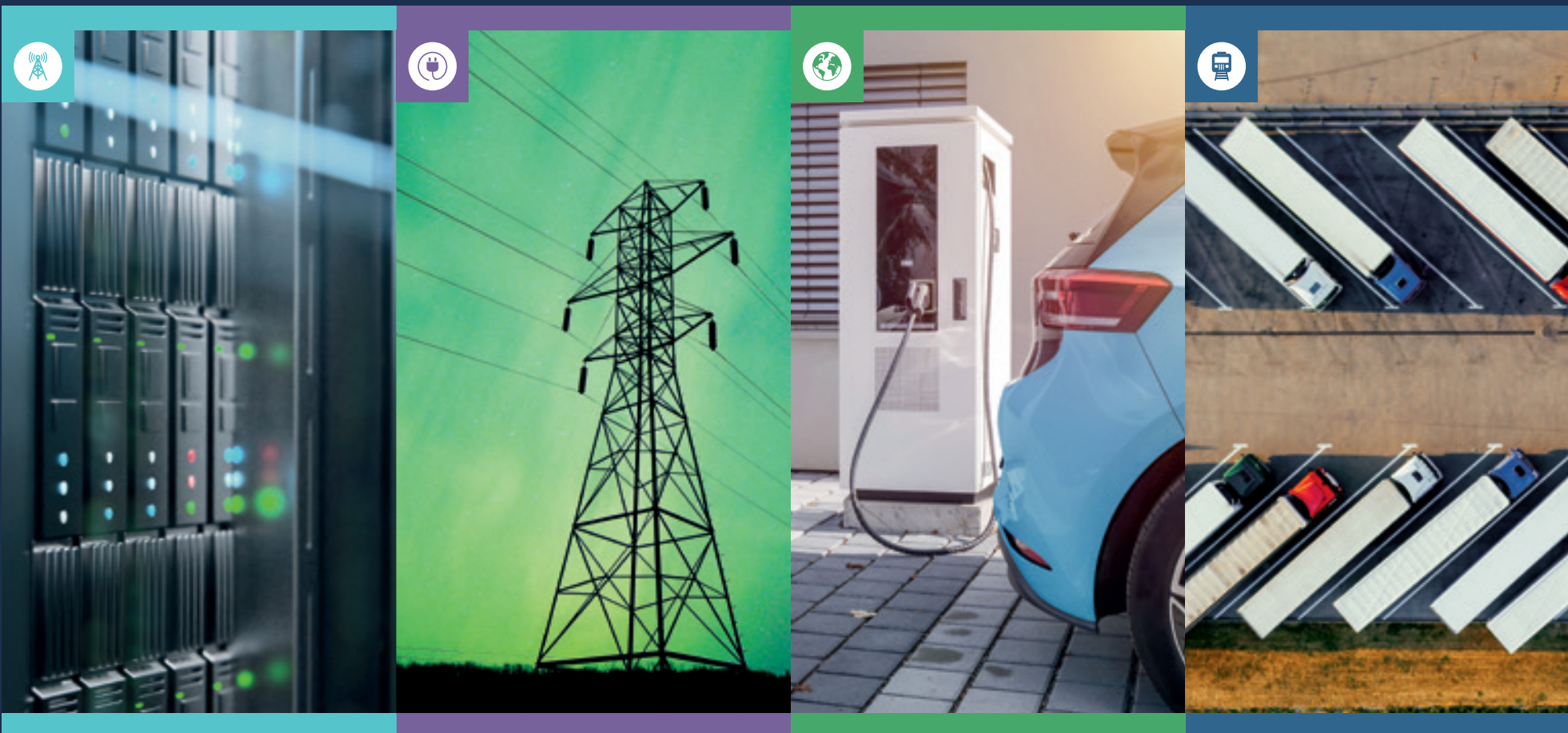




Access to high-quality global infrastructure assets

Interim report 30 June 2023

## Purpose

Our purpose is to provide investors of all types with easy and immediate access to a diversified portfolio of high-quality infrastructure assets via a single vehicle, offering both a regular dividend payment and targeting capital growth.

This portfolio, which is diversified by sector and geography, is designed to generate sustainable attractive returns over the long term. We achieve this by targeting assets which have strong environmental, social and governance (ESG) credentials, and underpin the transition to a low-carbon economy. We invest in private assets which we believe will benefit from strong downside protection through inflation linkage and other defensive characteristics.

## About us

Pantheon Infrastructure Plc (the 'Company' or 'PINT') is a closed-ended investment company and an approved UK investment trust, listed on the Premium Segment of the London Stock Exchange's Main Market.

PINT provides exposure to an international, diversified portfolio (the 'Portfolio') through direct co-investments in high-quality infrastructure assets with strong defensive characteristics, typically benefiting from contracted cash flows, inflation protection and conservative leverage profiles. PINT targets assets which have strong ESG credentials, which includes projects that support the transition to a low-carbon economy. The Portfolio focuses on assets benefiting from long-term secular tailwinds. The Company is overseen by an independent Board of non-executive Directors and managed by Pantheon Ventures (UK) LLP ('Pantheon'), a leading multi-strategy Investment Manager in infrastructure and real assets, private equity, private debt and real estate.





# Highlights

## At a glance as at 30 June 2023

Invested capital:

**£458m<sup>1</sup>**

Net asset value (NAV):

**£484m**

Interim dividend per share:

**2p**

Market cap:

**£383m**

NAV per share:

**101.0p**

1. This refers to the capital committed to assets which, at 30 June 2023, were invested, committed or in legal closing. Invested assets represent the fair value of those that had reached financial close and had been, or were in the process of being, funded, and includes small amounts reserved for follow-on investments; committed assets represent those which were announced but remained subject to final financial close; and in legal closing assets represent those which were not yet announced but were in the final stages of legal closing. There is no guarantee that commitments subject to legal closing will be closed. As at 30 June 2023, £423 million of capital was committed to assets, with a further £35 million in legal closing.

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## Why invest in PINT

The Company is building an international portfolio of investments with blended risk/return profiles, in line with targets across deal types, sectors and geographies for diversification.

### 1 **Unique access to private infrastructure co-investment assets**

#### **Pantheon, PINT's Investment Manager, has a large and global infrastructure network**

The Company is building an international portfolio of investments in line with targets across deal types, sectors and geographies to achieve diversification. PINT invests in infrastructure assets via co-investments alongside highly experienced general partners ('Sponsors'), typically on a management fee and carried interest free basis.

This is attractive for several reasons, including:

##### **Unique opportunities**

PINT provides investors with the opportunity to access Pantheon's substantial deal flow from its extensive network of blue-chip infrastructure investors. These opportunities arise because Pantheon's wider Infrastructure platform invests directly into Sponsors' funds and secondary transactions. As a trusted investor of scale, Pantheon then gains access to Sponsors' co-investment deal flow.

##### **Liquid access to illiquid markets**

There are fewer public market infrastructure opportunities to access private infrastructure assets, as infrastructure companies often remain private for long periods of time and are structured in longer-tenured vehicles which are aimed at institutional investors only. Investing in PINT provides immediate access to high-quality co-investment infrastructure assets not normally accessible to public market investors more broadly, both institutional and retail.

##### **Portfolio construction**

Pantheon uses co-investments to select individual assets to gain exposure to, and tilt the Portfolio towards, sectors based on the Investment Manager's view on relative value. This leads to the creation of a global and diversified portfolio, with the ability to focus on major investment and economic tailwinds.

##### **Cost-effective access**

The use of co-investments can reduce the overall expense ratio and gross-to-net performance spread of a portfolio, as most deals are offered with no ongoing management fee or carried interest charged by the Sponsor.

##### **Sponsor specialisation**

Pantheon, on behalf of PINT, is able to choose deals alongside a Sponsor with a distinct edge who may be best placed to create value in that particular sub-strategy.

##### **ESG**

Through the Manager, PINT looks to partner with Sponsors that have demonstrated strong capabilities in managing ESG risks and will actively engage with the Manager where it identifies areas of concern. Pantheon has developed a bespoke ESG due diligence process, which utilises an in-house tool (an ESG scorecard) in addition to consultation with an external ESG specialist, which utilises a range of different data ESG sources. For more information, please refer to the ESG section on pages 38-42.

# Why invest in PINT continued

## 2 Favourable defensive long-term characteristics

### Infrastructure assets can offer reliable income streams with inflation protection

Infrastructure assets combine a range of attractive characteristics for long-term investors. Distinctively, infrastructure may mitigate the adverse effects of rising inflation and may provide an income-generating investment outside traditional fixed income. Infrastructure assets may also provide embedded value and downside protection across market cycles given the regulated and contracted nature of many of the underlying cash flows.

Infrastructure assets may provide a range of attractive investment attributes, including the following:

#### Stable cash flow profile

Infrastructure may provide a compelling, stable distribution profile similar to traditional fixed income, but backed by tangible assets. These infrastructure assets often offer reliable income streams governed by regulation, hedges or long-term contracts with reputable counterparties.

#### Inflation hedge

Infrastructure investments can provide a natural hedge to rising inflation, as many sub-sectors have contracts with explicit inflation-linkage or implicit protection through regulation or market position. The majority of PINT's assets have explicit inflation-linkage or implicit protection through regulation or market position.

#### Embedded downside protection

The vital role that many infrastructure sub-sectors play in our daily lives can make them an innately defensive investment. The tangible nature of infrastructure investments can provide a basis for liquidation and recovery value in downside cases. Furthermore, infrastructure investing is generally focused on gaining exposure to assets in a monopolistic or duopolistic market which, with high upfront costs, can be a barrier to entry for new participants. Investments typically have long-term contracts with price escalators or inflation-linkage with high-quality counterparties, which offers further downside protection. Finally, high friction costs tend to discourage customers from switching providers, which can provide a stable and long-term customer base.

#### Diversification

Infrastructure can be a valuable portfolio diversifier alongside traditional and alternative investments. Historically, listed infrastructure returns have been only moderately correlated to traditional asset classes. The sub-sectors within the infrastructure universe and the drivers of such sub-sector returns tend not to be correlated with one another.



## Why invest in PINT continued

### 3 Access to secular trends

#### PINT continues to develop its diversified Portfolio across sectors that benefit from secular trends

Pantheon has taken and continues to take a disciplined approach to PINT's strategy to construct an internationally diversified portfolio with exposure across sub-sectors and geographies, while maintaining the flexibility to tilt exposures based on opportunities which may present compelling relative value. The Company has built an international portfolio of investments with blended risk/return profiles, in line with targets across deal types, sectors and geographies for diversification. Please refer to page 30 for more detail.

##### Digital Infrastructure

44%<sup>1</sup>



Data centres, fibre networks and towers

##### Power & Utilities

25%<sup>1</sup>



Energy utilities, water and conventional power

##### Renewables & Energy Efficiency

16%<sup>1</sup>



Wind, solar, sustainable waste and smart infrastructure

##### Transport & Logistics

9%<sup>1</sup>



Ports, rail and road, airports and e-mobility

1. Proportion of gross assets of £485.6 million at 30 June 2023. Includes assets which, at 30 June 2023, were invested, committed or in legal closing. Figures do not total to 100% because of uncommitted cash totalling 6% of gross assets.

## Why invest in PINT continued

### 4 PINT seeks to generate attractive risk-adjusted returns

#### Targeting capital growth and dividend returns

The Company seeks to generate attractive risk-adjusted total returns for shareholders over the longer term. This comprises capital growth with a progressive dividend, through the acquisition of equity or equity-related investments in a diversified portfolio of infrastructure assets with a primary focus on developed OECD markets.

The Company is targeting a NAV Total Return per share of 8-10% per annum.

## 8-10% p.a.<sup>1</sup>

Target NAV Total Return  
per share

## 2p per share<sup>2</sup>

Interim 2023 dividend

## 4p per share<sup>3</sup>

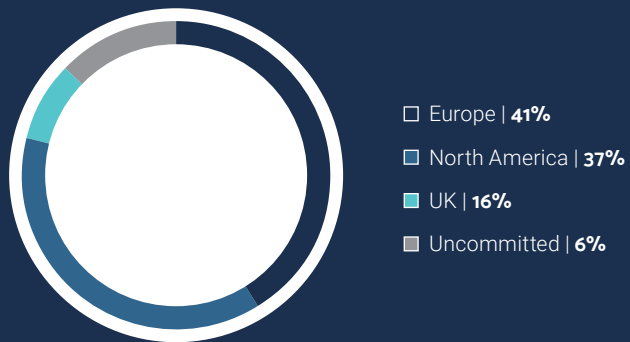
Target 2023 dividend, progressive  
thereafter

1. NAV Total Return per share is defined as the growth in NAV per share, together with all distributions (of an income or capital nature) paid in respect of such share.
2. Interim dividend of 2 pence per share declared in relation to H1 2023.
3. The Company is targeting a dividend of 4 pence per share for the year ending 31 December 2023 and, thereafter, a progressive dividend.

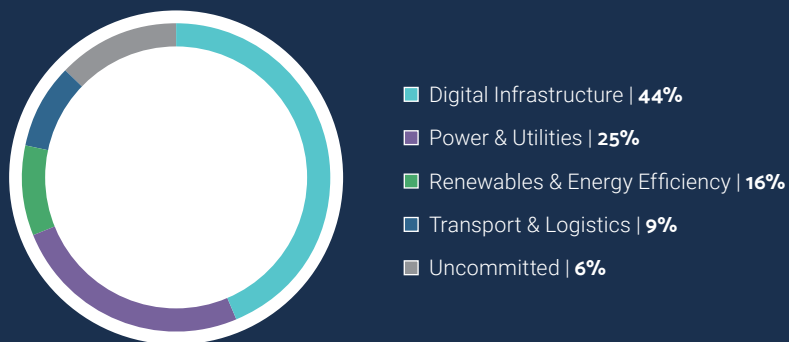
## PINT at a glance

Thirteen infrastructure co-investment assets<sup>1</sup>

Geographic diversification<sup>2</sup>



Sector diversification<sup>2</sup>



1. Based on assets invested, committed and in legal closing at 30 June 2023.

2. Based on gross assets of £485.6 million at 30 June 2023.

### Digital Infrastructure



### Power & Utilities



### Renewables & Energy Efficiency

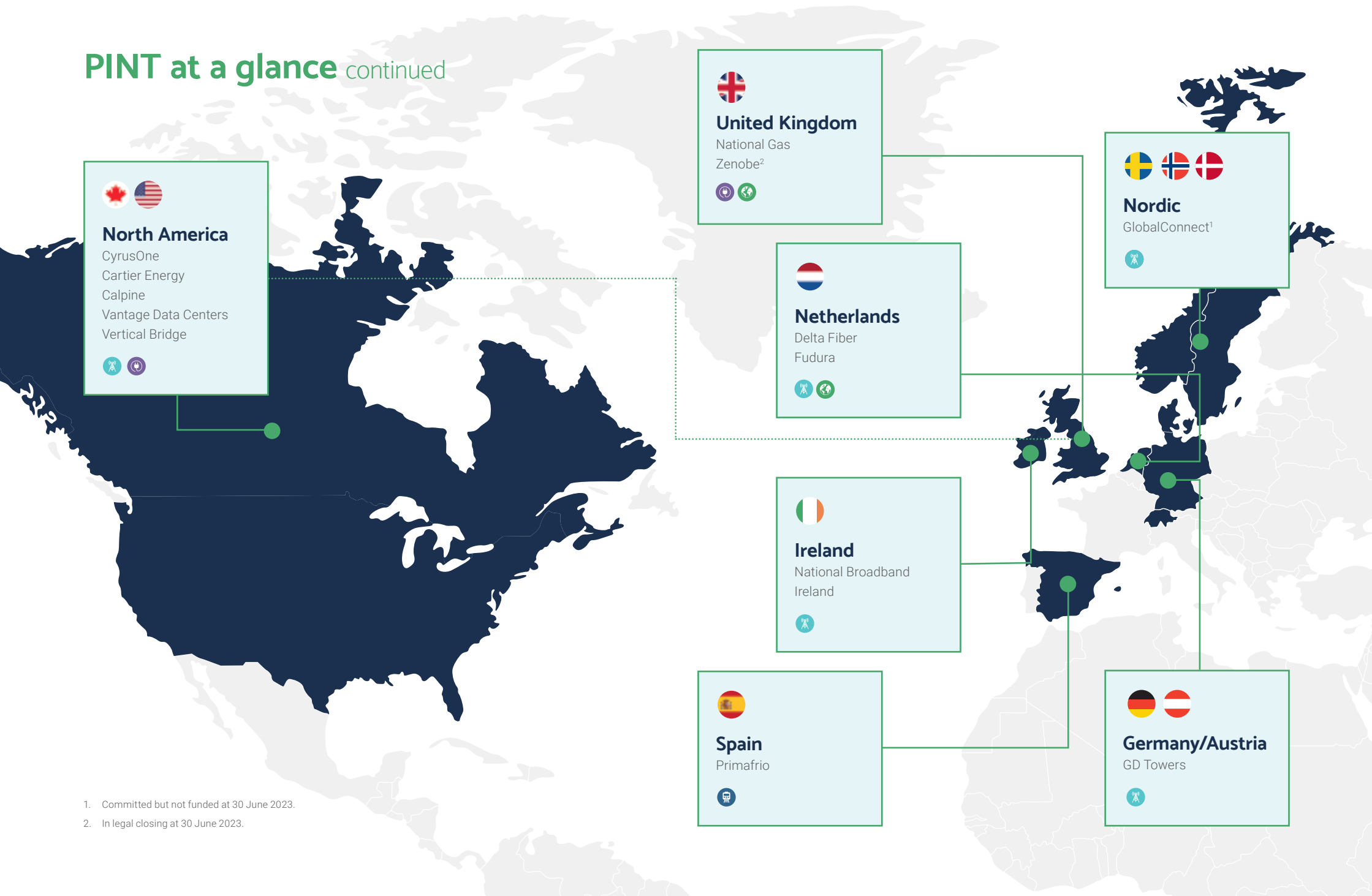


### Transport & Logistics





## PINT at a glance continued



1. Committed but not funded at 30 June 2023.

2. In legal closing at 30 June 2023.

## Chair's statement

Investing in infrastructure has never been so important.

“

We continue to believe that PINT's strategy means it is well positioned for when investors again start to recognise the importance of growth potential in a well-balanced investment strategy.

### Vagn Sørensen

Chair, Pantheon Infrastructure Plc

1. This refers to the capital committed to assets which, at 30 June 2023, were: invested, committed or in legal closing. Invested assets represent the fair value of those that had reached financial close and had been, or were in the process of being, funded, and includes small amounts reserved for follow-on investments; committed assets represent those which were announced but remained subject to final financial close; and in legal closing assets represent those which were not yet announced but were in the final stages of legal closing. There is no guarantee that commitments subject to legal closing will be closed. As at 30 June 2023, £423 million of capital was committed to assets, with a further £35 million in legal closing.



**Vagn Sørensen**

Chair

### Introduction

I am pleased to present the interim report for Pantheon Infrastructure Plc for the six-month period to 30 June 2023. This is the second interim report since the Company's launch, and it is pleasing to see the progress of the Company in deploying its funds into a diversified portfolio of high-quality infrastructure assets, generating dividends in line with its pre-IPO target and positive NAV total returns.

During the first half of the year, the Company's NAV per share grew 2.1p to 101.0p. Accounting for dividends of 1p per share paid in the period to 30 June 2023, this represents a NAV total return of 3.1% since 31 December 2022. I am also pleased to declare an interim dividend payment of 2p per share for the half year ended 30 June 2023, payable on 27 October 2023.

**£458 million of net IPO and subscription share proceeds committed<sup>1</sup>**

**2p  
per share**

**Interim dividend  
declared for the period**

### Economic environment

The reporting period and subsequent months have been characterised by further economic uncertainty. Most of the developed economies in which we invest have so far avoided recessions that were widely expected in the first half of this year. Market sentiment appears to foresee a soft rather than hard landing. However, inflation has proved stickier than many central banks, perhaps most notably the Bank of England, had anticipated, with ensuing interest rate rises bringing additional challenges to the market.

The relative resilience of the global economy can be attributed to several supply and demand-side drivers to growth (such as excess savings from the pandemic and low unemployment), and because the full effect of monetary tightening to combat inflation is taking its time to feed through where either mortgage rates are fixed or mortgage penetration is low. From a macroeconomic perspective, there are still risks to the downside although the pace of interest rate hikes, led by the US Federal Reserve, is slowing. We can now say with relative confidence that the era of lower-for-longer interest rates and easy money policy has come to an end.

## Chair's statement continued

### Investor sentiment and discount management

Rising interest rates, bond and gilt yields have led to a reassessment and rebalancing of investment portfolios by many investors. With an increased risk-free rate and lacklustre performance by equity markets (beyond the largest US tech-focused names), some investors have sought to de-risk their portfolios with a move to the perceived safety of fixed income. Retail flows have been particularly affected by the increased cost of living resulting from high inflation and significantly higher mortgage servicing costs. As a result, individuals and families have felt the squeeze and witnessed a reduction in surplus cash that was previously available for savings and investment.

In this environment, demand for the shares of listed investment trusts including the infrastructure sector and PINT has been subdued. As at 30 June 2023, PINT's shares traded at a discount of 20.8% to NAV despite the performance of the underlying assets being robust.

We believe that the current share price discount to NAV is unjustified, as an investment in PINT offers a meaningful asset-backed yield as well as capital growth and inflation protection that cannot be achieved by an investment in bonds or gilts. A full sensitivity analysis of the Portfolio to various economic factors, including inflation, interest rates and valuation discount rates, is set out in the Investment Manager's report on page 29.

