE 2025

Continued commitment to enhancing shareholder value, reaffirming the objective to enhance capital returns by taking a disciplined approach to capital allocation and active portfolio optimisation

23 June 2025

International Public Partnerships Limited, the listed infrastructure investment company ('INPP', or the 'Company'), has today issued a portfolio update for the period 1 January 2025 to 23 June 2025.

Mike Gerrard, Chair of International Public Partnerships, commented: *"We remain focused on delivering long-term shareholder value by maintaining a disciplined approach to capital allocation. This includes advancing our share buyback programme, targeted realisations that support our published valuations, and reinvesting where we see strong strategic alignment and where the long-term characteristics of a new investment substantially outperform the shorter-term benefits available through share buybacks. These initiatives reflect the Board's confidence in the Company's fundamentals and the quality of the portfolio - qualities that we believe are not reflected in the current market-wide discount to NAV."*

HIGHLIGHTS

During the period, the Company announced its Net Asset Value ('NAV') as at 31 December 2024 and published its 2024 Annual Report and 2024 Sustainability Report.

- The Company's portfolio of over 140 projects and businesses performed well, both operationally and financially, during the period. The portfolio continues to deliver essential services to stakeholders, maintaining availability levels that remain at or above target levels.
- The Company continues to progress capital allocation initiatives with ongoing share buybacks, continued progress on divestment initiatives, and selective reinvestment. The Board reaffirms its commitment to substantially enhancing shareholder returns through an expanded capital return programme of up to £200 million by 31 March 2026.
- On Friday 20 June, the Company signed an agreement to raise £49 million in proceeds from its UK education infrastructure portfolio. The transaction is scheduled to complete in early July and will be accretive to the implied valuation^[1] as at the transaction date. During the period, the Company also agreed to sell its minority equity interests in seven UK education PPPs to an existing co-shareholder for total proceeds of c.£8 million which is in line with the most recent valuations. The sale is expected to complete in Q3 2025.
- The Company's Corporate Debt Facility ('CDF') was successfully renewed with the same margins as the expiring facility. As previously, the £250 million CDF includes an additional £100 million accordion facility, supporting the Company's ongoing financial flexibility.
- The Company reconfirms its 2025 and 2026 dividend targets^[2] of 8.58 pence per share and 8.79 pence per share respectively in line with its progressive dividend policy. Future dividends are expected to be paid on a quarterly basis^[3].
- During the period, the Company announced its intention to revise the Investment Adviser fee structure. From 1 July 2025, the base fee payable in respect of each quarter will be based on the equal weighting of: the average of the closing daily market capitalisation of the Company during that quarter; and the most recently published NAV. This fee change is expected to reduce the ongoing management fee by c.10% per year as at time of the announcement on 27 March 2025 and enhance alignment with shareholders.

CAPITAL ALLOCATION

During the period, the Board and the Investment Adviser have remained actively focused on executing the capital allocation strategy and optimising the existing portfolio, recycling capital and implementing other measures to enhance shareholder returns.

Realisations

- On Friday 20 June 2025, the Company signed an agreement to raise £49 million in proceeds from its remaining senior debt position in its Priority School Building Aggregator Programme and 13 of its Building School for the Future Investments (BSFI) investments - largely minority stake investments. The transaction is scheduled to complete in early July and will be accretive to the implied valuation^[4] as at the transaction date. INPP continues to retain equity interest in the investments following the transaction.
- Prior to this transaction, in March 2025, the Company agreed to sell its minority equity interests in seven of the UK education assets from the BSFI portfolio for total proceeds of c.£8 million, in line with the most recent valuations. This has reached contractual completion, and financial completion is expected in Q3 2025.
- To date, INPP has realised c.£317 million of proceeds in the last 30 months in the energy transmission, social and digital infrastructure sectors, equivalent to c.12% of the portfolio based on the latest valuations as at 31 December 2024. All of the divestments made have been in line with the most recently published valuations, validating INPP's internal valuation methodology.
- INPP continues to progress additional capital recycling initiatives to optimise portfolio value and fund new opportunities. The Company will provide further updates in due course.

