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18 August 2025

**Gresham House Energy Storage Fund plc  
("GRID" or the "Company")**

**Operational Portfolio Refinancing Unlocking Growth**

Gresham House Energy Storage Fund plc (LSE: GRID), the UK's largest fund investing in utility-scale battery energy storage systems (BESS), is delighted to announce the signing of a new debt facility which will refinance existing debt facilities, reducing its cost of debt, releasing capital for its Three-year Plan and paving the way for a revised Capital Allocation Policy.

**Refinancing**

The debt refinancing secures a £220mn loan from a syndicate of five lenders with a seven year legal maturity and an amortisation profile over 14 years. The new facility enjoys a margin of 225bp over SONIA compared with 300bp for the current facility.

Contracted cashflows, from the combination of tolls, capacity market contracts, and the recently announced long term floors on 88% of GRID's portfolio (the "Portfolio"), are expected to fully cover project level operational costs, interest, and debt repayments during the term of the loan. This will significantly protect the Company from potential future downside revenue scenarios.

At the end of the loan term of seven years, less than 50% of the loan principal amount is expected to remain outstanding. The Company will then seek to refinance the remaining balance at that time.

The refinancing will replace £195mn in senior debt facilities maturing in September 2028, of which £160mn has currently been drawn. Net debt to GAV is expected to remain below 30% throughout the debt tenor. Gross debt to NAV is expected to remain below 40%, well below the limit set out in our investment policy of 50%.

In addition to the £220mn loan facility, the Company has also put in place a Debt Service Reserve Facility (DSRF) of £18.6mn and a short-term VAT facility of £1.6mn to improve working capital during the construction phase of project augmentations.

**Capital Allocation Policy**

The upsized facility, combined with increased operational cashflow, provides capital for investment in augmentations and the acquisition of new pipeline projects.

More specifically:

- A further 282MW of operational projects are set to be augmented to a two hour or longer duration, adding a net 350MWh to the Portfolio and taking GRID's overall portfolio average duration to circa two hours.
- Some capital is intended to be used to acquire project rights for 694MW of new projects from GRID's exclusive pipeline once due diligence has been completed.

The refinancing and implementation of recent floor agreements provides the Company with a robust capital structure and improved cash flow visibility, enabling it to pursue the growth ambitions underpinning its Three-year Plan. In addition to prioritising investments that drive NAV and EBITDA growth, the Board is now able to consider the use of remaining cashflow such as for the implementation of a dividend policy and/or share buybacks. The Company intends to formalise and announce its Capital Allocation Policy before or alongside its interim results.

**New construction pipeline**

The pipeline of projects announced at the Capital Markets Day in November 2024 remains unchanged and is as follows:

Ocker Hill	240MW
Cockenzie A	240MW
Elland 2	100MW
Monet's Garden	57MW (previously 50MW)
Lister Drive	57MW (previously 50MW)
<b>Total</b>	<b>694MW</b>

All the projects are fully consented and will commence construction subject to additional subsequent project-level senior debt facilities separate from the £220mn loan facility announced today which will not be cross collateralised with each other or with the operational portfolio's assets. These project level facilities are in the process of being negotiated.

Each project is also awaiting confirmation of its 'protected' position in the national grid connection queue following the Gate 2 Queue Reform process being administered by the National Energy System Operator (NESO). The protected status of each project is based on the near-term connection dates (2027 or earlier) and their fully consented status. The timeline for NESO approval is during H2 2025.

Gresham House Asset Management Limited (the "Manager") aims to start construction on as many of these five new projects as possible by the end of 2025 and the balance in H1 2026. All projects are being designed to a two hour duration or longer.

**John Leggate CBE, Chair of Gresham House Energy Storage Fund plc, commented:**

"GRID is clearly established as the market leader in BESS in Great Britain. Today's achievement gives the Company a much stronger capital structure, setting the foundation for us to pursue our growth agenda as the sector sees significant growth over the coming decade.

Building on the work of the last nine months, the Company is now ready to begin the implementation of key elements of the Three-year Plan announced late last year, augmenting the existing Portfolio and acquiring new project rights.

The significantly higher contracted minimum revenue base, c.50% of projected revenues, combined with a more conventional amortising debt structure, repositions our Company as a lower risk business, while preserving its substantial growth potential.

The Board looks forward to sharing details of its revised Capital Allocation Policy in the coming weeks; at latest this will be announced alongside the interims in late September."

**Ben Guest, Fund Manager of Gresham House Energy Storage Fund plc & Managing Director of Gresham House Energy Transition, said:**

"With this refinancing, we are now able to execute on our exciting growth plans: augmenting the existing Portfolio to two hours and acquiring the project rights to grow megawatt capacity by c.70% from the construction of new projects.

The team has worked hard to put in place the project rights, designs and EPC agreements to start construction of the augmentations as soon as this refinancing has completed.

We also look forward to receiving the results of NESO's Gate 2 process and putting in place the incremental senior debt and any other funding required to kick off construction of the new pipeline as well."

**ENDS**

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**About the Company and the Manager**

Gresham House Energy Storage Fund plc aims to invest in a diversified portfolio of utility-scale battery energy storage systems (known as BESS) located in Great Britain and internationally. The Company seeks to provide investors with the prospect of capital growth through the re-investment of net cash generated in excess of its target dividend in accordance with the Company's investment policy.

Gresham House Asset Management Ltd is the FCA authorised operating business of Gresham House Ltd, a specialist alternative asset manager. Gresham House is committed to operating responsibly and sustainably, taking the long view in delivering sustainable investment solutions.

[www.greshamhouse.com](http://www.greshamhouse.com)

**Definition of utility-scale battery energy storage systems (BESS)**

Utility-scale battery energy storage systems (BESS) are the enabling infrastructure that will support the continued growth of renewable energy sources such as wind and solar, essential to the UK's stated target to reduce carbon emissions. They store excess energy generated by renewable energy sources and then release that stored energy back into the grid during peak hours when there is increased demand.

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