I would like to assure shareholders that the Board is not complacent about the current level of discount and the impact on your reported returns. Having set out our views relating to discounts prior to the launch of the Company, we were quick to react as the discount widened. On 31 March 2023, the Board announced the commencement of a programme to buy back shares up to a total consideration of £10 million.

The Board continues to believe that share buybacks completed within the limits of this programme represent an attractive use of shareholders' capital, whilst also retaining sufficient resources to access the exciting pipeline of investment opportunities available to the Company, and also ensuring its ongoing ability to pay its target dividend and working capital costs.

As at 30 June 2023, the Company had repurchased 1,185,000 shares for a total consideration of £979k, resulting in a NAV increase of 0.04p per share. Since that date, the Company has repurchased a further 3,650,000 shares for a consideration of £2.9 million, resulting in a NAV increase of 0.18p per share. In total, the Company has now repurchased 4,835,000 shares for £3.8 million since the buyback programme was announced.

### Portfolio deployment and diversification

As at 30 June 2023, the Company had invested in or committed to twelve assets totalling £423 million, including £20 million committed to the pan-Nordic data centre and fibre business GlobalConnect, announced on 22 June 2023. A further commitment of £35m was announced after the end of the reporting period on 7 September 2023 to invest in the grid scale battery storage and electric vehicle (EV) fleet specialist Zenobe.

The addition of Zenobe further diversifies our Portfolio with its focus on energy storage and EV mobility. The Portfolio continues to be focused on diversification by geography, Sponsor and across its key sectors: Power & Utilities; Digital infrastructure (Fibre, Towers and Data Centres); Renewables & Energy Efficiency; and Transport & Logistics.

The Company is substantially fully invested, after allowing for required working capital and cash retentions, and an investment into PINT gives an immediate exposure to a high-quality, established and diversified Portfolio. Further details of the Portfolio Companies and their diversification can be found in the Investment Manager's report on page 30.

### Revolving credit facility

In light of the progress deploying the Company's funds into its Portfolio, the Board was pleased to announce on 7 June 2023 a £52.5 million increase to its existing £62.5 million multi-currency revolving credit facility (RCF), bringing the total to £115 million. The increase in the RCF provides the Company with an efficient and flexible way to cover its risk buffers and working capital needs. It also gives us additional liquidity to increase diversification through further investment in high-quality infrastructure assets from PINT's near-term investment pipeline, where we continue to see compelling opportunities. Such investment will only be considered where it is materially accretive to shareholders in light of the current cost of such borrowings and the Company is not expected to become highly levered or the facility to be fully drawn.

### Oversight of the investment process

Investment management is delegated to Pantheon by the Board. Pantheon is responsible for reviewing, selecting and executing investment opportunities for the Company. However, it is a vital part of the Board's responsibilities to oversee these activities, to ensure the investment process is robust, and that the investments made are consistent with the aims and objectives of the Company.

To that end, the Board was delighted to join members of Pantheon's team on a site visit to Primafrío's Head Office and major distribution centre in Murcia, Spain during the period. Primafrío was the Company's first investment commitment, announced a few months after our launch, and it was very pleasing to see the progress that it continues to make in the development of existing and new distribution centres and logistics infrastructure.

## Chair's statement continued

### Oversight of the investment process continued

The Board, the Manager and our corporate brokers, Investec, met with senior representatives from both Primafrio and Apollo, the Sponsor partner on the transaction. The visit provided the Board with valuable insight into and assurance regarding the Manager's robust investment and underwriting processes, the strength of relationships with Sponsors, and an example of the access to the management teams of the Company's underlying assets accorded to the Manager.

Through our oversight, such as this visit and regular meetings with the Manager, the Board maintains comfort in the investment process and the quality of the Company's Portfolio. As evidenced by the continued NAV growth, these businesses are in aggregate operating solidly and executing in line with the business plans on which our investments were based.

### Strategy

As it has done since launch, the Company seeks to generate attractive risk-adjusted returns by constructing a diversified portfolio of high-quality assets across the global infrastructure investment universe. The Company focuses on assets that offer downside and inflation protection, which is particularly relevant in the current market environment. Leveraging Pantheon's extensive 14-year experience in infrastructure investing and its c.\$21 billion infrastructure platform, PINT targets specific transactions that Pantheon deems to be most attractive, notably opportunities in businesses with strong operations and growth potential, in sub-sectors benefiting from long-term positive trends and managed by high-quality Sponsors.

Both the Board and Manager, however, remain alert to the challenges in the current environment and there are several key themes that we continue to believe are important in the current environment:

**Inflation:** Despite policy intervention, inflation remains elevated in many jurisdictions, albeit with some modest easing recently. PINT's Portfolio is positively correlated against inflation as many of its underlying cash flows are contractually index-linked, or capture inflationary benefits through regulation or market position. We believe that this inflation linkage makes PINT attractive in comparison with asset classes such as gilts or bonds.

**Interest rates:** Rates have risen to levels not seen since before the Global Financial Crisis of 2008, with bond yields driving up risk-free rates; however, transactional evidence is showing only limited to modest increases in the discount rates used to value privately held infrastructure assets. Financing in place for the Portfolio Companies has generally been executed on favourable terms, which mitigates this risk.

**Global economic slowdown:** Real GDP growth expectations have been cut sharply, with global demand expected to weaken throughout 2023 as central bank intervention continues. GDP correlation and leverage continue to be areas of key diligence focus when making investments for PINT.

### Governance and sustainability

The Board takes its responsibilities to its shareholders, in accordance with good governance standards, very seriously, and we continually strive to improve our oversight of the Company and its transparency. During the period, we have had a particular focus on ESG matters and sustainability.

To ensure sufficient focus on these matters, we have formally created a new ESG and Sustainability Committee, which is chaired by Andrea Finegan. Andrea has been a non-executive Director of the Company since its launch and is an experienced infrastructure asset management professional with over 30 years of sector experience, performing a number of other board and advisory roles with an emphasis on ESG outcomes.

PINT's ESG and Sustainability Committee has responsibility for: agreeing, overseeing and monitoring the Company's ESG strategy; its ESG reporting and disclosure; its ESG risk management (alongside the Audit and Risk Committee); and ensuring effective stakeholder engagement.

Under the oversight of this committee, the Company published its inaugural Sustainability Report on 19 September 2022, providing (among other things) further insight into the sustainability characteristics of PINT's Portfolio and relevant emissions data. The full report can be found on the Company's website [www.pantheoninfrastructure.com](http://www.pantheoninfrastructure.com) and a summary of the information can be found on page 41 of this report.



## Chair's statement continued

### Shareholder engagement

A major part of the Board's purpose is to represent the interests, needs and wishes of the Company's shareholders. We are committed to maintaining open channels of communication and to engaging with shareholders in a manner which they find most meaningful, in order to gain an understanding of their views.

Shareholder meetings take place throughout the year with the Investment Manager, but as Chair I believe it is vitally important for the Board and I to hear views first hand. Earlier this year, the Chair of the Audit and Risk Committee and I offered meetings to a significant number of shareholders representing a majority of the share register by issued share capital. Several of them accepted our offer and we met with investors representing more than one-fifth of the register.

Feedback from these meetings was overall very positive, and the engagement from the Board was well received. Naturally, shareholders were keen to see continued improvement and we have endeavoured to respond to many of the issues raised, such as: the increasing discount (we have announced a programme of buybacks); providing confidence in valuations (we have continued to disclose valuation sensitivities); and improved ESG and climate disclosures (we have since published our Sustainability Report).

The Board always welcomes contact with shareholders, so if there are matters you wish to raise with us or if you would like a meeting, please feel free to contact us at the registered office or via the Company Secretary using the details on page 65.

### Outlook

Infrastructure remains a key driver of economic growth, and therefore the need for investment into new infrastructure is arguably stronger than ever. Indeed, in the current environment, private investment is especially needed, and we believe will be ultimately rewarded, at a time where governments are facing significant budget deficits and rising debt levels.

The last few months have seen an even greater international focus on decarbonisation. According to the World Meteorological Organization, both June and July of this year exceeded prior record average global temperatures for the month by close to 0.2°C and 0.3°C, respectively. 2023 now looks set to be the warmest year on record and the world, as a whole, has warmed by approximately 1°C since 1970. The road to net zero globally will require sustained and extraordinary investment in new infrastructure. Private infrastructure has demonstrated a necessary role in filling that gap, and we believe it will continue to play an important part in funding global infrastructure investments.

The market for infrastructure investments remains competitive and fundraising in private markets has been challenging so far in 2022/2023. PINT's strategy continues to be to identify and target companies that are set to benefit from key sectoral tailwinds whilst exhibiting defensive characteristics, delivering growth in real terms across the economic cycle. Pantheon's wide capability to source new investments through its vast network and established partnerships, as demonstrated since PINT's launch, is all the more crucial in current market conditions. The Board remains optimistic about PINT's future investment opportunities and value creation potential.

With this in mind, and as already stated, we believe that the current level of discount is unjustified, and represents a compelling value opportunity for those seeking to invest into a fully deployed and diversified portfolio of high-quality infrastructure assets. Currently, it appears that much of the market is focusing purely on yield from gilts and bonds without considering prospects for capital appreciation. We continue to believe that PINT's strategy means it is well positioned for when investors again start to recognise the importance of growth potential in a well-balanced investment strategy. The Board is confident of the Manager's ability to continue to source new assets and to manage the existing portfolio to deliver that growth. We also believe that infrastructure assets will provide much-needed resilience in the current uncertain world.

**Vagn Sørensen**

Chair

26 September 2023

# PINT investments

## Existing portfolio



### Transport & Logistics

## PrimaFrio

Specialised temperature-controlled transportation and logistics company in Europe primarily focused on the export of fresh fruit and vegetables from Iberia to Northern Europe.

|                        |                                                          |
|------------------------|----------------------------------------------------------|
| Sector:                | Transport & Logistics                                    |
| Geography:             | Europe                                                   |
| Sponsor:               | Apollo                                                   |
| Website:               | <a href="http://www.primafrio.com">www.primafrio.com</a> |
| Date of commitment:    | 21.03.2022                                               |
| PINT NAV 30 June 2023: | £43m                                                     |

### Investment thesis and value creation strategy<sup>1</sup>

- **Niche market leader** providing an essential service to resilient end markets. The company has demonstrated strong organic growth over a 15+ year operating history, including during major economic dislocations (2008-2009 global financial crisis and 2020-2021 Covid-19). The defensive qualities of PrimaFrio's market and its operations provide strong downside protection.
- **Value creation opportunities** include inorganic growth, strategic M&A, and continued investment in PrimaFrio's cold storage logistics infrastructure footprint.



### Digital Infrastructure

## CyrusOne

Operates more than 50 high-performance data centres representing more than four million sq ft of capacity across North America and Europe.

|                        |                                                        |
|------------------------|--------------------------------------------------------|
| Sector:                | Digital: Data Centre                                   |
| Geography:             | North America                                          |
| Sponsor:               | KKR                                                    |
| Website:               | <a href="http://www.cyrusone.com">www.cyrusone.com</a> |
| Date of commitment:    | 28.03.2022                                             |
| PINT NAV 30 June 2023: | £24m                                                   |

### Investment thesis and value creation strategy<sup>1</sup>

- **Growth in data usage continues to drive data centre demand.** In particular, the hyperscale segment represents a strong growth opportunity due to increasing cloud adoption and increasingly data-heavy technologies (5G, AI, gaming, video streaming).
- **Benefits from defensive characteristics** such as long-term contracts with a largely investment grade credit quality customer base, price escalators, and limited historical customer churn.



### Power & Utilities

## National Gas

The owner and operator of the UK's sole gas transmission network, regulated by Ofgem, and an independent, highly contracted metering business.

|                        |                                                              |
|------------------------|--------------------------------------------------------------|
| Sector:                | Power & Utilities: Gas utility and metering                  |
| Geography:             | UK                                                           |
| Sponsor:               | Macquarie                                                    |
| Website:               | <a href="http://www.nationalgas.com">www.nationalgas.com</a> |
| Date of commitment:    | 28.03.2022                                                   |
| PINT NAV 30 June 2023: | £41m                                                         |

### Investment thesis and value creation strategy<sup>1</sup>

- **Highly stable inflation-linked cash flows** and high yielding returns are positively correlated with higher inflation, supported by tailwinds of the current macroeconomic environment.
- **Strong downside protection;** regulatory framework allows for the recovery of costs and guarantees a minimum return on capital. The company also holds a monopolistic position through sole ownership of the UK's backbone gas transmission network.
- **Significant growth opportunity.** The transmission system should play a leading role in making the network ready for the transition from natural gas to hydrogen. It will support the expansion of hydrogen's role in the energy mix while working closely with the government and Ofgem to maintain security of supply.

1. There is no guarantee that the investment thesis will be achieved. Pantheon opinion.

Past performance is not indicative of future results. Future results are not guaranteed, and loss of principal may occur. Please refer to 'Disclosure 1 – Investments' towards the back of this report.

# PINT investments continued

## Existing portfolio continued



 **Digital Infrastructure**

## Vertical Bridge

The largest private owner and operator of towers and other wireless infrastructure in the US, with more than 7,000 owned towers across the country.

|                        |                                                                    |
|------------------------|--------------------------------------------------------------------|
| Sector:                | Digital: Towers                                                    |
| Geography:             | North America                                                      |
| Sponsor:               | DigitalBridge                                                      |
| Website:               | <a href="http://www.verticalbridge.com">www.verticalbridge.com</a> |
| Date of commitment:    | 04.04.2022                                                         |
| PINT NAV 30 June 2023: | £27m                                                               |

**Investment thesis and value creation strategy<sup>1</sup>**

- Track record of organic and inorganic growth:** since its founding in 2014, Vertical Bridge has been one of the most active acquirers and "build-to-suit" developers amongst tower companies, and expects to further accelerate these activities.
- 5G build-out supporting continued growth:** US carrier annual capex is forecast to increase over 30% by 2025, prioritising macro towers in the 5G rollout.
- Top-tier management team and Sponsor:** key members of Vertical Bridge and DigitalBridge (including both CEOs) have worked together since 2003, and have exceeded the original Vertical Bridge business plan.



 **Digital Infrastructure**

## Delta Fiber

Owner and operator of fixed telecom infrastructure in the Netherlands, providing broadband, TV, telephone and mobile services to retail and wholesale customers over a predominantly fibre network.

|                        |                                                                            |
|------------------------|----------------------------------------------------------------------------|
| Sector:                | Digital: Fibre                                                             |
| Geography:             | Europe                                                                     |
| Sponsor:               | Stonepeak                                                                  |
| Website:               | <a href="http://www.deltafibernederland.nl">www.deltafibernederland.nl</a> |
| Date of commitment:    | 26.04.2022                                                                 |
| PINT NAV 30 June 2023: | £23m                                                                       |

**Investment thesis and value creation strategy<sup>1</sup>**

- Opportunity to invest in high-quality fibre network with high barriers to entry** as a regional leader in its core footprint of suburban and rural areas with historically high penetration and low churn rates.
- Well positioned to capitalise on extensive rollout programme** via first mover advantage in its core markets, exhibited through its track record of fast build rates and ramp up of construction capacity.



 **Power & Utilities**

## Cartier Energy

Platform of eight district energy systems located across the Northeast, Mid-Atlantic and Midwest of the US.

|                        |                                     |
|------------------------|-------------------------------------|
| Sector:                | Power & Utilities: District Heating |
| Geography:             | North America                       |
| Sponsor:               | Vauban                              |
| Website:               | To be created                       |
| Date of commitment:    | 23.05.2022                          |
| PINT NAV 30 June 2023: | £33m                                |

**Investment thesis and value creation strategy<sup>1</sup>**

- Gross margin structure underpinned by availability-based fixed capacity payments and consumption charges,** and pass-through pricing mechanism limits commodity price exposure providing robust downside protection.
- 'Sticky' customer base** with an average relationship tenure of ~15-20 years and ~10-12 year average remaining contractual life.
- Provides customers with a path to decarbonisation** and increased thermal efficiency.

1. There is no guarantee that the investment thesis will be achieved. Pantheon opinion.

Past performance is not indicative of future results. Future results are not guaranteed, and loss of principal may occur. Please refer to 'Disclosure 1 – Investments' towards the back of this report.

# PINT investments continued

## Existing portfolio continued



 **Power & Utilities**

### Calpine

Independent power producer with a c.26GW fleet of principally gas-fired generating capacity, including c.770MW of operational renewables.

|                        |                                                      |
|------------------------|------------------------------------------------------|
| Sector:                | Power & Utilities: Electricity Generation            |
| Geography:             | North America                                        |
| Sponsor:               | ECP                                                  |
| Website:               | <a href="http://www.calpine.com">www.calpine.com</a> |
| Date of commitment:    | 27.06.2022                                           |
| PINT NAV 30 June 2023: | £48m                                                 |

**Investment thesis and value creation strategy<sup>1</sup>**

- Vital supplier to the US electricity grid**, providing reliable power generation capacity and playing an important role in the energy transition as the US targets net zero carbon by 2050. Calpine benefits from highly predictable diversified cash flows underpinned by contracts supported by a robust hedging programme.
- Strong renewables development pipeline of solar and battery projects**, financeable through the cash flows generated by existing assets, which are projected to nearly triple its renewables power generation capacity over the next five to six years.



 **Digital Infrastructure**

### Vantage Data Centers

Leading provider of wholesale data centre infrastructure to large enterprises and hyperscale cloud providers.

|                        |                                                            |
|------------------------|------------------------------------------------------------|
| Sector:                | Digital: Data Centre                                       |
| Geography:             | North America                                              |
| Sponsor:               | DigitalBridge                                              |
| Website:               | <a href="http://www.vantage-dc.com">www.vantage-dc.com</a> |
| Date of commitment:    | 01.07.2022                                                 |
| PINT NAV 30 June 2023: | £27m                                                       |

**Investment thesis and value creation strategy<sup>1</sup>**

- Secular data usage growth** through increasing cloud adoption and increasing data-heavy technologies continues to drive data centre demand.
- Strong growth pipeline** from favourable existing relationships with hyperscale customers.
- Downside protection** from strong position in supply-constrained core geographies, long-term contracts with investment-grade counterparties, and low churn due to high switching costs and barriers to entry.



 **Renewables & Energy Efficiency**

### Fudura

Dutch market-leading owner and provider of medium-voltage electricity infrastructure to business customers, with a focus on transformers, metering devices and related data services.

|                        |                                                  |
|------------------------|--------------------------------------------------|
| Sector:                | Renewables & Energy Efficiency                   |
| Geography:             | Europe                                           |
| Sponsor:               | DIF                                              |
| Website:               | <a href="http://www.fudura.nl">www.fudura.nl</a> |
| Date of commitment:    | 25.07.2022                                       |
| PINT NAV 30 June 2023: | £43m                                             |

**Investment thesis and value creation strategy<sup>1</sup>**

- Highly stable inflation-linked cash flows** from large and diversified locked-in customer base with long-term contracts, low churn and inflation protection.
- Strong downside protection** with a quasi-monopoly positioning in its core regional markets characterised by high barriers to entry.
- Energy efficiency and decarbonisation** tailwinds driving growth opportunities to broaden service offering to customers including EV charging, solar panels, heat pumps and battery storage.

1. There is no guarantee that the investment thesis will be achieved. Pantheon opinion.

Past performance is not indicative of future results. Future results are not guaranteed, and loss of principal may occur. Please refer to 'Disclosure 1 – Investments' towards the back of this report.