Share buybacks

- The Board has reaffirmed its commitment to returning more to shareholders, expanding the existing buyback programme from up to £60 million to up to £200 million by 31 March 2026.

- The share buyback programme remains active. As at 20 June 2025, £76.7 million worth of shares have been repurchased. Since 31 December, £33.6 million of buybacks have added an estimated 0.4 pence per share to the 31 December NAV.

Investment activity

- Whilst the Board currently prioritises the return of capital to shareholders given the market trading environment, it also carefully considers opportunities to reinvest divestment proceeds into investment opportunities.
- Since the beginning of the year, the Company has made follow-on investments totalling £5.9 million, of which £5.3 million related - as previously communicated - to three long-standing commitments: the Flinders University Health and Medical Research Building (Education), Gold Coast Light Rail - Stage 3 (Transport) and tooB (Digital Infrastructure). A further c.£7.0 million of commitments to these assets is expected to be funded over the next 15 months.
- The remaining £0.6 million related to the acquisition, in Q2 2025, of the final 10% stake in the two Southwark Building Schools for the Future initiative schemes (Education) for £0.6 million, bringing INPP's ownership in both schemes to 100%.

FINANCIAL PERFORMANCE

Overview

- On 27 March 2025, the Company published its 2024 full-year results. The Company's NAV per share as at 31 December 2024 was 144.7p.
- As at 20 June 2025, the implied projected net return on an investment in the Company's shares is 10.1%^[5], with a current dividend yield of 7.2%^[6], which the Board continues to believe represents an attractive proposition to shareholders and a 4.8% premium to that offered by a 30-year UK government bond^[7], while also offering the potential for growth through both net asset value accretion and indexation-linked income over time.
- The Board forecast the continuation of the Company's track record of growing dividends each year since the IPO in 2006 with target 2025 and 2026 dividends of 8.58 pence per share and 8.79 pence per share respectively. These dividends are expected to be fully covered by net operating cash flows and the annual increases are in line with the Company's long-term projected annual dividend growth rate of c.2.5%⁸.
- The Company reconfirms that the projected cash receipts from the Company's portfolio, which consists of more than 140 investments, are such that even if no further investments are made, the Company currently expects to be able to continue to meet its existing progressive dividend policy for at least the next 20 years^[8].
- As announced in September 2024, the dividend of 4.19 pence per share paid on 9 June 2025 was the last six-monthly dividend. The Company will commence quarterly dividends payments for the 2025 dividends. The first interim dividend is expected to be paid in September 2025. This will provide investors with a more regular income stream and demonstrates the Company's commitment to ensuring predictable and consistent returns for shareholders.
- The Company successfully renewed its Corporate Debt Facility during the period, with the same margins as the previous facility. The renewed facility comprises £250 million of committed capital and includes an accordion feature of up to £100 million. The lender consortium was reconfigured, with ING replacing SMBC.

Macroeconomic update

- The Company's NAV per share remains sensitive to a range of external macroeconomic factors, including inflation, interest rates and foreign exchange movements. Taken together, and assuming all other factors remain constant, the Company anticipates the NAV per share to remain broadly in line with the position as at 31 December 2024.
- Inflation across the Company's key geographies remains broadly in line with expectations as at 31 December 2024. However, reflecting a growing view that long-term inflation may stabilise at a higher level, a number of market participants have started to revise their long-term assumptions upward. This has been factored into the Company's forward looking assumptions. Given the portfolio's inflation linkage, such a revision would be expected to have a positive impact on NAV;
- Government bond yields in the Company's key investment markets have risen modestly since 31 December 2024^[9]. While this may imply a downward pressure on valuations, the discount rates to be applied in the 30 June 2025 valuation will also reflect other relevant factors, including the strong operational performance of the Company's investments and current market evidence for infrastructure asset pricing; and
- The Company has observed a strengthening of Sterling against all the currencies it is exposed to, with the exception of the Euro. Other things being equal, this would have a minor negative impact on the Company's NAV per share.