## PINT investments continued

### Existing portfolio continued



Digital Infrastructure

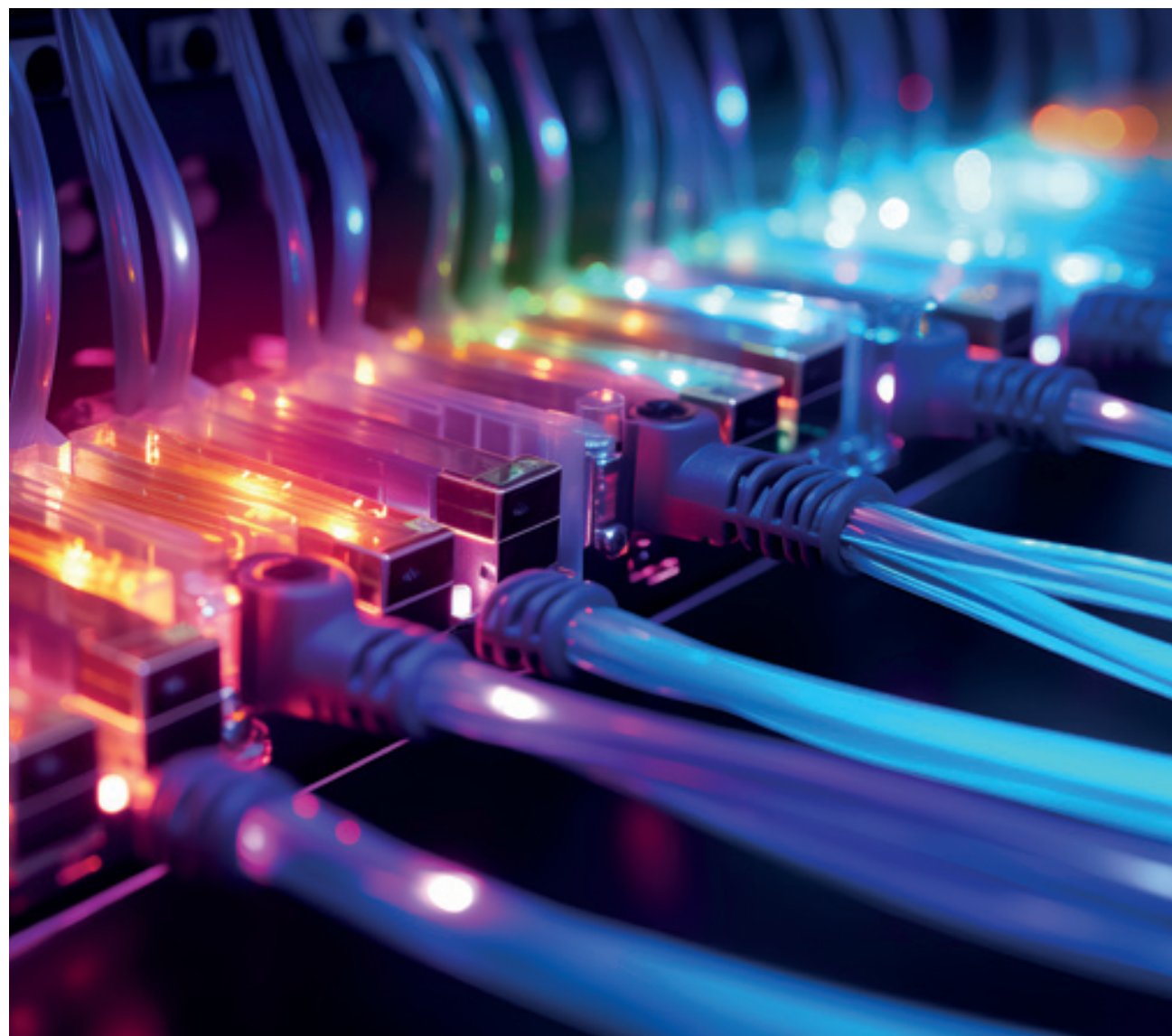
## National Broadband Ireland

Fibre-to-the-premises network developer and operator working with the Irish government to support the rollout of the National Broadband Plan, targeting connection to 560,000 rural homes.

|                        |                                            |
|------------------------|--------------------------------------------|
| Sector:                | Digital: Fibre                             |
| Geography:             | Ireland                                    |
| Sponsor:               | Asterion                                   |
| Website:               | <a href="http://www.nbi.ie">www.nbi.ie</a> |
| Date of commitment:    | 09.11.2022                                 |
| PINT NAV 30 June 2023: | £44m                                       |

### Investment thesis and value creation strategy<sup>1</sup>

- **Stable cash flows with inflation protection expected** through the terms of the project agreement and the prices NBI can charge to internet service providers for access.
- **Downside protection** through a unique positioning in the intervention area (the franchise area granted by the Irish government) and a flexible government subsidy regime.
- **Attractive macro trends** including increased working from home, demographics and growth in fibre broadband take-up to date underpin the long-term commercial viability of the network.



1. There is no guarantee that the investment thesis will be achieved. Pantheon opinion.

Past performance is not indicative of future results. Future results are not guaranteed, and loss of principal may occur. Please refer to 'Disclosure 1 – Investments' towards the back of this report.



# PINT investments continued

## New investments during the period



### GD Towers

**Largest tower and telecom infrastructure networks in Western Europe with c.40,000 tower sites across Germany and Austria.**

|                        |                 |
|------------------------|-----------------|
| Sector:                | Digital: Towers |
| Geography:             | Europe          |
| Sponsor:               | DigitalBridge   |
| Website:               | To be created   |
| Date of announcement:  | 31.01.2023      |
| PINT NAV 30 June 2023: | £38m            |



### Transaction/company overview

- In July 2022, DigitalBridge, alongside Brookfield Asset Management, agreed to buy 51% of GD Towers from Deutsche Telekom for a total enterprise value of €17.5 billion.
- GD Towers has one of the largest tower and telecom infrastructure networks in Western Europe with c.40,000 tower sites across Germany and Austria, making it the market leader in Germany and second largest in Austria.
- GD Towers' high-quality portfolio is supported by an anchor tenancy agreement with Deutsche Telekom, which has retained a 49% ownership stake in GD Towers.

### Investment thesis and value creation strategy<sup>1</sup>

- **Majority of cash flows are contracted and index-linked**, offering strong downside protection in challenging macroeconomic conditions.
- **Favourable market tailwinds** from regulatory-driven 5G coverage requirements with significant growth opportunities.
- **Organic and inorganic growth opportunities** arising from other market participants, and numerous consolidation opportunities in Europe.

### ESG<sup>2</sup>

- Deutsche Telekom AG has a net zero carbon strategy that is aligned with the Science Based Targets initiative and has been highly rated by the Carbon Disclosure Project.
- The majority of power for the tower sites now comes from renewable sources, with carbon offsetting arrangements in place for any fossil fuel power consumption.

1. There is no guarantee that the investment thesis will be achieved. Pantheon opinion.

2. Source: ERM. While DigitalBridge may consider ESG factors when making an investment decision, DigitalBridge does not pursue an ESG-based investment strategy or limit its investments to those that meet specific ESG criteria or standards. Any reference herein to environmental or social considerations is not intended to qualify DigitalBridge's duty to maximise risk-adjusted returns.

Past performance is not indicative of future results. Future results are not guaranteed, and loss of principal may occur. Please refer to 'Disclosure 1 – Investments' towards the back of this report.

# PINT investments continued

New investments during the period continued



Digital Infrastructure

## GlobalConnect

**Leading pan-Nordic wholesale and retail telecoms business with extensive fibre network and data centre portfolio.**

|                               |                                                                  |
|-------------------------------|------------------------------------------------------------------|
| Sector:                       | Digital: Fibre                                                   |
| Geography:                    | Europe                                                           |
| Sponsor:                      | EQT                                                              |
| Website:                      | <a href="http://www.globalconnect.com">www.globalconnect.com</a> |
| Date of commitment:           | 22.06.2023                                                       |
| PINT commitment 30 June 2023: | £20m                                                             |



### Transaction/company overview

- In Q4 2022, EQT Infrastructure III announced the sale of a minority stake (15%) of its shareholding in GlobalConnect (GC) to Mubadala. PINT invested alongside other co-investors following this transaction, while EQT retained a majority (controlling) stake.
- GC is a pan-Nordic digital infrastructure platform with a 155,000 km fibre network and 17 (35,000 m<sup>2</sup>) data centres.
- GC is a leading challenger and is well positioned to increase its market share across verticals and geographies given its blue-chip customer base, one-stop-shop solution and high barriers to entry.

### Investment thesis and value creation strategy<sup>1</sup>

- Majority of cash flows are contracted and index-linked, offering downside protection in challenging macroeconomic conditions.
- Favourable market tailwinds from regulatory-driven 5G coverage requirements with significant growth opportunities and long-term secured revenues, protecting its market position.
- Organic and inorganic growth opportunities arising from rural fibre rollout, growing demand for larger bandwidth and numerous consolidation opportunities.

### ESG

- In June 2023, GC was approved by the Science Based Targets initiative (SBTi), committing to reducing its absolute carbon emissions by 42% by 2030.
- In 2022, GC raised €1 billion in ESG-linked financing and recently won an award for the sustainability-linked loan of the year in Europe.
- Its sustainable data centres powered by 100% green energy are achieving ~25% lower power usage than the European average.

1. There is no guarantee that the investment thesis will be achieved. Pantheon opinion.

Past performance is not indicative of future results. Future results are not guaranteed, and loss of principal may occur. Please refer to 'Disclosure 1 – Investments' towards the back of this report.

## Portfolio in numbers<sup>1</sup>

Exposure to operational infrastructure assets



# 26GW

of electric generation capacity, including **725MW** of renewables, generating **111TWh** annually



# 343,000 km

of fibre cable, passing **2.5** million homes



# 1,331,000

homes connected to high speed fibre



# 87

data centres providing **1,094MW** of power capacity



# 7,630 km

of pressurised gas transmission pipes, **71** gas compressors, and **9** gas and LNG terminals



# 8

district heating networks, with **96 km** of piping serving **190** buildings

1. Figures represent the total infrastructure assets across PINT's Portfolio Companies.

## Portfolio in numbers<sup>1</sup> continued

### Exposure to operational infrastructure assets



**17,200**

medium and high voltage transformers



**65,900**

smart meters reducing domestic energy bills



**2,100**

temperature controlled trucks and **40,000 m<sup>2</sup>**  
of temperature controlled warehouse capacity



**51,000**

telecom towers



**1,000**

electric buses saving **66,000** tonnes of CO<sub>2</sub>  
annually



**1,017MW**

of battery energy storage capacity, supporting the  
transition to net zero

1. Figures represent the total infrastructure assets across PINT's Portfolio Companies.



# Business model

## Approach

The Company is building an international portfolio of investments with blended risk and return profiles, in line with set targets across deal types, sectors and geographies for diversification.

Our co-investment strategy differentiates us in the listed infrastructure market.

## What sets us apart

### 1 Deal selectivity:

Sponsor relationships drive strong deal flow, allowing for highly selective investment process.

### 2 Diversification:

Access to investments across sourcing Sponsors, sectors and geographies.

### 3 Sponsor specialisation:

Ability for investors to choose deals alongside a Sponsor with a distinct edge who may be best placed to create value.

### 4 Fee efficient:

Co-investments typically offered with no ongoing management fee/carried interest.

## Capturing secular growth



### Digital Infrastructure

- Growth in mobile data traffic
- Growth in 5G connected devices



### Renewables & Energy Efficiency

- Average cost reduction for solar/wind
- Increasing global installed wind/solar capacity



### Power & Utilities

- US/Europe transitioning grid to renewables
- US coal power plant retirements

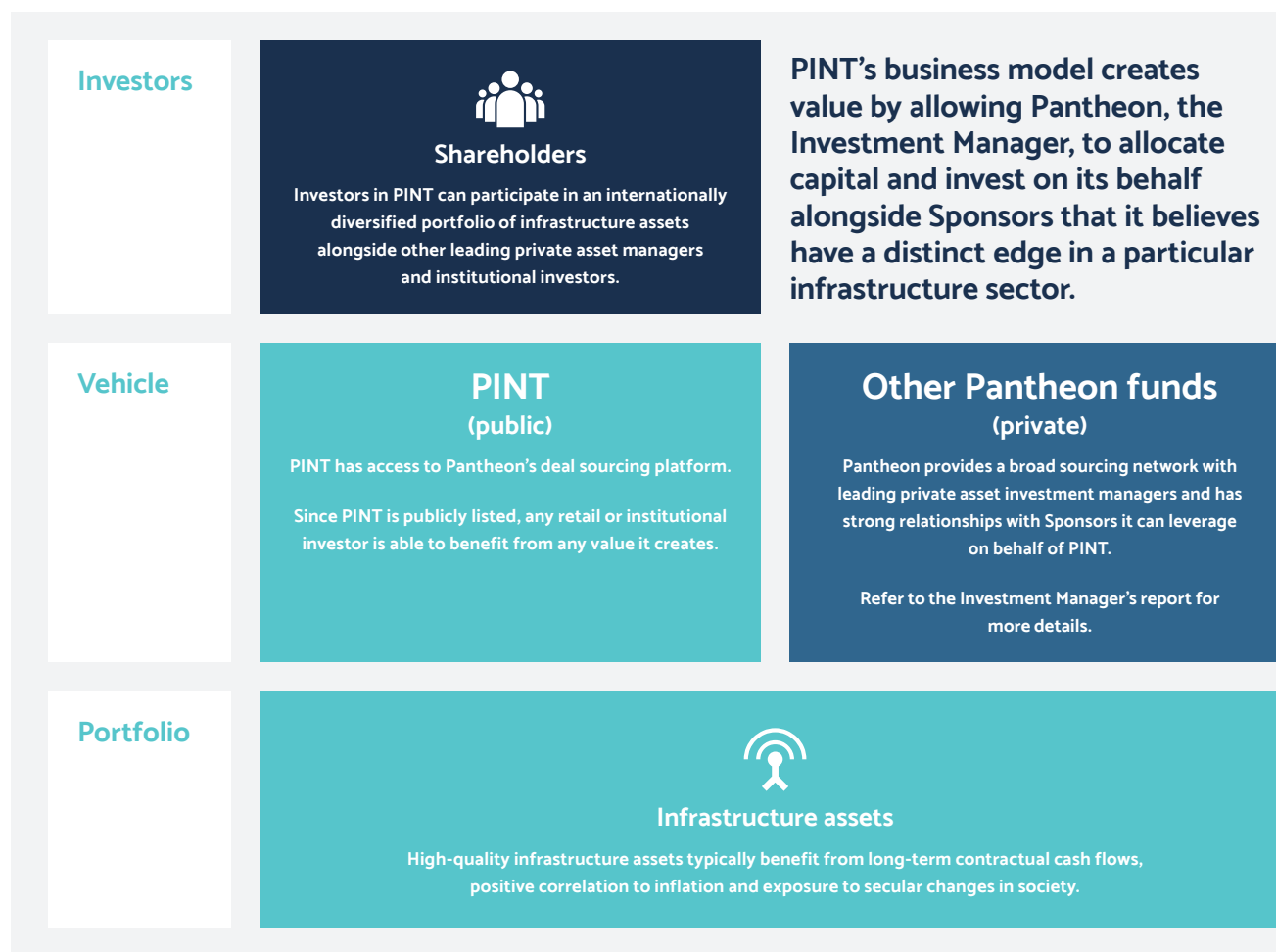


### Transport & Logistics

- Increased global trade
- Higher e-commerce penetration

## Business model continued

### How we create value



### Value creation

**8–10% p.a.**  
target NAV Total Return per share

**4p per share<sup>1</sup>**  
second year dividend,  
progressive thereafter



1. The Company is targeting a dividend of 4 pence per share for the year ending 31 December 2023, and, thereafter, a progressive dividend.

## Investment strategy

The Company seeks to generate attractive risk-adjusted total returns for shareholders over the long term, comprising both capital growth and a progressive dividend. Through the acquisition of equity or equity-related investments, PINT offers a diversified portfolio of infrastructure assets with a primary focus on developed OECD markets.

|                                   |                                                                                                                                                                        |                                     |                                                                                                                                                                                                                                    |
|-----------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Diversification</b>            | International portfolio with exposure to regions, sectors and sourcing partners and the ability to tilt the Portfolio over time to the best risk/return opportunities. | <b>Capturing long-term growth</b>   | Exposure to growth dynamics within infrastructure sub-sectors including the transition to a net zero carbon economy and the digitalisation of social and economic activity.                                                        |
| <b>Resilient cash flow assets</b> | Emphasis on direct infrastructure assets with substantially contracted cash flows and conservative leverage creates a portfolio with downside protection.              | <b>Value creation opportunities</b> | Assets where added value can be created through operational optimisation and increased profitability, through incremental expansion of a platform or industry consolidation, utilising the skill-set and track record of Sponsors. |
| <b>Inflation protection</b>       | Natural hedge against rising inflation with certain assets benefiting from inflation protection.                                                                       | <b>Strong ESG characteristics</b>   | Robust asset and Sponsor ESG risk assessment through due diligence, ongoing asset monitoring and exclusion of high-risk ESG sectors from the strategy, including coal, oil, gas (upstream), mining and nuclear.                    |

## Alternative Performance Measures (APMs)

PINT assesses its performance using a variety of measures that are not specifically defined under FRS 102 and are therefore termed APMs. The APMs used may not be directly comparable with those used by other companies. These APMs provide additional information as to how the Company has performed over the period and allow the Board, management and stakeholders to compare its performance.

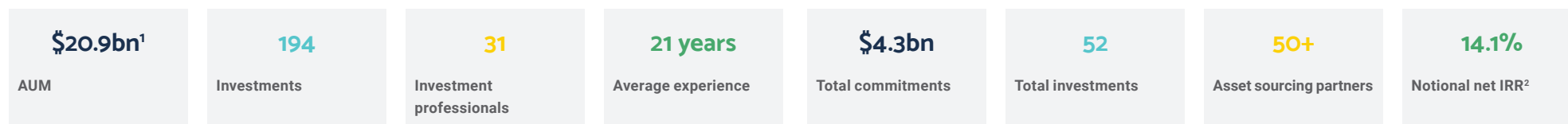
| APM                                          | Details                                                                                                                                                                                                                                                   | Calculation                                                                                                                                                                                                                | Reconciliation to FRS 102                                                                                                                                               |
|----------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| NAV Total Return                             | Total return comprises the investment return from the Portfolio and income from any cash balances, net of management and operating and finance costs. It also includes foreign exchange movement and movement in the fair value of derivatives and taxes. | It is calculated as the total return of £14.9 million for the six months ended 30 June 2023, as shown in the Income Statement, as a percentage of the opening NAV for the period of £474.8 million as of 31 December 2022. | The calculation uses FRS 102 measures.                                                                                                                                  |
| Net asset value per share                    | A measure of the NAV per share in the Company.                                                                                                                                                                                                            | It is calculated as the NAV divided by the total number of shares in issue, both at the balance sheet date.                                                                                                                | The calculation uses FRS 102 measures and is set out in Note 16 to the accounts.                                                                                        |
| Annual distribution                          | This measure reflects the dividends distributed to shareholders in respect of each year.                                                                                                                                                                  | The dividend is measured on a pence per share basis.                                                                                                                                                                       | The calculation uses FRS 102 measures.                                                                                                                                  |
| Investment value and outstanding commitments | A measure of the size of the investment portfolio including the value of further contracted future investments committed by the Company.                                                                                                                  | It is calculated as the Portfolio asset value plus the amount of contracted commitments.                                                                                                                                   | The Portfolio asset value uses the FRS 102 measure Investments at fair value, set out in Note 1 to the accounts. The value of future commitments is set out in Note 21. |

# Investment Manager's report

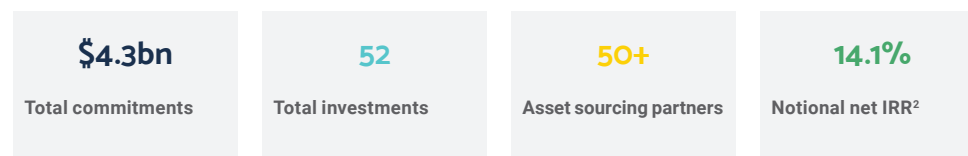
## Pantheon platform



## Pantheon private infrastructure



## Pantheon private infrastructure co-investments



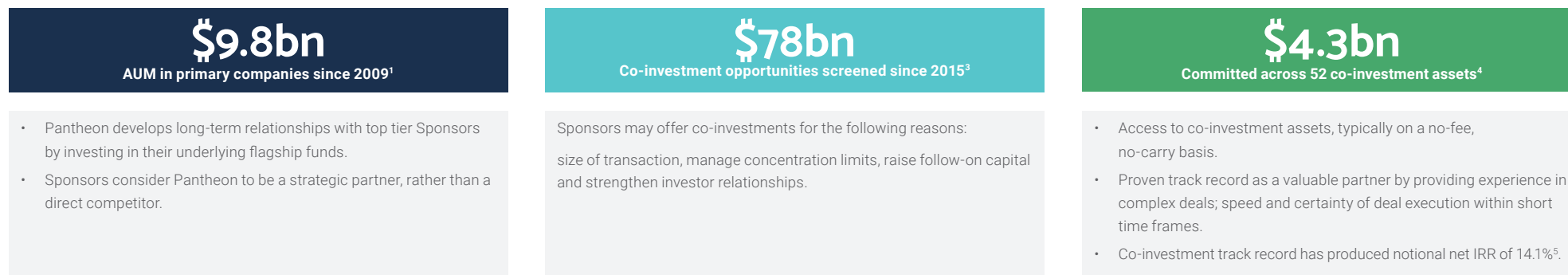
## Pantheon primary funds strategy



## Sponsors require co-investment partner



## Pantheon co-investment strategy



1. As at 31 March 2023. This figure includes assets subject to discretionary or non-discretionary management or advice. Infrastructure AUM includes all infrastructure and real asset programmes which have an allocation to natural resources.

2. Performance data as of 31 March 2023. Past performance is not indicative of future results. Future performance is not guaranteed and a loss of principal may occur. Performance data includes all infrastructure co-investments approved by Pantheon's Global Infrastructure and Real Assets Committee (GIRAC) since 2015, when Pantheon established its infrastructure co-investment strategy. Notional net performance is based on an average forecast annualised fee of 1.5% of NAV.

3. Pantheon internal data from 2015 to 30 June 2023. Screened deal flow is based on total value of transactions (\$).

4. Total infrastructure co-investment count and committed amount as of 31 March 2023, includes all Pantheon infrastructure co-investments closed or in legal closing.

5. Performance data as of 31 March 2023. Performance data includes all consummated infrastructure co-investments approved by GIRAC since 2015, when Pantheon established its infrastructure co-investment strategy.



## Investment Manager's report continued

### Investment activity

PINT continued to deploy selectively during the first half of the year. In addition to c.£61.6 million of capital committed during the period to GD Towers and GlobalConnect, after the period end the Company further announced a £35 million commitment to Zenobe, a UK renewables and energy efficiency transaction. Cash amounts invested across the Portfolio during the period were £86.1 million with a total undrawn amount at the period end of £32.9 million of which £19.8 million was invested shortly after the period end in GlobalConnect.

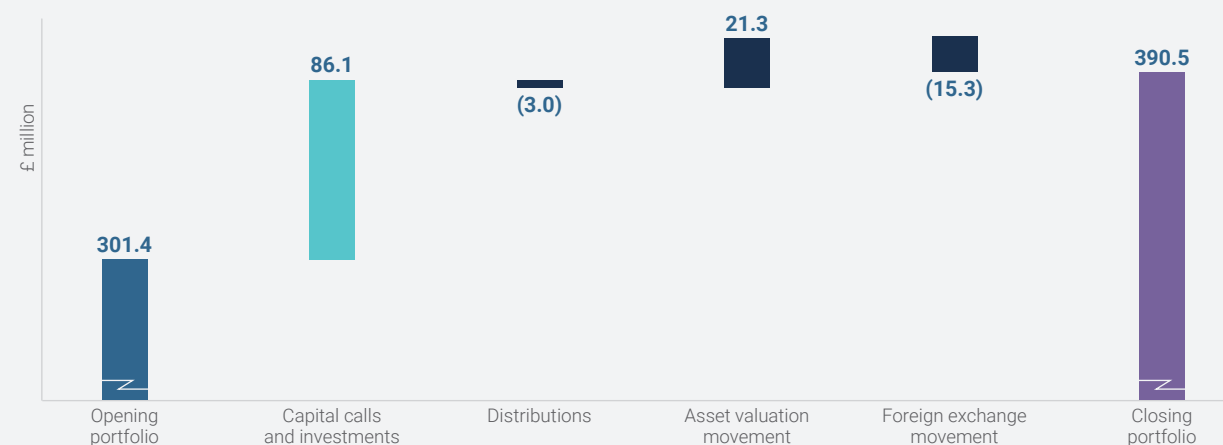
Pantheon continues to see significant co-investment opportunities across all sectors, and maintains a disciplined approach to assessing the suitability of investments for PINT. Several further deals were screened, and ultimately declined, in addition to those closed during the period. Additionally, in one instance an investment, for a North American renewable energy platform, was declined during legal closing – the period subsequent to GIRAC approval but prior to legally binding commitment – due to the Sponsor declining to provide PINT with the necessary information disclosure permissions. Whilst this was naturally disappointing, it demonstrates Pantheon's commitment to ensure that PINT can disclose fundamental investment characteristics to investors. Further details around deal screening and selection are set out in the 'Co-investment approach' later on in the report.

### Performance

#### Portfolio movement (period to 30 June 2023)

During the period, PINT invested £39.2 million into one new asset, GD Towers (GlobalConnect closed on 22 June 2023 but was not funded until after the period end) and a further £46.9 million into existing Portfolio commitments (principally into National Gas). Underlying fair value movements on the eleven investments held during the period totalled £21.3 million and the strengthening of GBP resulted in a Portfolio foreign exchange loss of £15.3 million, before considering the impact of the hedging programme, which is discussed on page 29. Distributions of £3.0 million were received during the period, resulting in a closing Portfolio value of £390.5 million at 30 June 2023.

Much of the Portfolio movement can be attributable to the impact of rolling forward DCF valuations, and aside from updated future borrowing costs in line with increasing base rates, no material amendments to the underlying Portfolio Companies' business plans were reported by Sponsors. Only one completed investment, GD Towers, which closed during the period, was valued at cost.



## Investment Manager's report continued

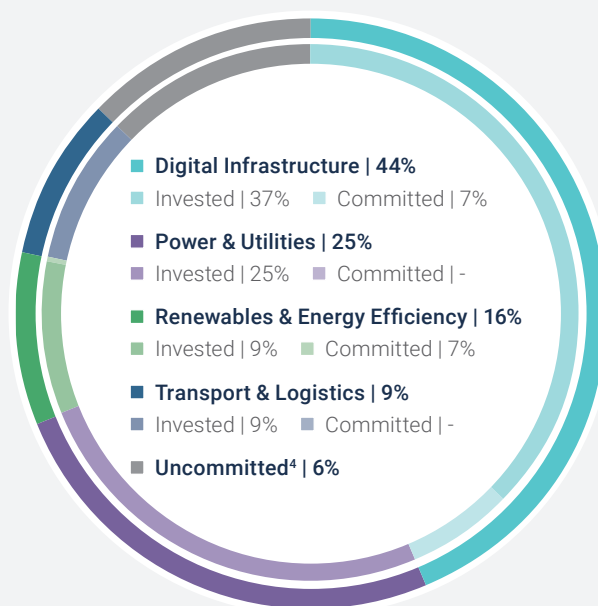
### Portfolio update

From an operating perspective, the Portfolio continued to perform well during the period with no material underperformance across any of the Portfolio Companies. Operational developments of note included:

- Delta Fiber and T-Mobile Netherlands entered into a long-term network sharing agreement, which broadens both parties' coverage and represents a key milestone for the open access business model that targets a greater degree of wholesale business.
- Calpine commenced construction on the 680MW Nova battery storage project, which is expected to be the largest standalone battery storage project in North America.
- Vertical Bridge entered into a joint venture agreement with Verizon to build cell towers across the US to serve Verizon's expansion of 4G and 5G Ultra Wideband services. The towers will be constructed on a 'build-to-suit' basis which further supports Vertical Bridge's long-term growth expectations in this business segment.
- National Broadband Ireland passed a further 23,400 homes, bringing its total homes passed to 154,400 out of a total intervention area of over 560,000 homes. 9,100 additional homes were connected in the period, bringing the total to 45,200.
- GlobalConnect became the first data centre provider in Europe to offer submerged cooling – submerging servers in a special developed cooling liquid – after introducing the technology in its Copenhagen data centre following a research programme with technology provider GRC. The technology is expected to be rolled out at other locations and has the potential to dramatically reduce cooling space and power requirements.

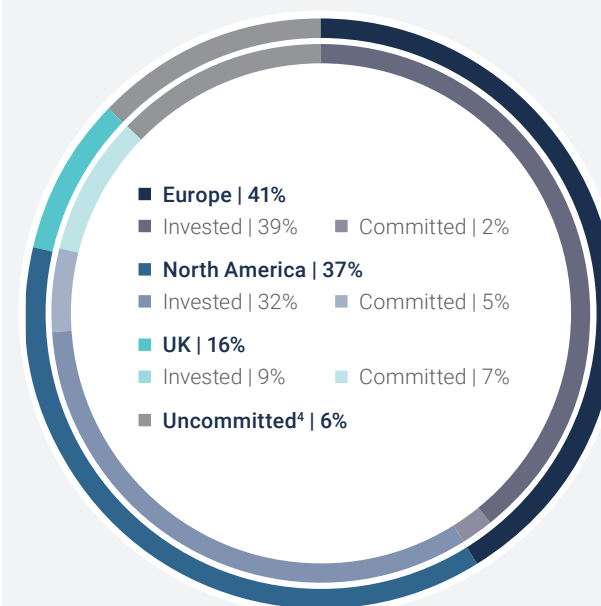
### Sector diversification<sup>1</sup> (as at 30 June 2023)

Outer ring: total (invested<sup>2</sup> + committed<sup>3</sup>)  
Inner ring: invested and committed breakdown



### Geographic diversification<sup>1</sup> (as at 30 June 2023)

Outer ring: total (invested + committed)  
Inner ring: invested and committed breakdown



1. Based on gross assets of £485.6 million at 30 June 2023.
2. Invested amounts at 30 June 2023 totalled £390.5 million, representing the fair value of the Company's funded investments in those sectors or geographies.
3. Committed amounts at 30 June 2023 totalled £67.9 million, representing cash held in respect of as yet undrawn commitments and/or deals in legal closing in those sectors or geographies. Undrawn commitments are a feature of the Company's investments and occur when completions are deferred due to commercial or regulatory approval processes, or where capital calls are intentionally staggered over time for follow-on purposes, for example for capex or M&A requirements.
4. Remaining working capital at 30 June 2023, net of amounts reserved for committed investments or investments in legal closing, totalled £27.2 million.

## Investment Manager's report continued

### Discount rates

At the period end, the weighted average discount rate (WADR) of the Portfolio was 14%. This is significantly higher than observed elsewhere in the listed infrastructure universe, which Pantheon believes provides significant valuation headroom in a higher interest rate environment. This outlook is supported by limited evidence of downward valuation movements in core plus and value-add private market infrastructure assets over the last 12 months, as private capital continues to specifically seek out high-quality assets with significant growth potential from key societal tailwinds.

More generally, the higher entry IRRs and ongoing discount rates of the Company's investments partly reflect the long-term objective of PINT to focus on underlying investments that deliver capital growth. This growth is expected to be achieved by Portfolio Companies' increasing their long-term earnings through a mixture of organic growth, accretive capital investment, M&A activity, and improved business efficiencies, and ultimately from divesting in the future at a premium to the entry valuation. All of these factors feed into a Sponsor's ongoing business plan, which introduces additional execution risk and therefore higher required returns, when considered relative to assets valued entirely on the basis of cash flows arising from existing operational assets with finite asset lives. However, to the extent that individual Portfolio Companies successfully execute on their growth initiatives and de-risk business plans over time, Pantheon would expect discount rates to fall commensurately with increased future earnings certainty.

### RCF increase

During the period, the Company increased its RCF by £52.5 million through the addition of Royal Bank of Scotland International as a lender. The total available RCF is now £115 million, which remains fully undrawn, with a remaining term of just over two years until December 2025.

### Buybacks

Following the Company's announcement in March to allocate up to £10 million of capital for share buybacks, c.£1 million of buybacks were made during the period, contributing 0.04p per share in NAV uplifts. Further buybacks after the period end, totalling £2.9 million, have contributed a further 0.18p per share in NAV uplifts.

### Capital allocation

Pantheon continues to see a significant pipeline of executable transactions for PINT through the depth of its Sponsor relationships. It is, however, mindful of the continuing macroeconomic environment and its associated impact on sentiment towards listed infrastructure as an asset class, and the resulting sustained discounts to NAV that have emerged. Accordingly, Pantheon gives regular consideration to the appropriateness of making further investments relative to the alternative options for allocating capital, including share buybacks, or retaining increased liquidity, as well as the associated cost of any capital that is allocated for these purposes.

Pantheon continues to see good reason for PINT making new investments alongside its buyback programme. Aside from where the economics of a proposed transaction are significantly attractive to the Company, further investment also increases the benefit of diversification – by sector, geography and vintage – that is not possible through further share buybacks.

As detailed below, following the recent completion of the Zenobe transaction, PINT has now largely committed its available cash resources, which means any further investment activity or increased buyback allocation will eventually require some form of utilisation of the RCF. Pantheon considers this to be a beneficial position for PINT to be in, as the Company can approach any such activity mindful of the incremental cost of doing so, given the backdrop of the increased interest rate environment.

Pantheon expects that further investment by PINT will be carefully considered relative to potential investment returns, current cost of drawn debt and the returns available through share buybacks. In any event, the Company's approach to capital allocation will be continuously reviewed in the context of the investment opportunities that Pantheon has access to.

### Liquidity and leverage

At the period end, the Company benefited from significant available liquidity of £205.8 million through its remaining cash and cash equivalents of £90.8 million and its undrawn RCF of £115 million.

The Company continues to maintain a policy to hold liquidity sufficient to cover all investment commitments, amounts in legal closing and the remaining allocation to its share buyback programme due in the next twelve months. At the period end, this amount totalled £76.9 million, which includes the GlobalConnect (£19.8 million) and Zenobe (£35 million) transactions.

The Company holds specific cash buffers in respect of potential further liquidity requirements over the next twelve months. These buffers include forecast operating costs, dividend payments, FX hedge settlements due (based on mark-to-market valuations), an allowance for emergency co-investment capital across the Portfolio, allowances for FX movements on undrawn non-GBP commitments, and amounts held against the Company's FX hedging positions (calculated relative to notional amounts and contractual maturity). At the period end, these amounts totalled £78.3 million.

Deducting all these considerations represents the surplus funds available to the Company for further investment, which at the period end stood at £50.6 million. Any material changes to each investment's liquidity horizon, such as underlying distributions or an accelerated exit relative to the underlying Sponsor base case, will improve the Company's liquidity position and accordingly increase this amount.

# Investment Manager's report continued

## Liquidity and leverage continued

| Sources                                            | £'m          |
|----------------------------------------------------|--------------|
| Cash and cash equivalents                          | 90.8         |
| RCF                                                | 115.0        |
| <b>Total (A)</b>                                   | <b>205.8</b> |
| <b>Commitments</b>                                 |              |
| Undrawn investment commitments                     | 32.9         |
| Investments in legal closing                       | 35.0         |
| Remaining allocation under share buyback programme | 9.0          |
| <b>Total (B)</b>                                   | <b>76.9</b>  |
| <b>Buffers</b>                                     |              |
| Operating costs                                    | 8.5          |
| FX mark-to-market                                  | 0.6          |
| Dividends                                          | 19.2         |
| Co-investment buffers                              | 19.4         |
| FX buffers on undrawn investment commitments       | 6.4          |
| FX hedging buffers                                 | 24.2         |
| <b>Total (C)</b>                                   | <b>78.3</b>  |
| <b>Available funds (= A - B - C)</b>               | <b>50.6</b>  |

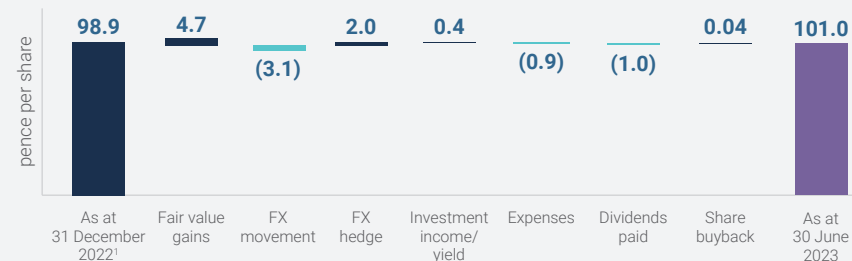
As noted above, Pantheon continuously assesses the optimal use of remaining funds when presented with new investment opportunities, noting that utilising this surplus in full for any purpose would involve a full utilisation of the Company's existing cash balances and partial utilisation of its RCF, up to an amount representing c.10% of NAV. Pantheon considers such a level of gearing in current conditions to be appropriate relative to the established parameters of investing either through additional share buybacks, at a material discount to NAV, or carefully selected new investments with demonstrable returns in excess of the drawn cost of the RCF.

## NAV performance

### NAV pence per share movement (period to 30 June 2023)

NAV per share over the period increased by 2.1p per share, or 3.1p per share after adjusting for the interim dividend for H2 2022 of 1.0p per share, paid in March 2023. This movement is broadly in line with Pantheon's expectations given the timing of investment completions, remaining undrawn cash and the holding at cost of GD Towers.

The movement in the period was principally driven by fair value gains of 4.7p per share, offset by negative foreign exchange movement of (3.1p) per share caused by the strengthening of the GBP in the period, which was partially offset by a 2.0p per share movement from the foreign exchange hedging programme. Interest from cash deposits contributed 0.4p per share, offset by (0.9p) per share related to fund operating expenses, resulting in a closing NAV of 101.0p per share. The impact of transactions undertaken in line with the Company's share buyback programme contributed 0.04p per share during the period.



## Dividend

The Company remains committed to its IPO target to pay a dividend of 4p per share for the year ending 31 December 2023 and then move to a progressive dividend policy. Based on the effective NAV per share increase during the period of 3.1p per share and the interim dividend of 2p per share, the Company's dividend for H1 2023 is covered by earnings 1.6 times.

## Investment Manager's report continued

### Dividend continued

From a cash perspective, the Company does not expect its dividend to be covered on a cash receipts basis in the short-term. The main reason for this is that the co-investment model means the Company does not have direct control of underlying distributions, and many of the Portfolio Companies consider the re-deployment of free cash flow into growth capex or M&A activity to be a more effective use of cash flow than making distributions in the current interest rate environment, and the relative immaturity of the Portfolio means that no investment exits are envisaged in the short-term.

### Foreign exchange impact

PINT aims to deliver steady NAV growth and, as outlined in the IPO Prospectus, the Company may enter into foreign exchange hedging transactions for the purposes of efficient portfolio management.

In order to limit the potential impact on the NAV from material movements in major foreign exchange rates, the Company has implemented a structured foreign exchange hedging programme. This aims to reduce (rather than eliminate) the impact of movements in major foreign exchange rates on the GBP net asset value.

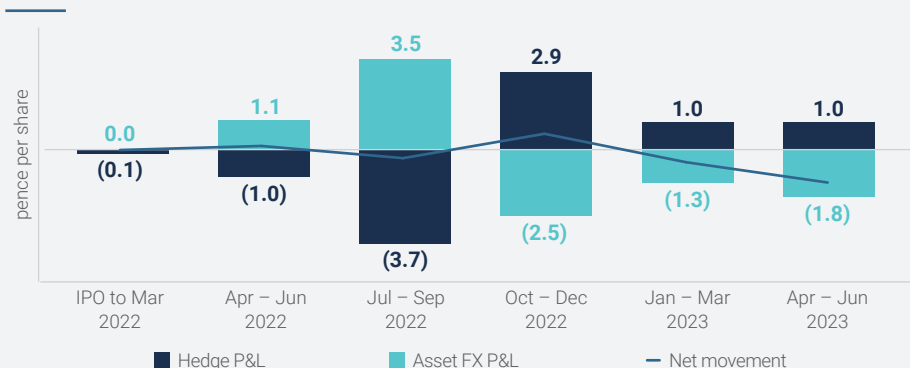
The appreciation of GBP resulted in a negative portfolio foreign exchange movement of (£15.3) million

in the period to 30 June 2023, which was partially offset by a gain in the hedging programme of £9.7 million. The resulting net downward impact of (£5.6) million, or (1.2p) per share, is attributable to a combination of the Company's unhedged foreign currency investments along with movements in the long-term forward rates used in derivative mark-to-market valuations, arising from higher long-term interest GBP rate expectations compared to EUR and USD. All other things being equal, negative movements attributable to these long-term forward rates will unwind in the Company's favour as it approaches contract maturities.

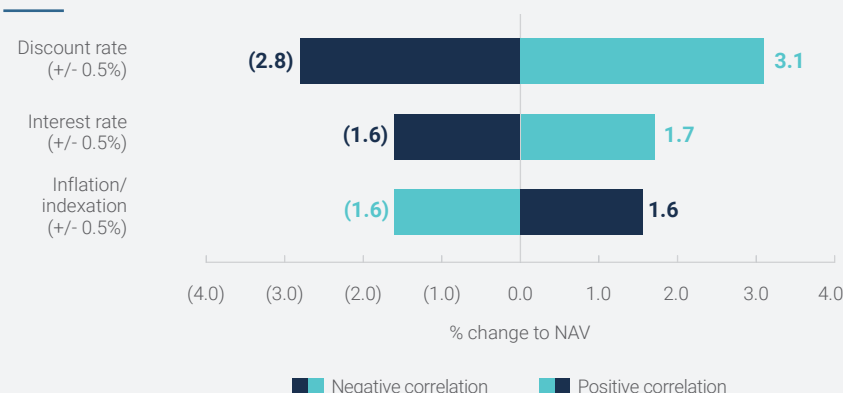
### Sensitivity

In line with their information reporting obligations, Sponsors are required to perform a number of valuation sensitivities on the Company's behalf against key inputs including inflation, interest rates and discount rates. The aggregated results of these sensitivities across the Portfolio are shown in the chart below. Owing to the nature of the underlying revenues across the Portfolio, the Company benefits from a net positive correlation with inflation. Conversely, the Portfolio is negatively correlated to interest rate movements, where rises would result in reduced free cash flows. The impact of this across the Portfolio is mitigated by substantially hedged or fixed rate debt at investment level.

### NAV foreign exchange and hedging



### Valuation sensitivity at 30 June 2023<sup>1</sup>



1. Based on assets invested at 30 June 2023. Sensitivity results are provided by Sponsors based on adjustments to the relevant underlying assumptions in base case financial models across the expected life of each investment.



# Investment Manager's report continued

## Portfolio summary

| Asset                                                                                                          | Status           | Commitment date | Sector                         | Region        | Sponsor       | Portfolio NAV<br>30 June 2023<br>(£m) | Undrawn<br>commitments<br>(£m) |
|----------------------------------------------------------------------------------------------------------------|------------------|-----------------|--------------------------------|---------------|---------------|---------------------------------------|--------------------------------|
| <b>Portfolio assets 30 June 2023</b>                                                                           |                  |                 |                                |               |               |                                       |                                |
|  Primafrío                    | Invested         | March 2022      | Transport & Logistics          | Europe        | Apollo        | 43.0                                  | 0.5                            |
|  CyrusOne                     | Invested         | March 2022      | Digital Infrastructure         | North America | KKR           | 23.7                                  | 3.8                            |
|  National Gas                 | Invested         | March 2022      | Power & Utilities              | UK            | Macquarie     | 41.2                                  | 0.0                            |
|  Vertical Bridge              | Invested         | April 2022      | Digital Infrastructure         | North America | DigitalBridge | 26.6                                  | —                              |
|  Delta Fiber                  | Invested         | April 2022      | Digital Infrastructure         | Europe        | Stonepeak     | 22.6                                  | 1.5                            |
|  Cartier Energy               | Invested         | May 2022        | Power & Utilities              | North America | Vauban        | 33.2                                  | —                              |
|  Calpine                      | Invested         | June 2022       | Power & Utilities              | North America | ECP           | 47.9                                  | —                              |
|  Vantage Data Centers         | Invested         | July 2022       | Digital Infrastructure         | North America | DigitalBridge | 27.2                                  | —                              |
|  Fudura                      | Invested         | July 2022       | Renewables & Energy Efficiency | Europe        | DIF           | 43.4                                  | 1.6                            |
|  National Broadband Ireland | Invested         | November 2022   | Digital Infrastructure         | Europe        | Asterion      | 43.6                                  | 3.2                            |
|  GD Towers                  | Invested         | January 2023    | Digital Infrastructure         | Europe        | DigitalBridge | 37.9                                  | 2.5                            |
|                                                                                                                |                  |                 |                                |               |               | <b>390.5<sup>1</sup></b>              | <b>13.1</b>                    |
| <b>Assets committed and in legal closing at 30 June 2023</b>                                                   |                  |                 |                                |               |               |                                       |                                |
|  GlobalConnect              | Committed        | June 2023       | Digital Infrastructure         | Europe        | EQT           | —                                     | 19.8                           |
|  Zenobe                     | In-legal closing | September 2023  | Renewables & Energy Efficiency | UK            | Infracapital  | —                                     | 35.0                           |
|                                                                                                                |                  |                 |                                |               |               | —                                     | <b>54.8</b>                    |
| <b>TOTAL</b>                                                                                                   |                  |                 |                                |               |               | <b>390.5<sup>1</sup></b>              | <b>67.9</b>                    |

1. Rounding accounts for the difference between individual amounts and the total stated.

**Key:**  Digital Infrastructure  Renewables & Energy Efficiency  Power & Utilities  Transport & Logistics

# Investment policy



## Digital Infrastructure

(including wireless towers, data centres and fibre-optic networks)



## Power & Utilities

(including transmission and distribution networks, regulated utility companies and efficient conventional power assets)



## Renewables & Energy Efficiency

(including smart infrastructure, wind, solar and sustainable waste)



## Transport & Logistics

(including ports, rail, roads, airports and logistics assets)



## Social & Other Infrastructure

(including education, healthcare, government and community buildings)

The Company invests in a diversified portfolio of high-quality operational infrastructure assets which provide essential physical structures, systems and/or services to allow economies and communities to function effectively. The Company invests in both yielding and growth infrastructure assets which the Investment Manager believes will offer strong downside protection and typically offer strong inflation protection.