PORTFOLIO UPDATES

Key updates during the period

- **Cadent (Gas distribution, top 10 investments, 16.1% of fair value as at 31 December 2024):** Cadent expects to receive Ofgem's draft determination in Q2, 2025 in response to its final business plan in respect of the next five-year price control period starting in April 2026. The results of Ofgem's determination will cover the revenues that UK gas network companies will be able to earn from 2026. Ofgem announced previously that it does not anticipate significant regulatory changes from the existing framework, that the framework must be adaptable to a range of potential future energy pathways, and that maintaining a safe and resilient gas network remains paramount. The Company does not expect any material impact on the valuation of its investment in Cadent as a result of Ofgem's draft determination.
- **Tideway (Waste water, top 10 investments, 15.0% of fair value as at 31 December 2024):** In February 2025, Tideway was pleased to confirm that its final 21st site was connected and the full 25km tunnel is now able to prevent sewage discharge from flowing into the River Thames. Since September 2024, Tideway has prevented over 7 million cubic metres of sewage^[10] from entering the river. Tideway is now in its system commissioning phase, which ensures the reliability of the tunnel through ongoing testing and storm simulations. Handover, the point at which Thames Water has certified that system commissioning is complete, remains planned for the second half of the year. While Thames Water's financial position continues to be uncertain, regulatory protections limit any direct impact on Tideway. Broader water sector reviews are ongoing but are not expected to affect the asset. Tideway was also very pleased to welcome His Majesty the King to the Tideway Blackfriars Bridge site, the largest of the new public spaces, to meet some of the team and celebrate the project.
- **Beatrice OFTO (Energy transmission):** The Beatrice offshore transmission operator Transmission Capital

- **Beatrice OFTO cable transmission.** The Beatrice offshore transmission operator, Transmission Capital Partners ("TCP"), is continuing investigations into a recent cable fault that occurred in Q2 2025 and planning for repair works is ongoing. The transmission system is currently operating at reduced capacity, and the Company is working towards returning to full operation later in the year. Evidence gathered to date indicates that the cable fault was beyond the reasonable control of Beatrice OFTO and therefore the asset is expected to be protected against any revenue reductions by the protections available in its transmission licence. The costs of the repair are expected to be covered by insurances and any financial impact is not expected to be material to the portfolio.

CORPORATE GOVERNANCE

Board of Directors

- John Le Poidevin and Giles Frost have retired as Directors of the Company at the 2025 AGM. Giles Adu was appointed in 2024 to support effective Board succession.
- Meriel Lenfestey has assumed the role of Senior Independent Director with effect from the 2025 AGM.
- The Board reconfirms that the Company is fully compliant with the FCA Listing Rules on diversity and following the retirement of Giles Frost, the Board is entirely constituted of independent directors

Investment Adviser fee changes

- As previously announced, the revised fee structure for the Investment Adviser will take effect from 1 July 2025. The base fee payable in respect of each quarter will be based on the equal weighting of: the average of the closing daily market capitalisation of the Company during that quarter; and the most recently published NAV.
- The base fee payable under the new arrangements will be capped such that the base fee payable will be no higher than under the existing arrangements.
- Based on the share price discount to the NAV at the time the fee change was announced on 27 March 2025, the fee change is expected to reduce the ongoing management fee by approximately 10% per year, providing additional value for shareholders, and further increasing the alignment of interests between the Company and the Investment Adviser.

OUTLOOK

The Company's portfolio continues to perform strongly and is well-positioned to continue delivering predictable, inflation-linked returns. The Board remains confident in the strength of the portfolio, the sustainability of the dividend policy, and the potential for long-term growth. Efforts to narrow the share price discount to NAV will remain a key priority. The Company is committed to maintaining a disciplined approach to capital allocation, balancing selective investments with capital returns to shareholders.

The outlook for infrastructure remains positive, as governments in INPP's core markets continue to prioritise investment in critical infrastructure.