The Company invests internationally, with a primary focus on developed OECD markets, with the majority of its investments in Europe and North America.

The Company's Portfolio is diversified across infrastructure sectors, which includes (but are not limited to) the sectors opposite, in each case where the Investment Manager believes it can generate the most attractive risk-adjusted returns.

The Company focuses on gaining exposure to infrastructure assets via co-investments alongside leading third-party private direct infrastructure asset investment managers who are acting as general partner or manager of a fund in which Pantheon, or any investment scheme, pooled investment vehicle or Portfolio Company managed by Pantheon, has invested or may invest. In doing so, the Company may invest on its own or alongside other institutional clients of the Investment Manager. The Company may also invest in other direct or single asset investment opportunities originated by the Investment Manager or by other third-party asset sourcing partners. The Company does not invest in private funds targeting a diversified portfolio of infrastructure investments.

# Co-investment approach

## Features of co-investment

Whilst the precise structure varies from deal to deal, there are a number of standard characteristics of PINT's co-investments, including:

### Price

The entry price for a co-investment is set by the Sponsor, often as a result of a bidding or auction process, and for single asset secondaries will usually be linked to the Sponsor's current holding valuation, in some cases with a modest entry discount. It is then for Pantheon to determine whether the valuation represents an appropriate entry point, which is usually done through a combination of benchmarking and sensitivity analysis. This includes the preparation of a 'Pantheon Case' scenario which may have long-term assumptions that diverge from those of a Sponsor, and may lead to a different forecast return.

### Due diligence

Pantheon is provided with all the due diligence materials available to the Sponsor as part of any underwriting process, and in some cases, access is also granted to certain advisers to address any concerns over discrete company risks. A series of reference calls with other key external stakeholders in the relevant sector is usually undertaken as the final stage of the due diligence phase.

### Control

A co-investor will not usually be able to exert any material control over a co-investment, as operating autonomy around critical business decisions is considered essential for Sponsors to grow Portfolio Companies. This means that in practice key decisions around growth strategy, capital structure, treasury management, distribution policy and exit economics/timing are not directly determined by PINT. The critical protections around this lack of control are to ensure sufficient contractual mechanisms are in place to provide alignment with the lead Sponsor, as well as performing appropriately targeted due diligence around key company risks.

### Alignment

Co-investments are typically structured to include reciprocal drag and tag rights, which exist to protect both the co-investor and Sponsor and form a key component of aligning the economic outcomes amongst parties. A drag-along right enables a Sponsor to force co-investors to consent to a sale, and a tag-along right offers reciprocal protection for co-investors if a Sponsor decides to sell its stake. Other areas of alignment may include lock-in periods, minimum Sponsor carry commitments and minimum MOIC thresholds.

### Valuations

Under IPEV guidance, PINT uses valuations that are prepared by the Sponsor or their external valuation agent, using their methodology and inputs, including business forecasts and discount rates. They are then reviewed by Pantheon's valuation committee for appropriateness. Valuations are commonly performed on a DCF basis but may sometimes be a combination of other methods including benchmarking to market comparisons or transactional evidence. Owing to their inherent complexity and the Sponsor's familiarity with companies, it is not usually possible for co-investors to reconstruct valuations on a bottom-up basis.

### Reporting

Beyond the underwriting stage, enhanced information and reporting rights are typically guided by a co-investor's specific requirements, but are usually governed by strict disclosure and confidentiality provisions to prevent publication of commercially sensitive information.

## Co-investment approach continued

### Pantheon approach

PINT's investment policy is to seek exposure to single companies through co-investments or single asset secondary transactions, alongside the leading Sponsors that Pantheon works with. Its extensive network of Sponsors means Pantheon is granted access to a significant deal flow of opportunities on which PINT can transact and accordingly must be selective around those that it pursues. Specific considerations on this selective approach to screening target deals include:

#### Size

Specific appetite for an opportunity is considered relative to PINT's long-term target sector and geography allocations.

#### Tailwinds

PINT targets companies operating in sectors that are suitably positioned to benefit from the growth potential in future secular tailwinds.

#### Downside protection

Analysis of the relative weighting of a company's contracted revenues is the starting point in screening a transaction, however uncontracted exposure will be considered if there is sufficient conviction around a company's existing competitive advantage or that there will remain barriers to entry in the sector.

#### Fees

Deals are typically presented to Pantheon on a fee-free and carry-free basis, however in some instances transactions with fees and carry may be considered if the opportunity is considered attractive enough to justify the economic leakage.

#### Gearing

Capital structures are considered relative to what is typical for a sector, with a preference for longer-term fixed rate or hedged debt structures. A company's access to incremental financing and the Sponsor's track record in delivering such financing are also considered critical for ensuring future business plans are sufficiently funded in capital-intensive sectors such as data centres and fibre.

#### Inflation protection

Explicit inflation linkage of a company's revenues is preferred, typically through contractual or regulation-based escalators, but implicit inflation linkage is also acceptable when real returns are not significantly diluted under downside scenarios and can be protected in instances of high capex inflation.

#### Exit timing and assumptions

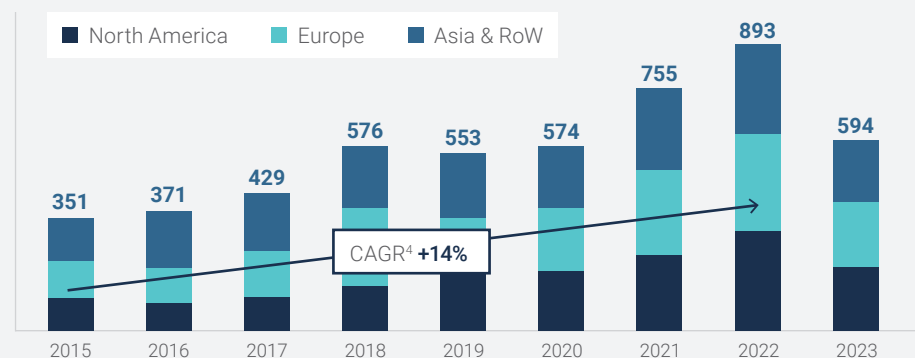
Exits are generally assumed to occur within a five to seven-year time frame, normally in line with the Sponsors' underlying fund lives, but 'buy and hold' base case scenarios are considered where there are sufficient contractual mechanisms for PINT to seek a unilateral exit. Exit economics (e.g. secondary buyer IRRs or EBITDA multiples) are typically determined relative to existing current market comparable transactions, and material upside from sector 're-rating' is not considered as part of an investment base case.

# Our market

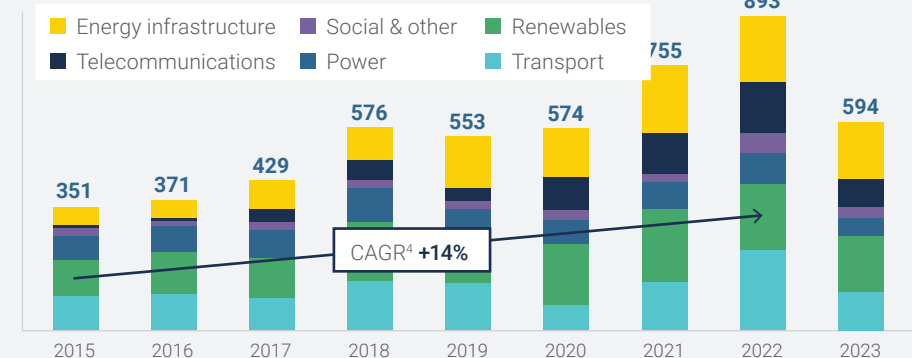
## Infrastructure market indicators

Strong upward trends in deal activity, fundraising and investor sentiment provide a positive backdrop for future growth.

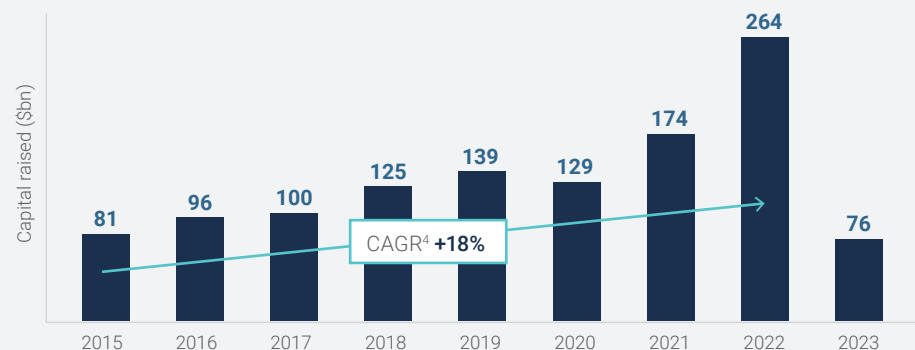
### Deal activity by geography (bn)<sup>1</sup>



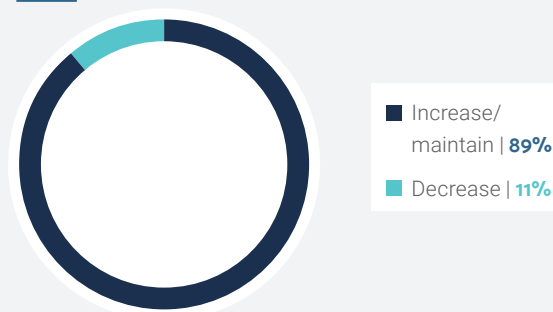
### Deal activity by sector (bn)<sup>1</sup>



### Infrastructure fundraising<sup>2</sup>



### Investor sentiment for future infrastructure allocations<sup>3</sup>



Pantheon opinion. There is no guarantee that these trends will persist.

- Source: Inframation, September 2023, based on greenfield and brownfield transactions from 2015 to 2023.
- Source: Preqin as of September 2023. Infrastructure fundraising is based on the year capital was closed, including funds which have not held a final closing.
- Source: Preqin Global Infrastructure Report 2023.
- CAGR figures based off 2015-2022.

## Our market continued

The way in which societies and economies function over time is changing, which creates new long-term tailwinds for the sectors that serve them. PINT continues to construct a portfolio in these growing markets with favourable tailwinds which should provide sustainable returns to shareholders.

### Global changes

#### Urbanisation

#### Digitalisation

#### Smart cities

#### Telecommunications

#### Work from home

#### Decarbonisation

#### Population growth

#### Supply chain realignment

### Key sector themes



#### Utilities

- The role of hydrogen is expected by some to be significant in energy transition, which impacts utilities such as gas transmission and distribution companies.
- Revenues tend to be inflation-linked, which is highly beneficial in the current market environment.
- High demand for assets and lack of supply has driven asset prices up.



#### Digital

- Significant increase in demand due to global trends (working from home gaming, AI, streaming, videos etc.) requiring major increase in data/connectivity.
- Labour and supply chain shortages/issues are impacting certain build-out and development projects.



#### Energy transition

- Governments and supranational organisations globally are prioritising climate change issues and clean energy, leading to tangible and publicly stated targets for many organisations.
- Infrastructure supporting the development of energy transition is still under-developed in areas such as the electric grid/EVs; further investment in this sector is in high demand.
- However, the process to build/transition relevant assets is comparatively slow.



#### Social & healthcare

- Increased demand for childcare facilities and population growth.
- Growth in life sciences, medical services and research, and an ageing population are driving demand for infrastructure in this sector.



#### Transportation

- Increased demand for cleaner modes of transport in line with aforementioned global trends.
- Travel volumes continue to recover after Covid-19, with air travel now recovered to c.96% of 2019 levels<sup>1</sup>.
- After significant increases in 2021, freight prices fell during 2022 due to softening global demand<sup>2</sup>.

Pantheon opinion. There is no guarantee that these trends will persist.

1. Source: IATA, July 2023.

2. Source: Freightos, February 2023.



## Sector spotlight

# Battery Energy Storage Systems

## Overview

Battery Energy Storage Systems (or 'BESS') are devices connected to electricity distribution or transmission networks that are capable of storing energy and releasing it at a later time. Algorithms and software are used to co-ordinate energy production and when to store and release that energy.

As the pursuit of decarbonisation continues to see an increase in renewable energy generation, these systems provide a way to modulate fluctuations in energy production at times when supply does not match energy demand. This, paired with the decreasing cost of battery technology, has led to the rise of BESS solutions as a key part of the energy transition.

BESS sites require capital-intensive infrastructure, including the battery systems themselves, connections to distribution or transmission networks, enclosures with thermal management, power conversion systems (inverters), energy management systems (monitoring and controlling energy flow within the system), and battery management systems (ensuring the safety of the system).

Grid infrastructure has not kept up with the pace of renewables deployment, with demand for BESS determined by multiple factors, such as:

- The variability of electricity demand.
- The current and expected future split of power generation sources.
- The flexibility and variability of these power generation sources.
- Cost and effectiveness of the energy storage technology.
- Connection availability to the grid.

## Technology

There are multiple types of battery technology available, with common types including Lithium-ion batteries ('Li-ion'), lead-acid batteries, sodium sulphur batteries, zinc bromine batteries, and flow batteries.

The dominant and most widely used technology today is the Li-ion battery – a versatile technology developed in the 1970s, used in devices such as mobile phones, laptops and electric cars. They offer an efficient and high-density solution, with a long cycle and quick charge and discharge potential. The batteries are charged during periods of low demand, by converting excess electricity into chemical energy within the batteries.

There are other types of energy storage systems which are mostly in developmental stages, but for now BESS form the majority of the required pipeline for additional energy storage units – examples of other technologies are compressed air energy storage, mechanical gravity energy storage, pumped hydropower storage, and hydrogen energy storage and fuel cells.

## Balancing the grid

The use of BESS provides a range of benefits to the electricity grid, including frequency regulation, peak load shifting, power management, and the integration of renewable energy sources.

Conventional renewable energy generation relies on unreliable inputs, making the electricity output unreliable in turn – the wind does not always blow and the sun does not always shine. When supply is higher than demand this results in wasted energy and lost revenue, or power outages when demand is higher than supply.

Stabilisation of the distribution network is a core requirement to accompany the increase in renewable energy generation, to allow more flexibility to meet electricity demands. Current system flexibility in the grid system tends to be provided by an increase or decrease in the provision of coal, gas-fired or nuclear power generation.

BESS provides a way to make the variable renewable resource consistent, dependable and predictable so that the electricity network needs can be met. It will also help reduce the dependency on non-renewable energy sources, whilst optimising returns and maximising energy efficiency.



## Sector spotlight continued

### Battery Energy Storage Systems continued

#### Market

More energy storage systems are required as a higher proportion of energy is generated from renewable sources, with the need for BESS growing more quickly at higher levels of renewables penetration given the increased variability in the overall supply.

The cost of Li-ion batteries has been on a strong downward trend over the last few decades, which has largely assisted in their becoming a viable solution for energy storage, and a potentially profitable investment.

Applications of utility scale energy storage systems include:

- **Energy arbitrage** – wholesale market trading, purchasing and storing of electricity during periods of low demand at low cost, and selling and discharging it at a higher price during periods of high demand. Revenue is generated from the volatility in energy prices.
- **Frequency response (ancillary services)** – providing fast responses to unpredictable variations in electricity demand and generation. These are usually short-term contracts that are awarded by energy grid operators with pricing mechanisms based on availability and pricing.
- **Capacity provision** – long-term commercial contracts, usually with creditworthy parties including energy system operators, such as National Grid in the UK, that agree to pay a fixed price for a project's capacity. These help to ensure a reliable energy provision to the grid, or alternatively supply energy to specific customers (for example EVs).

Through provision of a combination of these services, BESS owners can maximise their revenue through value stacking.

#### Business case

BESS projects are attractive to investors for a number of reasons, including the sector growth anticipated as the energy transition continues, and the potential for long-term contracts with predictable cash flows.

**Energy transition** – BESS projects are essential to help realise governmental targets of net zero by 2050 as energy systems move towards a higher proportion of renewable energy generation.

**Long-term contracts** – many of the BESS projects will have a capacity provision contract in place that will secure a proportion of cash flows, with the potential for these to be inflation linked. Further upside can be seen through value stacking.

**Regulation** – given the growth seen in the sector over the past few years, regulation has fallen behind. BESS are now an area of focus for governments and regulators, which will help to lift barriers and may also see financial incentives or subsidies for the projects.

**Supplier warranty** – the battery units will typically benefit from a supplier warranty that guarantees minimum performance levels under specific operating parameters, reducing technology risk.

#### PINT approach

PINT has exposure to a number of BESS projects through its investments in the Power & Utilities and Renewables & Energy Efficiency sectors. These include Calpine, which has in excess of 500MW of operational and development phase projects, notably Santa Ana and Nova in California, and Fudura, through its product offering of small to medium-sized behind-the-meter batteries to commercial customers. Furthermore, battery storage projects form a key part of the investment thesis of the recently announced Zenobe investment, which boasts c.500MW of contracted operational battery storage projects in the UK as well as a significant global development pipeline.

The development of BESS projects is expected to represent a key growth opportunity for infrastructure developers that PINT aims to invest in. Accordingly, the Company's exposure to this significant decarbonisation sector is expected to grow over time.

# ESG in infrastructure investing

## Introduction

The Board of PINT believes that sound ESG practices and operating sustainably are integral to building a resilient infrastructure business and creating long-term value for our shareholders and other stakeholders. Investing responsibly in infrastructure is central to PINT's business model.

PINT's Board is ultimately responsible for its sustainability, and established its ESG and Sustainability Committee in July 2023 to oversee and review its ESG and Sustainability policy, which can be found on PINT's website ([www.pantheoninfrastructure.com](http://www.pantheoninfrastructure.com)). The Committee is chaired by Andrea Finegan, an independent non-executive Director, and consists of PINT's Board members and Pantheon's Global Head of ESG.

The Board has appointed Pantheon as its Investment Manager who, amongst other responsibilities, is tasked with delivering this ESG and Sustainability policy day-to-day.

In turn, Pantheon (the 'Investment Manager') maintains its own group-wide ESG Policy, the objective of which is to ensure that, wherever possible, ESG considerations are appropriately reflected in Pantheon's investment process.

Pantheon believes this is crucial to harnessing the potential for value creation, as well as in protecting the interests and reputations of its firm and clients. ESG due diligence findings are formally documented in investment recommendations, with potential concerns flagged for consideration by Pantheon investment committees. Following the closing of an investment, Pantheon actively monitors ESG and climate change risk, and proactively engages with its highly experienced general partners and Sponsors to advocate for improvement in the event of any negative incidents.

Pantheon is rigorous in assessing and managing sustainability-related risks in its managed portfolio and identifying opportunities. Equally, Pantheon actively seeks opportunities arising from the development of solutions to global sustainability challenges. These long-term trends are aligned with PINT's strategy and investment mandate.

PINT is classified as Article 8 under the European Union's Sustainable Finance Disclosure Regulation (SFDR), and as such PINT must make available annual periodic reports, as detailed in the next paragraph. To support its promoted environmental/social characteristic, PINT has adopted an investment policy which restricts investments in specific excluded sectors. PINT will not invest in infrastructure assets whose principal operations are in any of the following sectors:

- coal (including coal-fired generation, transportation and mining);
- oil (including upstream, midstream and storage);
- upstream gas;
- nuclear energy; and
- mining.

## H1 highlights

During 2023, the following was achieved:

**PINT established an ESG & Sustainability Committee**

**Pantheon published its inaugural sustainability report for 2022**

**PINT adopted a Company ESG and sustainability policy, which complements and builds on the Investment Manager's ESG policy**

Looking ahead, the Company is aiming to improve data collection, resulting in better disclosures and also improved ESG performance of investments. We acknowledge that as an investment company without control of the underlying investee companies, we are heavily reliant on Pantheon and the Sponsors for the collection of data and delivery of any ESG objectives. The focus over the next year will be very much on engagement with suppliers and Sponsors to develop the communication, data collection and disclosure.





## ESG in infrastructure investing continued

### PINT and Pantheon's enhanced approach to ESG

Integrating ESG considerations into the selection and monitoring of its infrastructure assets is central to PINT's business model.

PINT recognises that its level of control of investments is limited, however where possible it will seek, through its Investment Manager and the management teams of the investments, to work with investee companies to improve their ESG performance.

The sustainability of a new potential investment into a Portfolio Company is assessed during the due diligence phase of the investment process, prior to any investment decision being made.

Pantheon's approach to assessing ESG opportunities and risk, on behalf of PINT is multi-faceted and includes a robust assessment of both Sponsor-level and asset-level factors. The investment team conducts extensive diligence at the Sponsor level using several ESG key performance indicators ('KPIs'). Pantheon's ESG analysis of potential infrastructure co-investments also involves assessment of ESG risk at the Portfolio Company level.

Pantheon's approach is based around four key aspects:

#### 1. Transparency

Enhanced transparency through improved ESG practices

#### 2. Integration

Integration of ESG screening, due diligence and monitoring

#### 3. Engagement

Consistent Sponsor, industry and investor engagement leads to improved ESG reporting

#### 4. Solutions

Developing Sponsor capabilities to offer solutions that meet investors' ESG and sustainability requirements



## ESG in infrastructure investing continued

### Sustainable Development Goals (SDGs)

As part of its integrated ESG analysis in investment due diligence, Pantheon considers the alignment of each UN Sustainable Development Goal (SDG) applicable to PINT's assets.

#### Overview

The UN defines SDGs as: 'as a universal call to action to end poverty, protect the planet, and ensure that by 2030 all people enjoy peace and prosperity. Pantheon believes that private sector investment is essential to achieving SDGs. Annual investment requirements across all sectors have been estimated at around \$5-7 trillion to achieve the SDGs and therefore mobilising private capital at scale is critical.

Against this backdrop, Pantheon engaged an external ESG consultancy firm to support it, through enhancing its investment screening and due diligence. Pantheon has also developed a bespoke and comprehensive ESG scorecards to support manager and Portfolio Company ESG assessments. Pantheon's ESG scorecard utilises various ESG data sources and leading ESG indicators – such as climate change performance index, World Bank carbon pricing benchmark - to assess managers and Portfolio Companies.

These are completed by the investment team before taking a deal to Pantheon's investment committee.

**For further details on Pantheon's SDG mapping methodology, please refer to PINT's sustainability report, available on PINT's website.**



Pantheon's ESG scorecard for single-company investments includes a tool which enables a high-level assessment of which SDGs the investment might contribute to<sup>1</sup>.

Primafrío



CyrusOne



Vertical Bridge



Delta Fiber



Cartier Energy



Calpine



Vantage



Fudura



National Broadband Ireland



<sup>1</sup> Portfolio Companies in which PINT had invested as at 31 December 2022.



# ESG in infrastructure investing continued

## Voluntary climate-related disclosures

In order to improve and increase reporting on climate-related financial information, the Financial Stability Board (FSB) – an international body formed by the G20 that monitors and makes recommendations about the global financial system – established the Task Force on Climate-Related Financial Disclosures (TCFD). This was driven by concerns that the risks associated with the transition to a low-carbon economy were being mispriced by market participants. For 2022, there is no mandatory requirement for PINT to make disclosures under the TCFD; however, the Company is making progress towards reporting fully against the TCFD categories of Governance, Strategy, Risk Management, and Metrics and Targets.

This section of the report sets out how PINT incorporates climate-related risks and opportunities into its governance, strategy, risk management, metrics and targets and is guided by, but is not intended to comply with, the recommendations of the TCFD.

## Governance

PINT's Audit and Risk Committee (ARC) monitors the integrity of the financial statements of the Company, including its annual and interim reports, including checking the sources of information relating to ESG and climate disclosures included therein. PINT is committed to sustainability throughout its supply chain. The appointment of third parties is overseen by the Manager and reviewed annually at the Management Engagement Committee. PINT is classified as Article 8 under the European Union's Sustainable Finance Disclosure Regulation, and as such has enhanced reporting requirements and an investment policy which restricts investments in specific exclusion sectors.

## Strategy

As set out in the Company's launch prospectus and ESG and sustainability policy, the Company intends to be diversified across sectors that support the Company's promoted environmental characteristics including climate change mitigation.

PINT will not invest in infrastructure assets whose principal operations are in any of the excluded sectors mentioned on page 38.

## Risk management

As set out in its annual report and accounts for 2022, the Company has a comprehensive risk and governance framework to ensure all risks, including ESG and climate-related risks, are monitored and managed with due care and diligence. The Board exercises oversight of this framework, through its Audit and Risk Committee, and ESG risks and opportunities are additionally considered by the ESG and Sustainability Committee.

The Company is ultimately reliant on the risk management frameworks of the Investment Manager, investment Sponsors and other key service providers, as well as on the risk management operations of each Portfolio Company.

## Metrics and targets

As set out in its strategy, PINT restricts investments in certain sectors; however, as it invests in a diversified portfolio, it does not have an overarching portfolio emissions target.

PINT reports against the following climate-related ESG key performance indicators:

- CO<sub>2</sub> emissions data (tCO<sub>2</sub>e);
- year of emissions;
- carbon intensity per asset (tCO<sub>2</sub>e/£m revenue); and
- carbon footprint (tCO<sub>2</sub>e/£m NAV).

## CO<sub>2</sub>: Scope 1 and 2 disclosures – PINT's portfolio

- **Scope 1 (direct emissions):** emissions generated from activities directly controlled by Portfolio Companies (i.e. combustion of fuel and operation of facilities).
- **Scope 2 (indirect emissions):** emissions generated from Portfolio Companies' consumption of power (i.e. purchased electricity/heat).

The top three CO<sub>2</sub>-emitting Portfolio Companies (tCO<sub>2</sub>e) contribute 99% of PINT's Scope 1 & 2 emissions.

|                                                   | Scope 1 | Scope 2 | Scope 1+2 |
|---------------------------------------------------|---------|---------|-----------|
| GHG emissions (tCO <sub>2</sub> e)                | 439,519 | 6,406   | 445,926   |
| Year of emissions                                 | 2022    | 2022    | 2022      |
| Carbon intensity (tCO <sub>2</sub> e/£m revenues) | 4,578   | 84      | 4,662     |
| Carbon footprint (tCO <sub>2</sub> e/£m NAV)      | 1,457   | 21      | 1,478     |
| Coverage (% of NAV reported)                      | 100%    | 100%    | 100%      |

Notes: Coverage refers to the % of NAV for which the Sponsors provided the GHG emissions value. All figures are actual data provided by Sponsors. None of the figures were estimated by Pantheon. Carbon intensity shown as a weighted average by NAV.

Revenue figures are latest available as at 31 December 2022. Emissions and NAV figures are as at 31 December 2022.



## ESG in infrastructure investing continued

### PINT's Portfolio Companies: Policies and diversity

The tables below provide a summary of the proportion of PINT's Portfolio Companies with Health & Safety and Diversity & Inclusion policies in place, and of the gender diversity of their boards and full-time employees.

#### Policies: Percentage of Portfolio Companies with Health & Safety and Diversity & Inclusion policies in place

Going forward, PINT and Pantheon will endeavour to work with Sponsors to ensure that Portfolio Companies which do not have the aforementioned policies work towards putting them in place.

Pantheon is relying on Sponsor's confirmation of Health & Safety and Diversity & Inclusion policies and has not received or reviewed the policies. Number of women FTEs not provided for one Portfolio Company.

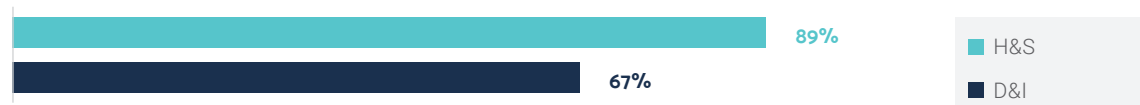
### Looking ahead

Going forward, PINT is aiming to develop data collection, resulting in better disclosures and also improved ESG performance of investments.

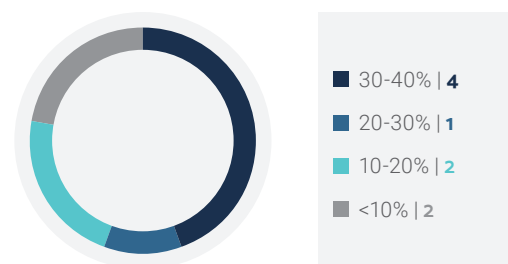
As an investment company without control of underlying investee companies, the Board is heavily reliant on Pantheon and Sponsors for the collection of data and delivery of any ESG objectives. The focus over the next year will be very much on engagement with suppliers to improve the communication, data collection and disclosure.

Further details of Pantheon's approach to climate change analysis in investing, investment examples, third-party relationships and Pantheon's own diversity and inclusion metrics can be found in the full 2022 sustainability report on PINT's website.

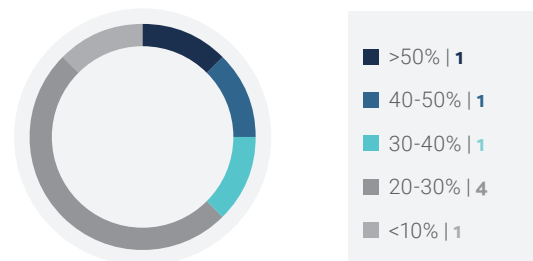
#### % of assets with an H&S / D&I policy in place



#### % of women board members



#### % of women FTEs



Note: Number of women FTEs not provided for one Portfolio Company.

## Board of Directors



**Vagn Sørensen** ■ ■ ■ ■ ■ ■ ■ ■ ■ ■  
Chair and Nomination Committee Chair

### Appointed to the Board 4 October 2021

Mr Vagn Sørensen is an experienced non-executive chair and director of listed and private companies.

After attending Aarhus Business School and graduating with a MSc degree in Economics and Business Administration, Mr Sørensen began his career at Scandinavian Airlines Systems in Sweden, rising through numerous positions in a 17-year career before becoming Deputy CEO with special responsibility for Denmark. Between 2001 and 2006, Mr Sørensen was President and Chief Executive Officer for Austrian Airlines Group in Austria, a business with approximately €2.5 billion of turnover, 8,000 employees and listed on the Vienna Stock Exchange. Mr Sørensen also served as Chair of the Association of European Airlines in 2004. Since 1999, Mr Sørensen has been a Tier 1 senior industrial adviser to EQT, a private equity sponsor, and has been a non-executive director or Chair of a number of their Portfolio Companies. Since 2008, Mr Sørensen has been a senior adviser to Morgan Stanley Investment Bank.

Mr Sørensen is currently Chair of Air Canada (since 2017) and a non-executive director of CNH Industrial and Royal Caribbean Cruises. Notable previous non-executive appointments have included Chair of SSP Group (2006 to February 2020), Chair of Scandic Hotels AB (2007-2018), Chair of TDC A/S (2006-2017) and Chair of FLSmidt & Co (2009-2022).



**Anne Baldock** ■ ■ ■ ■ ■ ■ ■ ■ ■ ■  
Senior Independent Director and Chair of the Remuneration Committee

### Appointed to the Board 4 October 2021

Ms Anne Baldock is an experienced board member and lawyer with over 30 years' experience in the infrastructure sector.

Ms Baldock graduated in law from the London School of Economics and was a qualified Solicitor in England and Wales from 1984 to 2012. Ms Baldock was a Partner at Allen & Overy LLP between 1990 and 2012, during which time she was Managing Partner, Projects Group London (1995-2007), member of the firm's Global/Main Strategic Board (2000-2006) and Global Head of Projects, Energy and Infrastructure (2007-2012). Notable transactions included the Second Severn Crossing, Eurostar, the securitisation of a major UK water utility and several major PPP projects in the UK and abroad.

Ms Baldock's current roles include Senior Independent Director for the Restoration and Renewal Delivery Authority Limited (the delivery body created by parliament to deal with the restoration of the Houses of Parliament), Senior Independent Director and Chair of Audit and Risk Committee for East West Railway Company Limited (the Government-owned company constructing the new Oxford to Cambridge railway) and non-executive director of Electricity North West Limited. Amongst previous roles, Ms Baldock was non-executive director of Thames Tideway Tunnel, non-executive director of Hydrogen Group (AIM-listed) and Trustee of Cancer Research UK.

## Board of Directors continued



**Patrick O'Donnell Bourke**

Audit and Risk Committee Chair

### Appointed to the Board 4 October 2021

Mr Patrick O'Donnell Bourke is an experienced board member with more than 28 years of experience in energy and infrastructure.

After graduating from Cambridge University, Mr O'Donnell Bourke started his career at Peat Marwick, Chartered Accountants (now KPMG) and qualified as a Chartered Accountant. After that he held a variety of investment banking positions at Hill Samuel and Barclays de Zoete Wedd. In 1995, he joined Powergen Plc, where he was responsible for mergers and acquisitions before becoming Group Treasurer. In 2000, Mr O'Donnell Bourke joined Viridian Group Plc as Group Finance Director and later became Chief Executive, appointed by the private equity shareholder following take-over in 2006. In 2011, he joined John Laing Group, a specialist international investor in, and manager of, greenfield infrastructure assets where he served as CFO until his retirement in 2019. While at John Laing, he was part of the team which launched the John Laing Environmental Assets Fund on the London Stock Exchange in 2014.

Mr O'Donnell Bourke currently serves as Chair of Ecofin US Renewables Infrastructure Trust Plc and as Chair of the Audit Committee of Harworth Group Plc (a leading UK regenerator of land and property for development and investment). Mr O'Donnell Bourke was previously Chair of the Audit and Risk Committee at Calisen Plc (an owner and operator of smart meters in the UK) and Chair of the Audit Committee at Affinity Water.



**Andrea Finegan**

Management Engagement Committee Chair and ESG & Sustainability Committee Chair

### Appointed to the Board 4 October 2021

Ms Andrea Finegan is an experienced infrastructure asset management professional with over 30 years of sector experience.

After graduating from Loughborough University, Ms Finegan held investment banking roles at Deutsche Bank and Barclays Capital, before joining Hyder Investments as Head of the Deal Closing Team. Between 1999 and 2007, Ms Finegan worked at Innisfree Limited, the investment manager of an £8 billion infrastructure asset portfolio, latterly as Board Director and Head of Asset Management. Ms Finegan was subsequently Chief Operating Officer, ING Infrastructure Funds and Fund Consultant to Climate Change Capital.

In 2012, Ms Finegan joined Greencoat Capital LLP for the set up and launch of Greencoat UK Wind Plc, the renewable infrastructure investment trust, in 2013, then became Chief Operating Officer until 2018, a position that included structuring and launching another renewable energy infrastructure fund listed on the London Stock Exchange and Euronext Dublin (Greencoat Renewables Plc) and a number of private markets solar energy funds.

Ms Finegan is currently Chair of the Valuation Committee of Schroders Greencoat LLP, a role she has held since 2015, and independent consultant to the board of Sequoia Economic Infrastructure Income Fund Limited, working closely with the ESG & Stakeholder Committee and the Risk Committee.

# Interim management report and responsibility statement

of the Directors in respect of the interim report

## Interim management report

The important events that have occurred during the period under review, the key factors influencing the financial statements and the principal uncertainties for the remaining six months of the financial year are set out in the Chair's statement and the Investment Manager's report. The principal risks facing the Company are substantially unchanged since the date of the annual report for the financial period ended 31 December 2022 and continue to be as set out in that report on pages 72 to 76. Risks faced by the Company include, but are not limited to market conditions, political and regulatory changes, falls in demand, returns target, investor sentiment, lack of suitable investment opportunities, portfolio concentration risk, over-reliance on the Investment Manager, tax status and legislation, third-party providers, cyber security, geopolitical turbulence and climate change risk.

Each Director confirms that, to the best of his or her knowledge:

- the condensed set of financial statements has been prepared in accordance with FRS 104: Interim Financial Reporting and gives a true and fair view of the assets, liabilities, financial position and return of the Company; and
- the interim financial report includes a fair review of the information required by:
  - a) DTR 4.2.7R of the Disclosure Guidance and Transparency Rules, being an indication of important events that have occurred for the six months to 30 June 2023 and their impact on the set of financial statements; and a description of the principal risks and uncertainties for the remaining six months of the year; and
  - b) DTR 4.2.8R of the Disclosure Guidance and Transparency Rules, being related party transactions that have taken place in the six months to 30 June 2023 and that have materially affected the financial position or performance of the Company during that period.

This interim financial report was approved by the Board on 26 September 2023 and was signed on its behalf by:

**Vagn Sørensen**

Chair

26 September 2023

## Independent review report

to Pantheon Infrastructure Plc

### Conclusion

We have been engaged by Pantheon Infrastructure Plc ('the Company') to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2023 which comprises the Income statement, Statement of changes in equity, Balance sheet, Cash flow statement, and Notes 1 to 21. We have read the other information contained in the half yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2023 is not prepared, in all material respects, in accordance with FRS 104 'Interim Financial Reporting' and the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

### Basis for conclusion

We conducted our review in accordance with International Standard on Review Engagements (UK) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" ('ISRE') issued by the Financial Reporting Council. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

As disclosed in Note 1, the annual financial statements of the Company are prepared in accordance with United Kingdom Generally Accepted Accounting Practice. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with the Financial Reporting Standard FRS 104 'Interim Financial Reporting'.

### Conclusions relating to going concern

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

This conclusion is based on the review procedures performed in accordance with this ISRE, however future events or conditions may cause the entity to cease to continue as a going concern.

### Responsibilities of the Directors

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

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

### Auditor's responsibility for the review of the financial information

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

### Use of our report

This report is made solely to the Company in accordance with guidance contained in International Standard on Review Engagements 2410 (UK) "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Financial Reporting Council. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company, for our work, for this report, or for the conclusions we have formed.

### Ernst & Young LLP

London, United Kingdom

26 September 2023



## Condensed income statement (unaudited)

For the six months to 30 June 2023

|                                                                                      | Note | Six months ended<br>30 June 2023 |                  |                | Period 9 September 2021 to<br>30 June 2022 |                  |                | Period 9 September 2021 to<br>31 December 2022 |                  |                |
|--------------------------------------------------------------------------------------|------|----------------------------------|------------------|----------------|--------------------------------------------|------------------|----------------|------------------------------------------------|------------------|----------------|
|                                                                                      |      | Revenue<br>£'000                 | Capital<br>£'000 | Total<br>£'000 | Revenue<br>£'000                           | Capital<br>£'000 | Total<br>£'000 | Revenue<br>£'000                               | Capital<br>£'000 | Total<br>£'000 |
| Gain on investments at fair value through profit or loss <sup>1</sup>                | 9    | —                                | 7,193            | 7,193          | —                                          | 5,711            | 5,711          | —                                              | 19,592           | 19,592         |
| Gains/(losses) on financial instruments at fair value through profit or loss         | 12   | —                                | 9,724            | 9,724          | —                                          | (4,994)          | (4,994)        | —                                              | (8,520)          | (8,520)        |
| Foreign exchange gains on cash and non-portfolio assets                              |      | —                                | 116              | 116            | —                                          | 19               | 19             | —                                              | 5                | 5              |
| Investment management fees                                                           | 2    | (2,386)                          | —                | (2,386)        | (790)                                      | —                | (790)          | (3,194)                                        | —                | (3,194)        |
| Other expenses                                                                       | 3    | (942)                            | (9)              | (951)          | (786)                                      | (122)            | (908)          | (1,360)                                        | (555)            | (1,915)        |
| <b>(Loss)/profit before financing and taxation</b>                                   |      | <b>(3,328)</b>                   | <b>17,024</b>    | <b>13,696</b>  | <b>(1,576)</b>                             | <b>614</b>       | <b>(962)</b>   | <b>(4,554)</b>                                 | <b>10,522</b>    | <b>5,968</b>   |
| Finance income                                                                       | 4    | 1,762                            | —                | 1,762          | 405                                        | —                | 405            | 2,096                                          | —                | 2,096          |
| Interest payable and similar expenses                                                | 5    | (560)                            | —                | (560)          | (1)                                        | —                | (1)            | (36)                                           | —                | (36)           |
| <b>(Loss)/profit before taxation</b>                                                 |      | <b>(2,126)</b>                   | <b>17,024</b>    | <b>14,898</b>  | <b>(1,172)</b>                             | <b>614</b>       | <b>(558)</b>   | <b>(2,494)</b>                                 | <b>10,522</b>    | <b>8,028</b>   |
| Taxation recovered/(paid)                                                            | 6    | —                                | —                | —              | —                                          | —                | —              | —                                              | —                | —              |
| <b>(Loss)/profit for the period, being total comprehensive income for the period</b> |      | <b>(2,126)</b>                   | <b>17,024</b>    | <b>14,898</b>  | <b>(1,172)</b>                             | <b>614</b>       | <b>(558)</b>   | <b>(2,494)</b>                                 | <b>10,522</b>    | <b>8,028</b>   |
| <b>Earnings per share – Basic</b>                                                    | 7    | <b>(0.44)p</b>                   | <b>3.55p</b>     | <b>3.11p</b>   | <b>(0.29)p</b>                             | <b>0.15p</b>     | <b>(0.14)p</b> | <b>(0.58)p</b>                                 | <b>2.45p</b>     | <b>1.87p</b>   |
| <b>Earnings per share – Diluted</b>                                                  | 7    | <b>(0.44)p</b>                   | <b>3.55p</b>     | <b>3.11p</b>   | <b>(0.24)p</b>                             | <b>0.13p</b>     | <b>(0.11)p</b> | <b>(0.58)p</b>                                 | <b>2.45p</b>     | <b>1.87p</b>   |

1. Includes foreign exchange movements on investments.

The Company does not have any income or expense that is not included in the return for the period, therefore the return for the period is also the total comprehensive income for the period. The supplementary revenue and capital columns are prepared under guidance published in the Statement of Recommended Practice (SORP) issued by the Association of Investment Companies (AIC). The total column of the statement represents the Company's statement of total comprehensive income prepared in accordance with FRS 104.

All revenue and capital items in the above statement relate to continuing operations.

No operations were acquired or discontinued during the period.