Notably, the UK Government's 10 year infrastructure strategy^[11] (the "10 Year Strategy") which was published on 19 June 2025, emphasises the UK's infrastructure needs. The Company is particularly encouraged by the recognition that: "...a significant increase in private investment is needed to complement and maximise the value of the extensive public investment underway". The Company has worked successfully in partnership with governments for close to two decades and believes it is well positioned to support the UK's significant infrastructure investment pipeline, more details of which are expected to be provided by the UK Government in the near future.

Both the 10 Year Strategy and the 2025 Spending Review reaffirm the UK Government's long-term policy support for investing in infrastructure to enable resilient growth, drive the transition to a secure, low-carbon energy system, and ensure social infrastructure is capable of supporting essential public services.

The Company believes responsible infrastructure investment that supports the needs of global communities while accelerating the environmental transition is a significant investment megatrend. INPP has constructed its portfolio in alignment with this view. The Board believes INPP, as a listed evergreen closed-ended fund, is the safest and best structure for supporting regional governments and investors, responding to new and emerging opportunities, and providing shareholders with access to this vital sector.

ENDS.

For further information:

Erica Sibree	+44 (0) 7557 676 499
Amber Fund Management Limited	
Hugh Jonathan	+44 (0)20 7260 1263
Numis Securities	
Mitch Bartrop / Jenny Boyd FTI Consulting	+44 (0) 7807 296 032 / (0) 7971 005 577

Notes to Editors:

While it is no longer a requirement under the Disclosure Guidance and Transparency Rules for the Company to issue Interim Management Statements, the Board believes it is in the interest of shareholders for the Company to provide quarterly updates in addition to its half year reports.

About INPP:

INPP is a listed infrastructure investment company that invests in global public infrastructure projects and businesses, which meet societal and environmental needs, both now, and into the future.

INPP is a responsible, long-term investor in over 140 infrastructure projects and businesses. The portfolio consists of utility and transmission, transport, education, health, justice and digital infrastructure projects and businesses, in the UK, Europe, Australia, New Zealand and North America. INPP seeks to provide its shareholders with both a long-term yield and capital growth.

Amber Infrastructure Group ('Amber') is the Investment Adviser to INPP and in this capacity is responsible for investment origination, asset management and fund management of the Company.

Amber is part of Boyd Watterson Global Asset Management Group LLC, a global diversified infrastructure, real estate and fixed income business with over 36.3 billion in assets under management and over 300 employees with offices in eight US cities and presence in twelve countries.

[1] The Company's valuation methodology is detailed in the Company's Annual Report and financial statements for the year ended 31 December 2024, published on 27 March 2025.

[2] Future profit projection and dividends cannot be guaranteed. Projections are based on current estimates and may vary in the future.

[3] The H2 2024 dividend of 4.19p, paid on 9 June 2025, was the final dividend to be paid on a six-monthly basis. Following this, dividends will be paid quarterly, commencing with the first of four interim dividends for the financial year 2025, expected to be paid in September 2025.

[4] The Company's valuation methodology is detailed in the Company's Annual Report and financial statements for the year ended 31 December 2024, published on 27 March 2025.

[5] As at 20 June 2025. This is calculated based on INPP's weighted average discount rate, less the Ongoing Charges Ratio, adjusted to reflect the share price discount to the rolled-forward NAV from 31 December 2024, using published sensitivities.

[6] Dividend projected to be paid over the 12 months from 20 June 2025 divided by the Company's share price as at 20 June 2025.

[7] As at 20 June 2025. 30-year bond used owing to the UK weighting of the portfolio and the weighted average investment tenor of c.38 years.

[8] This is reflective of the 2025 and 2026 dividend targets, and 2.5% annual dividend growth thereafter.

[9] Based on government bond yields as on 16 June 2025.

[10] Please see the Tideway tracker to see the live volume of sewage being prevented from entering the River Thames: <https://www.tideway.london>

[11] <https://www.gov.uk/government/publications/uk-infrastructure-a-10-year-strategy>

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