The Notes on pages 51 to 62 form part of these financial statements.

# Condensed statement of changes in equity (unaudited)

For the six months to 30 June 2023

|                                                                        | Note | Share capital<br>£'000 | Share premium<br>£'000 | Capital redemption<br>reserve <sup>1</sup><br>£'000 | Other capital<br>reserve <sup>1</sup><br>£'000 | Revenue reserve <sup>1</sup><br>£'000 | Total<br>£'000 |
|------------------------------------------------------------------------|------|------------------------|------------------------|-----------------------------------------------------|------------------------------------------------|---------------------------------------|----------------|
| <b>Movement for the six months ended 30 June 2023</b>                  |      |                        |                        |                                                     |                                                |                                       |                |
| Opening equity shareholders' funds                                     |      | 4,800                  | 79,449                 | 382,484                                             | 10,522                                         | (2,494)                               | 474,761        |
| Share issue costs                                                      |      | —                      | (187)                  | —                                                   | —                                              | —                                     | (187)          |
| Ordinary Shares bought back                                            |      | —                      | —                      | (979)                                               | —                                              | —                                     | (979)          |
| Dividends paid                                                         | 8    | —                      | —                      | (4,800)                                             | —                                              | —                                     | (4,800)        |
| Profit/(loss) for the period                                           |      | —                      | —                      | —                                                   | 17,024                                         | (2,126)                               | 14,898         |
| <b>Closing equity shareholders' funds</b>                              |      | <b>4,800</b>           | <b>79,262</b>          | <b>376,705</b>                                      | <b>27,546</b>                                  | <b>(4,620)</b>                        | <b>483,693</b> |
| <b>Movement for the period 9 September 2021 to 30 June 2022</b>        |      |                        |                        |                                                     |                                                |                                       |                |
| Balance at 9 September 2021                                            |      | —                      | —                      | —                                                   | —                                              | —                                     | —              |
| Share issue costs                                                      |      | —                      | (7,916)                | —                                                   | —                                              | —                                     | (7,916)        |
| Ordinary Shares issued                                                 |      | 4,800                  | 395,200                | —                                                   | —                                              | —                                     | 400,000        |
| Cancellation of share premium                                          |      | —                      | (387,284)              | 387,284                                             | —                                              | —                                     | —              |
| Profit/(loss) for the period                                           |      | —                      | —                      | —                                                   | 614                                            | (1,172)                               | (558)          |
| <b>Closing equity shareholders' funds</b>                              |      | <b>4,800</b>           | <b>—</b>               | <b>387,284</b>                                      | <b>614</b>                                     | <b>(1,172)</b>                        | <b>391,526</b> |
| <b>Movement for the period 9 September 2021 to 31 December 2022</b>    |      |                        |                        |                                                     |                                                |                                       |                |
| Balance at 9 September 2021                                            |      | —                      | —                      | —                                                   | —                                              | —                                     | —              |
| Share issue costs                                                      |      | —                      | (9,267)                | —                                                   | —                                              | —                                     | (9,267)        |
| Ordinary Shares issued                                                 |      | 4,800                  | 395,200                | —                                                   | —                                              | —                                     | 400,000        |
| Subscription shares issued (subsequently converted to Ordinary Shares) |      | —                      | 80,800                 | —                                                   | —                                              | —                                     | 80,800         |
| Cancellation of share premium                                          |      | —                      | (387,284)              | 387,284                                             | —                                              | —                                     | —              |
| Dividends paid                                                         | 8    | —                      | —                      | (4,800)                                             | —                                              | —                                     | (4,800)        |
| Profit/(loss) for the period                                           |      | —                      | —                      | —                                                   | 10,522                                         | (2,494)                               | 8,028          |
| <b>Closing equity shareholders' funds</b>                              |      | <b>4,800</b>           | <b>79,449</b>          | <b>382,484</b>                                      | <b>10,522</b>                                  | <b>(2,494)</b>                        | <b>474,761</b> |

1. The capital redemption reserve, capital reserve and revenue reserve are all the Company's distributable reserves. The capital redemption reserve has arisen from the cancellation of the Company's share premium account and is a distributable reserve.

The Notes on pages 51 to 62 form part of these financial statements.

## Condensed balance sheet (unaudited)

As at 30 June 2023

|                                                       | Note | 30 June<br>2023<br>£'000 | 30 June<br>2022<br>£'000 | 31 December<br>2022<br>£'000 |
|-------------------------------------------------------|------|--------------------------|--------------------------|------------------------------|
| <b>Non-current assets</b>                             |      |                          |                          |                              |
| Investments at fair value                             | 9    | 391,616                  | 145,360                  | 301,382                      |
| Debtors                                               | 10   | 815                      | —                        | 740                          |
| <b>Current assets</b>                                 |      |                          |                          |                              |
| Derivative financial instruments                      | 12   | 2,048                    | —                        | —                            |
| Debtors                                               | 10   | 1,182                    | 597                      | 959                          |
| Cash and cash equivalents                             | 11   | 90,816                   | 251,674                  | 182,937                      |
|                                                       |      | 94,046                   | 252,271                  | 183,896                      |
| <b>Creditors: Amounts falling due within one year</b> |      |                          |                          |                              |
| Other creditors                                       | 13   | (1,940)                  | (1,111)                  | (2,737)                      |
|                                                       |      | (1,940)                  | (1,111)                  | (2,737)                      |
| <b>Net current assets</b>                             |      | 92,106                   | 251,160                  | 181,159                      |
| <b>Total assets less current liabilities</b>          |      | 484,537                  | 396,520                  | 483,281                      |
| <b>Creditors: Amounts falling due after one year</b>  |      |                          |                          |                              |
| Derivative financial instruments                      | 12   | (844)                    | (4,994)                  | (8,520)                      |
| <b>Net assets</b>                                     |      | 483,693                  | 391,526                  | 474,761                      |
| <b>Capital and reserves</b>                           |      |                          |                          |                              |
| Called-up share capital                               | 15   | 4,800                    | 4,800                    | 4,800                        |
| Share premium                                         |      | 79,262                   | —                        | 79,449                       |
| Capital redemption reserve                            |      | 376,705                  | 387,284                  | 382,484                      |
| Capital reserve                                       |      | 27,546                   | 614                      | 10,522                       |
| Revenue reserve                                       |      | (4,620)                  | (1,172)                  | (2,494)                      |
| <b>Total equity shareholders' funds</b>               |      | 483,693                  | 391,526                  | 474,761                      |
| <b>NAV per Ordinary Share</b>                         | 16   | 101.0p                   | 97.9p                    | 98.9p                        |

The financial statements were approved by the Board of Pantheon Infrastructure Plc on 26 September 2023 and were authorised for issue by:

**Vagn Sørensen**, Chair

Company Number: 13611678.

The Notes on pages 51 to 62 form part of these financial statements.

## Condensed cash flow statement

For the six months to 30 June 2023

|                                                                       | Six months ended<br>30 June<br>2023<br>£'000 | Period<br>9 September<br>2021 to<br>30 June<br>2022<br>£'000 | Period<br>9 September<br>2021 to<br>31 December<br>2022<br>£'000 |
|-----------------------------------------------------------------------|----------------------------------------------|--------------------------------------------------------------|------------------------------------------------------------------|
| <b>Cash flow from operating activities</b>                            |                                              |                                                              |                                                                  |
| Investment management fees paid                                       | (2,368)                                      | (240)                                                        | (1,994)                                                          |
| Operating fees paid                                                   | (748)                                        | (605)                                                        | (1,581)                                                          |
| Other cash payments                                                   | (101)                                        | (346)                                                        | (110)                                                            |
| <b>Net cash outflow from operating activities</b>                     | <b>(3,217)</b>                               | <b>(1,191)</b>                                               | <b>(3,685)</b>                                                   |
| <b>Cash flow from investing activities</b>                            |                                              |                                                              |                                                                  |
| Purchase of investments                                               | (83,041)                                     | (139,649)                                                    | (281,790)                                                        |
| <b>Net cash outflow from investing activities</b>                     | <b>(83,041)</b>                              | <b>(139,649)</b>                                             | <b>(281,790)</b>                                                 |
| <b>Cash flow from financing activities</b>                            |                                              |                                                              |                                                                  |
| Share issue proceeds                                                  | —                                            | 400,000                                                      | 480,800                                                          |
| Share issue costs                                                     | —                                            | (7,916)                                                      | (9,267)                                                          |
| Share buyback costs                                                   | (976)                                        | —                                                            | —                                                                |
| Dividends paid                                                        | (4,800)                                      | —                                                            | (4,800)                                                          |
| Loan arrangement facility fee paid                                    | (1,816)                                      | —                                                            | —                                                                |
| Finance costs paid                                                    | (290)                                        | —                                                            | (1)                                                              |
| Finance income                                                        | 1,903                                        | 405                                                          | 1,675                                                            |
| <b>Net cash (outflow)/inflow from financing activities</b>            | <b>(5,979)</b>                               | <b>392,489</b>                                               | <b>468,407</b>                                                   |
| <b>(Decrease)/increase in cash and cash equivalents in the period</b> | <b>(92,237)</b>                              | <b>251,649</b>                                               | <b>182,932</b>                                                   |
| <b>Cash and cash equivalents at the beginning of the period</b>       | <b>182,937</b>                               | <b>—</b>                                                     | <b>—</b>                                                         |
| <b>Foreign exchange gains</b>                                         | <b>116</b>                                   | <b>25</b>                                                    | <b>5</b>                                                         |
| <b>Cash and cash equivalents at the end of the period</b>             | <b>90,816</b>                                | <b>251,674</b>                                               | <b>182,937</b>                                                   |

The Notes on pages 51 to 62 form part of these financial statements.

## Notes to the interim financial statements (unaudited)

### 1. Accounting policies

Pantheon Infrastructure Plc (the 'Company') is a listed closed-ended investment company incorporated in England and Wales on 9 September 2021, with registered 'company number' 13611678. The Company began trading on 15 November 2021 when the Company's shares were admitted to trading on the London Stock Exchange. The registered office of the Company is Link Company Matters Limited, 6th Floor, 65 Gresham Street, London EC2V 7NQ.

#### A. Basis of preparation

The Company applied FRS 102 and the SORP for the period 9 September 2021 to 31 December 2022 in its financial statements. The financial statements for the six months to 30 June 2023 have therefore been prepared in accordance with FRS 104: Interim Financial Reporting. The condensed financial statements have been prepared on the same basis as the statutory accounts for the period ended 31 December 2022. They have also been prepared on the assumption that approval as an investment trust will continue to be granted. The Company's condensed financial statements are presented in GBP and all values are rounded to the nearest thousand pounds (£'000) except when indicated otherwise.

The financial statements have been prepared in accordance with the SORP for the financial statements of investment trust companies and venture capital trusts issued by the AIC in July 2022.

The financial information contained in this interim report, the comparative figures for the financial period ended 30 June 2022 and the comparative information for the period 9 September 2021 to 31 December 2022 do not constitute statutory accounts within the meaning of section 434 of the Companies Act 2006. The financial information for the six months ended 30 June 2023, and the period 9 September 2021 to 30 June 2022, have not been audited but have been reviewed by the Company's Auditor and their report can be found on page 46. The annual report and financial statements for the financial period ended 31 December 2022 have been delivered to the Registrar of Companies. The report of the Auditor was: (i) unqualified; (ii) did not include a reference to any matters which the Auditor drew attention by way of emphasis without qualifying the report; and (iii) did not contain statements under section 498 (2) and (3) of the Companies Act 2006.

The financial statements comprise the results of the Company only. The Company has control over a number of subsidiaries. Where the Company owns a subsidiary that is held as part of the investment portfolio and its value to the Company is through the fair value rather than as the medium through which the group carries out business, the Company excludes it from consolidation. The subsidiaries have not been consolidated in the financial statements under FRS 102, but are included at fair value within investments in accordance with 9.9C(a) of FRS 102.

#### B. Going concern

The financial statements have been prepared on the going concern basis and under the historical cost basis of accounting, modified to include the revaluation of certain investments at fair value.

The Directors have made an assessment of going concern, taking into account the Company's current performance and financial position as at 30 June 2023.

In addition, the Directors have assessed the outlook, which considers the potential further impact of ongoing geopolitical uncertainties as a result of the Russia-Ukraine conflict including the disruption to the global supply chain, and increases in the cost of living as a result of this conflict, persistent inflation, interest rate rises and the impact of climate change on the Company's Portfolio, using the information available up to the date of issue of the financial statements

In reaching this conclusion, the Board considered budgeted and projected results of the business, including projected cash flows, various downside modelling scenarios and the risks that could impact the Company's liquidity.

Having performed their assessment, the Directors considered it appropriate to prepare the financial statements of the Company on a going concern basis. The Company has sufficient financial resources and liquidity, is well placed to manage business risks in the current economic environment, and can continue operations for a period of at least twelve months from the date of issue of these financial statements.



## Notes to the interim financial statements (unaudited) continued

### 1. Accounting policies continued

#### C. Segmental reporting

The Directors are of the opinion that the Company is engaged in a single segment of business, being investment in infrastructure to generate investment returns while preserving capital. The financial information used by the Directors and Investment Manager to allocate resources and manage the Company presents the business as a single segment comprising a homogeneous portfolio.

#### D. Significant judgements, estimates and assumptions

The preparation of financial statements requires the Company and Investment Manager to make judgements, estimates and assumptions that affect the reported amounts of investments at fair value at the financial reporting date and the reported fair value movements during the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the investments at fair value in future years.

The fair values for the Company's investments are established by the Directors after discussion with the Investment Manager using valuation techniques in accordance with the International Private Equity and Venture Capital (IPEV) guidelines. Valuations are based on periodic valuations provided by the Sponsors of the investments and recorded up to the measurement date. Such valuations are necessarily dependent upon the reasonableness of the valuations by the Sponsor of the underlying assets. In the absence of contrary information, the valuations are assumed to be reliable. These valuations are reviewed periodically for reasonableness and recorded up to the measurement date. The Sponsor is usually the best placed party to determine the appropriate valuation. The annual and quarterly reports received from the Sponsors are reviewed by the Investment Manager to ensure consistency and appropriateness of approach to reported valuations. The investments are approved by Pantheon's Valuation Committee.

### 2. Investment management fees

|                            | Six months ended<br>30 June 2023 |                  |                | Period ended<br>30 June 2022 |                  |                | Period 9 September 2021 to<br>31 December 2022 |                  |                |
|----------------------------|----------------------------------|------------------|----------------|------------------------------|------------------|----------------|------------------------------------------------|------------------|----------------|
|                            | Revenue<br>£'000                 | Capital<br>£'000 | Total<br>£'000 | Revenue<br>£'000             | Capital<br>£'000 | Total<br>£'000 | Revenue<br>£'000                               | Capital<br>£'000 | Total<br>£'000 |
| Investment management fees | 2,386                            | —                | 2,386          | 790                          | —                | 790            | 3,194                                          | —                | 3,194          |
|                            | 2,386                            | —                | 2,386          | 790                          | —                | 790            | 3,194                                          | —                | 3,194          |

The Investment Manager is entitled to a quarterly management fee at an annual rate of:

- 1.0% of the part of the Company's Net Asset Value up to and including £750 million; and
- 0.9% of the part of such Net Asset Value in excess of £750 million.

As at 30 June 2023, £1,218,000 was owed for investment management fees (30 June 2022: £550,000, 31 December 2022: £1,200,000).

The Investment Manager does not charge a performance fee.

# Notes to the interim financial statements (unaudited)

continued

## 3. Other expenses

|                                                                                | Six months ended<br>30 June 2023 |                  |                | Period ended<br>30 June 2022 |                  |                | Period 9 September 2021 to<br>31 December 2022 |                  |                |
|--------------------------------------------------------------------------------|----------------------------------|------------------|----------------|------------------------------|------------------|----------------|------------------------------------------------|------------------|----------------|
|                                                                                | Revenue<br>£'000                 | Capital<br>£'000 | Total<br>£'000 | Revenue<br>£'000             | Capital<br>£'000 | Total<br>£'000 | Revenue<br>£'000                               | Capital<br>£'000 | Total<br>£'000 |
| Secretarial and accountancy services                                           | 110                              | —                | 110            | 111                          | —                | 111            | 201                                            | —                | 201            |
| Depositary services                                                            | 41                               | —                | 41             | 44                           | —                | 44             | 74                                             | —                | 74             |
| Fees payable to the Company's Auditor for audit-related assurance services     | —                                | —                | —              | 25                           | —                | 25             | 160                                            | —                | 160            |
| Fees payable to the Company's Auditor for non-audit-related assurance services | 35                               | —                | 35             | 35                           | —                | 35             | 35                                             | —                | 35             |
| Directors' remuneration                                                        | 90                               | —                | 90             | 130                          | —                | 130            | 220                                            | —                | 220            |
| Employer's National Insurance                                                  | 8                                | —                | 8              | 15                           | —                | 15             | 24                                             | —                | 24             |
| Legal and professional fees                                                    | 13                               | 9                | 22             | 90                           | 122              | 212            | 186                                            | 534              | 720            |
| Other fees <sup>1</sup>                                                        | 645                              | —                | 645            | 336                          | —                | 336            | 460                                            | 21               | 481            |
|                                                                                | 942                              | 9                | 951            | 786                          | 122              | 908            | 1,360                                          | 555              | 1,915          |

1. Other fees consist of items such as advertising and marketing fees, irrecoverable VAT, broker, valuation and registrar fees and other operating costs.

## 4. Finance income

|                 | Six months ended<br>30 June<br>2023<br>£'000 | Period ended<br>30 June<br>2022<br>£'000 | Period<br>9 September<br>2021 to<br>31 December<br>2022<br>£'000 |
|-----------------|----------------------------------------------|------------------------------------------|------------------------------------------------------------------|
| Interest income | 1,762                                        | 405                                      | 2,096                                                            |
|                 | 1,762                                        | 405                                      | 2,096                                                            |

# Notes to the interim financial statements (unaudited)

continued

## 5. Interest payable and similar expenses

|                                       | Six months ended<br>30 June<br>2023<br>£'000 | Period ended<br>30 June<br>2022<br>£'000 | Period<br>9 September<br>2021 to<br>31 December<br>2022<br>£'000 |
|---------------------------------------|----------------------------------------------|------------------------------------------|------------------------------------------------------------------|
| Commitment fees payable on borrowings | 340                                          | —                                        | 22                                                               |
| Amortisation of loan arrangement fee  | 219                                          | —                                        | 13                                                               |
| Bank interest expense                 | 1                                            | 1                                        | 1                                                                |
|                                       | 560                                          | 1                                        | 36                                                               |

## 6. Taxation

### Tax charge

The tax credit/(charge) for the period differs from the standard rate of corporation tax in the UK of 19% to 31 March 2023 rising to 25% from 1 April 2023, giving a weighted average for the six months of 22%. The differences are explained below:

|                                                                                  | Six months ended<br>30 June 2023 |                  |                | Period ended<br>30 June 2022 |                  |                | Period 9 September 2021 to<br>31 December 2022 |                  |                |
|----------------------------------------------------------------------------------|----------------------------------|------------------|----------------|------------------------------|------------------|----------------|------------------------------------------------|------------------|----------------|
|                                                                                  | Revenue<br>£'000                 | Capital<br>£'000 | Total<br>£'000 | Revenue<br>£'000             | Capital<br>£'000 | Total<br>£'000 | Revenue<br>£'000                               | Capital<br>£'000 | Total<br>£'000 |
| Net return before tax                                                            | (2,126)                          | 17,024           | 14,898         | (1,172)                      | 614              | (558)          | (2,494)                                        | 10,522           | 8,028          |
| Tax at UK corporation tax rate of 22% (30 June 2022: 19%, 31 December 2022: 19%) | (468)                            | 3,745            | 3,277          | (223)                        | 117              | (106)          | (474)                                          | 1,999            | 1,525          |
| Non-taxable investment, derivative and currency gains                            | —                                | (3,745)          | (3,745)        | —                            | (117)            | (117)          | —                                              | (1,999)          | (1,999)        |
| Carry forward management expenses                                                | 468                              | —                | 468            | 223                          | —                | 223            | 474                                            | —                | 474            |
|                                                                                  | —                                | —                | —              | —                            | —                | —              | —                                              | —                | —              |

### Factors that may affect future tax charges

The Company is an investment trust and is therefore not subject to tax on capital gains. Deferred tax is not provided on capital gains and losses arising on the revaluation or disposal of investments because the Company meets (and intends to meet for the foreseeable future) the conditions for approval as an investment trust company. No deferred tax asset has been recognised in respect of management and other expenses in excess of taxable income as they will only be recoverable to the extent that there is sufficient future taxable revenue.

As at 30 June 2023, the Company had no unprovided deferred tax liabilities.

For the six months ended 30 June 2023, excess management expenses were £5.0 million.

# Notes to the interim financial statements (unaudited)

continued

## 7. Earnings per share

Earnings per share (EPS) are calculated by dividing profit for the period attributable to ordinary equity holders of the Company by the weighted average number of Ordinary Shares in issue during the period. As there were no dilutive instruments outstanding for the six months ended 30 June 2023, there is no difference between basic and diluted earnings per share as shown below:

|                                                   | Six months ended<br>30 June 2023 |              |              | Period ended<br>30 June 2022 |              |                | Period 9 September 2021 to<br>31 December 2022 |              |              |
|---------------------------------------------------|----------------------------------|--------------|--------------|------------------------------|--------------|----------------|------------------------------------------------|--------------|--------------|
|                                                   | Revenue                          | Capital      | Total        | Revenue                      | Capital      | Total          | Revenue                                        | Capital      | Total        |
| Earnings for the financial period (£'000)         | (2,126)                          | 17,024       | 14,898       | (1,172)                      | 614          | (558)          | (2,494)                                        | 10,522       | 8,028        |
| Weighted average Ordinary Shares (number)         |                                  | 479,786,326  |              |                              | 400,000,000  |                |                                                | 428,272,575  |              |
| <b>Basic earnings per share</b>                   | <b>(0.44)p</b>                   | <b>3.55p</b> | <b>3.11p</b> | <b>(0.29)p</b>               | <b>0.15p</b> | <b>(0.14)p</b> | <b>(0.58)p</b>                                 | <b>2.45p</b> | <b>1.87p</b> |
| Earnings for the financial period (£'000)         | (2,126)                          | 17,024       | 14,898       | (1,172)                      | 614          | (558)          | (2,494)                                        | 10,522       | 8,028        |
| Weighted average Ordinary Shares (number)         |                                  | 479,786,326  |              |                              | 400,000,000  |                |                                                | 428,272,575  |              |
| Dilutive shares in respect of Subscription Shares |                                  |              | —            |                              | 80,000,000   |                |                                                |              | —            |
| <b>Diluted earnings per share</b>                 | <b>(0.44)p</b>                   | <b>3.55p</b> | <b>3.11p</b> | <b>(0.24)p</b>               | <b>0.13p</b> | <b>(0.11)p</b> | <b>(0.58)p</b>                                 | <b>2.45p</b> | <b>1.87p</b> |

There were no meaningful shareholders or corporate activity between incorporation of the Company on 9 September 2021 and 16 November 2021, the IPO date, and therefore this period has not been included for the purpose of calculating the weighted average number of shares.

## 8. Dividends paid

|                                  | Six months ended<br>30 June<br>2023<br>£'000 | Period ended<br>30 June<br>2022<br>£'000 | Period<br>9 September<br>2021 to<br>31 December<br>2022<br>£'000 |
|----------------------------------|----------------------------------------------|------------------------------------------|------------------------------------------------------------------|
| Dividends paid during the period | 4,800                                        | —                                        | 4,800                                                            |
|                                  | 4,800                                        | —                                        | 4,800                                                            |

# Notes to the interim financial statements (unaudited)

continued

## 9. Investments

|                                                     | 30 June<br>2023<br>£'000 | 30 June<br>2022<br>£'000 | 31 December<br>2022<br>£'000 |
|-----------------------------------------------------|--------------------------|--------------------------|------------------------------|
| Cost brought forward                                | 281,790                  | —                        | —                            |
| Opening unrealised appreciation on investments held |                          |                          |                              |
| – Unlisted investments                              | 19,592                   | —                        | —                            |
| – Listed investments                                | —                        | —                        | —                            |
| Valuation of investments brought forward            | 301,382                  | —                        | —                            |
| Movement in period:                                 |                          |                          |                              |
| Acquisitions at cost                                | 83,041                   | 139,649                  | 281,790                      |
| Appreciation on investments held                    | 7,193                    | 5,711                    | 19,592                       |
| <b>Valuation of investments at period end</b>       | <b>391,616</b>           | 145,360                  | 301,382                      |
| Cost at year end                                    | 364,831                  | 139,649                  | 281,790                      |
| Closing unrealised appreciation on investments held |                          |                          |                              |
| – Unlisted investments                              | 26,785                   | 5,711                    | 19,592                       |
| – Listed investments                                | —                        | —                        | —                            |
| <b>Valuation of investments at period end</b>       | <b>391,616</b>           | 145,360                  | 301,382                      |

## 10. Debtors

|                                          | 30 June<br>2023<br>£'000 | 30 June<br>2022<br>£'000 | 31 December<br>2022<br>£'000 |
|------------------------------------------|--------------------------|--------------------------|------------------------------|
| Other debtors – non-current <sup>1</sup> | 815                      | —                        | 740                          |
| Other debtors – current <sup>1</sup>     | 841                      | 561                      | 486                          |
| Prepayments and accrued income           | 341                      | 36                       | 473                          |
|                                          | <b>1,997</b>             | 597                      | 1,699                        |

1. Relates to the revolving credit facility (RCF) arrangement fees which are to be released to the Income Statement until the loan maturity date of 18 December 2025.



# Notes to the interim financial statements (unaudited)

continued

## 11. Cash and cash equivalents

|                  | 30 June<br>2023<br>£'000 | 30 June<br>2022<br>£'000 | 31 December<br>2022<br>£'000 |
|------------------|--------------------------|--------------------------|------------------------------|
| Cash             | 27,508                   | 251,674                  | 26,670                       |
| Cash equivalents | 63,308                   | —                        | 156,267                      |
|                  | <b>90,816</b>            | 251,674                  | 182,937                      |

Cash equivalents of £63,308,000 were held in a money market fund at 30 June 2023 (30 June 2022: £nil, 31 December 2022: £156,267,000).

## 12. Derivative financial instruments

|                                                                              | 30 June<br>2023<br>£'000 | 30 June<br>2022<br>£'000 | 31 December<br>2022<br>£'000 |
|------------------------------------------------------------------------------|--------------------------|--------------------------|------------------------------|
| At the beginning of the period                                               | (8,520)                  | —                        | —                            |
| Gains/(losses) on financial instruments at fair value through profit or loss | 9,724                    | (4,994)                  | (8,520)                      |
| <b>At the end of the period</b>                                              | <b>1,204</b>             | (4,994)                  | (8,520)                      |

The Company uses forward foreign exchange contracts to minimise the effect of fluctuations in the value of the investment portfolio from movements in exchange rates. As at 30 June 2023, there were five contracts due to expire in the next twelve months with a valuation of £2,048,000. The remaining contracts due to expire after the twelve months following period end were valued as a liability of £844,000.

The fair value of these contracts is recorded in the Balance Sheet. No contracts are designated as hedging instruments and consequently all changes in fair value are taken through profit or loss.

As at 30 June 2023, the notional amount of the forward foreign exchange contracts held by the Company was £325.1 million (30 June 2022: £120.2 million, 31 December 2022: £278.9 million).

## 13. Other creditors

|                                    | 30 June<br>2023<br>£'000 | 30 June<br>2022<br>£'000 | 31 December<br>2022<br>£'000 |
|------------------------------------|--------------------------|--------------------------|------------------------------|
| Investment management fees payable | 1,218                    | 550                      | 1,200                        |
| Other creditors and accruals       | 722                      | 561                      | 1,537                        |
|                                    | <b>1,940</b>             | 1,111                    | 2,737                        |

# Notes to the interim financial statements (unaudited)

continued

## 14. Interest-bearing loans and borrowings

|                                                   | 30 June<br>2023<br>£'000 | 30 June<br>2022<br>£'000 | 31 December<br>2022<br>£'000 |
|---------------------------------------------------|--------------------------|--------------------------|------------------------------|
| Interest-bearing loans and borrowings             | —                        | —                        | —                            |
| Loan arrangement fee brought forward              | 1,087                    | —                        | —                            |
| Loan arrangement fee incurred in the period       | 788                      | —                        | 1,100                        |
| Amortised loan arrangement fee for the period     | (219)                    | —                        | (13)                         |
| Loan arrangement fee carried forward <sup>1</sup> | 1,656                    | —                        | 1,087                        |
| <b>Total credit facility payable</b>              | <b>—</b>                 | <b>—</b>                 | <b>—</b>                     |

1. The loan arrangement fee carried forward are shown as other debtors in Note 10.

The Company entered into a £62.5 million RCF with Lloyds Bank Corporate Markets in December 2022. In June 2023, this was increased by £52.5 million, bringing the RCF total to £115 million. As part of the increase, the Company has sought to diversify the lender group through the introduction of The Royal Bank of Scotland International Limited alongside, Lloyds Bank Corporate Markets.

The RCF is denominated in GBP, with the option to be utilised in other major currencies. The rate of interest is the relevant currency benchmark plus an initial margin of 2.85% per annum, reducing to 2.65% once certain expansions thresholds have been met. A commitment fee of 1.00% per annum is payable on undrawn amounts, and the tenor of the RCF is three years from December 2022. The facility is secured against the assets held in the Company's subsidiary, Pantheon Infrastructure Holdings LP.

Borrowing costs associated with the RCF are shown as interest payable and similar expenses in Note 5 to these financial statements.

The loan arrangement fee of £1.7 million carried forward at 30 June 2023 is included within Debtors, Note 10 to these financial statements.

# Notes to the interim financial statements (unaudited)

continued

## 15. Called-up share capital

|                                                                | 30 June 2023       |              | 30 June 2022       |              | 31 December 2022   |              |
|----------------------------------------------------------------|--------------------|--------------|--------------------|--------------|--------------------|--------------|
|                                                                | Shares             | £'000        | Shares             | £'000        | Shares             | £'000        |
| <b>Allotted, called up and fully paid:</b>                     |                    |              |                    |              |                    |              |
| <b>Ordinary Shares of £0.01</b>                                |                    |              |                    |              |                    |              |
| Opening balance                                                | 480,000,000        | 4,800        | —                  | —            | —                  | —            |
| Ordinary Shares issued in the period                           | —                  | —            | 400,000,000        | 4,000        | 400,000,000        | 4,000        |
| Conversion of subscription shares in the period                | —                  | —            | —                  | —            | 80,000,000         | 800          |
| <b>Closing balance</b>                                         | <b>480,000,000</b> | <b>4,800</b> | <b>400,000,000</b> | <b>4,000</b> | <b>480,000,000</b> | <b>4,800</b> |
| <b>Subscription shares of £0.01</b>                            |                    |              |                    |              |                    |              |
| Opening balance                                                | —                  | —            | —                  | —            | —                  | —            |
| Subscription shares issued in the period                       | —                  | —            | 80,000,000         | 800          | 80,000,000         | 800          |
| Conversion of subscription shares in the period                | —                  | —            | —                  | —            | (80,000,000)       | (800)        |
| <b>Closing balance</b>                                         | <b>—</b>           | <b>—</b>     | <b>80,000,000</b>  | <b>800</b>   | <b>—</b>           | <b>—</b>     |
| <b>Treasury shares</b>                                         |                    |              |                    |              |                    |              |
| Opening balance                                                | —                  | —            | —                  | —            | —                  | —            |
| Share buybacks in the period                                   | 1,185,000          | 979          | —                  | —            | —                  | —            |
| <b>Closing balance</b>                                         | <b>1,185,000</b>   | <b>979</b>   | <b>—</b>           | <b>—</b>     | <b>—</b>           | <b>—</b>     |
| <b>Total called-up share capital excluding treasury shares</b> | <b>478,815,000</b> | <b>3,821</b> | <b>480,000,000</b> | <b>4,800</b> | <b>480,000,000</b> | <b>4,800</b> |

During the six months to 30 June 2023, 1,185,000 Ordinary Shares were bought back in the market, to be held in treasury (30 June 2022: nil, 31 December 2022: nil) at a total cost, including stamp duty, of £979,000.

## 16. Net asset value per share

NAV per share is calculated by dividing net assets in the Balance Sheet attributable to ordinary equity holders of the Company by the number of Ordinary Shares outstanding at the end of the period. As there were no dilutive instruments outstanding at 30 June 2023 there is no difference between basic and diluted NAV per share:

|                                 | 30 June<br>2023 | 30 June<br>2022 | 31 December<br>2022 |
|---------------------------------|-----------------|-----------------|---------------------|
| Net assets attributable (£'000) | 483,693         | 391,526         | 474,761             |
| Ordinary Shares                 | 478,815,000     | 400,000,000     | 480,000,000         |
| <b>NAV per Ordinary Share</b>   | <b>101.0p</b>   | 97.9p           | 98.9p               |

# Notes to the interim financial statements (unaudited)

continued

## 17. Reconciliation of gain/(loss) before financing costs and taxation to net cash flows from operating activities

|                                                                              | Six months ended<br>30 June<br>2023 | Period ended<br>9 September<br>2021 to<br>30 June<br>2022 | Period<br>9 September<br>2021 to<br>31 December<br>2022 |
|------------------------------------------------------------------------------|-------------------------------------|-----------------------------------------------------------|---------------------------------------------------------|
| Gain/(loss) before financing costs and taxation                              | 13,696                              | (962)                                                     | 5,968                                                   |
| Losses/(gains) on investments                                                | (7,193)                             | (5,711)                                                   | (19,592)                                                |
| Foreign exchange losses/(gains) on cash and borrowings                       | (116)                               | (26)                                                      | (5)                                                     |
| Increase in operating debtors                                                | (88)                                | (597)                                                     | (182)                                                   |
| (Decrease)/increase in operating creditors                                   | 208                                 | 1,111                                                     | 1,606                                                   |
| (Gains)/losses on financial instruments at fair value through profit or loss | (9,724)                             | 4,994                                                     | 8,520                                                   |
| <b>Net cash flows from operating activities</b>                              | <b>(3,217)</b>                      | <b>(1,191)</b>                                            | <b>(3,685)</b>                                          |

## 18. Subsidiaries

The Company has two wholly owned subsidiaries. The Company has ownership and control over these two entities and as such they are deemed to be subsidiaries by the Board.

- i. PIH LP was incorporated on 5 November 2021 with a registered address in the State of Delaware, National Registered Agents, Inc., 209 Orange Street, Wilmington, Delaware, 19801, USA and is wholly owned by the Company.

The Company holds an investment in PIH LP. In accordance with FRS 102, the Company has not consolidated the subsidiary on the grounds it does not carry out business through the subsidiary and that it is held exclusively with a view to subsequent resale. It is therefore considered part of an investment portfolio.

Several of the investments in the Portfolio are held through PIH LP and are valued based on the fair value of the investments held in those entities. The Company holds a 99.9% investment in PIH LP, with the remaining holding is held by Pantheon Infrastructure Holdings GP LLC (PIH GP).

- ii. PIH GP was incorporated on 5 November 2021 with a registered address in the State of Delaware, National Registered Agents, Inc., 209 Orange Street, Wilmington, Delaware, 19801, USA and is wholly owned by the Company.

The Company has not consolidated PIH GP as it is immaterial. This treatment is supported by the Companies Act 2006, section 405 (2), whereby a subsidiary undertaking may be excluded from consolidation if its inclusion is not material for the purpose of giving a true and fair view.

# Notes to the interim financial statements (unaudited)

continued

## 19. Fair value

### Fair value hierarchy

Financial assets are carried in the Balance Sheet at their fair value or approximation of fair value. The fair value is the amount at which the asset could be sold in an orderly transaction between market participants, at the measurement date, other than a forced liquidation sale.

The Company measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements. Categorisation within the hierarchy has been determined on the basis of the lowest level input that is significant to the fair value measurement of the relevant assets as follows:

Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation at the end of each reporting period. There were no transfers between levels during the period.

### Financial assets at fair value through profit or loss at 30 June 2023

|                                     | Level 1<br>£'000 | Level 2<br>£'000 | Level 3<br>£'000 | Total<br>£'000 |
|-------------------------------------|------------------|------------------|------------------|----------------|
| Investments                         | —                | —                | 391,616          | 391,616        |
| Derivatives – financial instruments | —                | 1,204            | —                | 1,204          |
|                                     | —                | 1,204            | 391,616          | 392,820        |

### Financial assets at fair value through profit or loss at 30 June 2022

|                                     | Level 1<br>£'000 | Level 2<br>£'000 | Level 3<br>£'000 | Total<br>£'000 |
|-------------------------------------|------------------|------------------|------------------|----------------|
| Investments                         | —                | —                | 145,360          | 145,360        |
| Derivatives – financial instruments | —                | (4,994)          | —                | (4,994)        |
|                                     | —                | (4,994)          | 145,360          | 140,366        |

### Financial assets at fair value through profit or loss at 31 December 2022

|                                     | Level 1<br>£'000 | Level 2<br>£'000 | Level 3<br>£'000 | Total<br>£'000 |
|-------------------------------------|------------------|------------------|------------------|----------------|
| Investments                         | —                | —                | 301,382          | 301,382        |
| Derivatives – financial instruments | —                | (8,520)          | —                | (8,520)        |
|                                     | —                | (8,520)          | 301,382          | 292,862        |

## Notes to the interim financial statements (unaudited) continued

### 19. Fair value continued

The fair value of these investments and derivatives – financial instruments is recorded in the Balance Sheet as at the period end.

There have been no transfers between Level 1 and Level 2 during the period, nor have there been any transfers between Level 2 and Level 3 during the period.

The carrying amount of all assets and liabilities, detailed within the Balance Sheet, is considered to be the same as their fair value.

The majority of the assets held within Level 3 are valued on a discounted cash flow basis; hence, the valuations are sensitive to the discount rate assumed in the valuation of each asset. Other significant unobservable inputs include inflation and interest rate assumptions used to project future cash flows and the forecast cash flows themselves.

The majority of assets held within Level 3 have revenues that are linked, partially linked or in some way correlated to inflation.

The valuations are sensitive to changes in interest rates. These comprise a wide range of interest rates from short-term deposit rates to longer-term borrowing rates across a broad range of debt products.

### 20. Transactions with the Investment Manager and related parties

The amounts payable to the Investment Manager, together with the details of the Investment Management Agreement, and outstanding amounts are disclosed in Note 2.

The Company's related parties are its Directors and its subsidiaries as disclosed in Note 18. The fees paid to the Company's Board for the six months to 30 June 2023 totalled £98,000 (period ended 30 June 2022: £145,000, period ended 31 December 2022: £244,000). There were no other identifiable related parties at the period end.

### 21. Subsequent events

#### Commitments

At 30 June 2023 the Company had undrawn commitments of £32.9 million outstanding in respect of infrastructure assets (period ended 30 June 2022: £92.1 million).

On 7 September 2023 the Company made a commitment to invest in Zenobe, a battery storage and electric vehicle fleet specialist, committing approximately £35.0 million.



## Glossary

### AIC

The Association of Investment Companies.

### AIC Code

The AIC Code of Corporate Governance.

### Approved investment trust company

An approved investment trust company is a corporate UK tax resident which fulfils particular UK tax requirements and rules which include that for the company to undertake portfolio investment activity it must aim to spread investment risk. In addition, the company's shares must be listed on an approved stock exchange. The 'approved' status for an investment trust must be authorised by the UK tax authorities and its key benefit is that a portion of the profits of the company, principally its capital profits, are not taxable in the UK.

### AUM

Assets under management are the total market value of investments held under management by an individual or institution. When referring to Pantheon's AUM, this figure includes assets managed on a fully discretionary basis.

### Carried interest

Portion of realised investment gains payable to a Sponsor as a profit share.

### Cloud

Cloud computing is the on-demand availability of computer system resources, especially data storage (cloud storage) and computing power, without direct active management by the user.

### Co-investment

Direct shareholding in a company by invitation alongside a Sponsor.

### Commitment

The amount of capital that the Company agrees to contribute to an investment when and as called by the Sponsor.

### Company

Pantheon Infrastructure Plc or 'PINT'.

### Exit

Realisation of an investment, usually through trade sale, sale by public offering (including IPO), or sale to a financial buyer.

### Funds under management

Funds under management includes both assets under management and assets under advisory (assets managed on a non-discretionary basis and/or advisory basis).

### GIRAC

Global Infrastructure and Real Assets Committee.

### Initial public offering (IPO)

The first offering by a company of its own shares to the public on a regulated stock exchange.

### Internet of things

This term describes the network of physical objects (things) that are embedded with technologies such as sensors or software for the purpose of connecting and exchanging data with other devices and systems via the internet.

### Investment Manager

Pantheon Ventures (UK) LLP.

### Investment thesis

Pantheon's final stage of approval for infrastructure co-investments.

### IRR

Internal rate of return is the annual rate of growth that an investment is expected to generate over its life.

### Latency

The delay before a transfer of data begins following an instruction for its transfer.

## Glossary continued

### Market capitalisation

Share price multiplied by the number of shares outstanding.

### Multiple of invested capital (MOIC or cost multiple)

A common measure of private equity performance, MOIC is calculated by dividing the fund's cumulative distributions and residual value by the paid-in capital.

### Net asset value (NAV)

Amount by which the value of assets of a company exceeds its liabilities.

### Portfolio or operating company

A company that PINT invests in. These portfolio or operating companies in turn own and operate infrastructure assets.

### Portfolio investment return

Total movement in the valuation of the underlying assets comprising the Portfolio, expressed as a percentage of opening portfolio value. Foreign exchange effects and other expenses are excluded from the calculation.

### Primaries

Commitments made to private equity funds at the time such funds are formed.

### Private equity

Privately negotiated investments typically made in non-public companies.

### Secondaries

Purchase of existing private equity fund or company interests and commitments from an investor seeking liquidity in such funds or companies.

### Share price premium (discount)

Occurs when a company's share price is higher (lower) than the NAV per share.

### Sponsor or general partner

The entity managing a private equity fund that has been established as a limited partnership.

### Total return

This is expressed as a percentage. The denominator is the opening NAV, net of the final dividend for the previous year, and adjusted (on a time weighted average basis) to take into account any equity capital raised or capital returned in the year. The numerator is total NAV growth and dividends paid.

### Total shareholder return

Return based on interim dividends paid plus share price movement in the period, divided by the opening share price.

### WADR

Weighted average discount rate based on each investment's relative proportion of Portfolio valuation.

## Directors and advisers

### Directors

Vagn Sørensen  
Anne Baldock  
Andrea Finegan  
Patrick O'Donnell Bourke

### Investment Manager

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## Disclosure 1 – Investments

This interim report provides information about certain investments made by PINT. They should NOT be regarded as a recommendation. Pantheon makes no representation or forecast about the performance, profitability or success of such investments. You should not assume that future investments will be profitable or will equal the performance of past recommendations. The statements made reflect the views and opinions of Pantheon as of the date of the investment analysis.



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Registered in England  
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