



Gore Street
Capital

Investment Themes in a Changing World
– The Energy Transition as we know it

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Gore Street Capital: An Overview

Gore Street Capital Overview

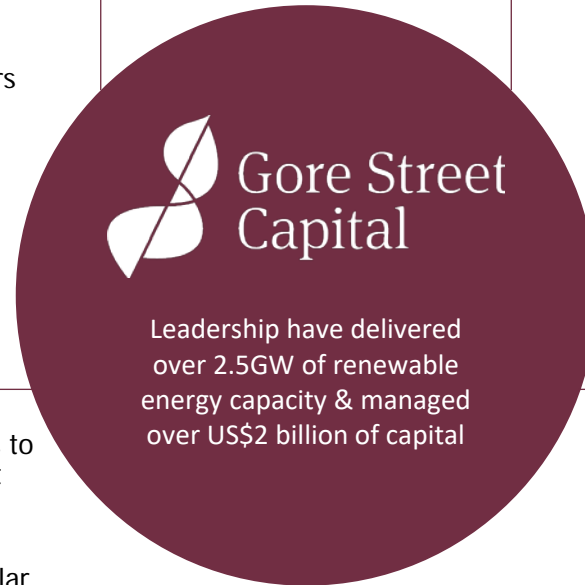
- Global platform for the acquisition, development and management of renewable energy assets
- Manages the first-ever listed fund dedicated to battery storage
- Large network of investment partners and experts globally

Unique Experience in Renewable Energy

- Global investor in renewable energy infrastructure projects/businesses
- First-mover in UK energy storage market, managing c. 460MW of battery storage assets
- Leadership developed and managed renewable assets worth over US\$2 billion

Investment Focus

- Projects positioned for growth in strategic locations with high barriers to entry and sustainable operating cost structures
- Target sectors: energy storage, and investments supporting wind and solar
- Energy storage focus: UK, Europe and North America



Strong Investment Management Team and Shareholder Support

- Extensive international experience in fund investments within target sector
- Over 75 years of private equity and asset management focusing on energy and infrastructure
- Strong institutional shareholder support: Paul Tudor Jones (Tudor Investment Corporation); Ambata Investments

The Energy Transition: Why's it happening?

Growing Co2 emissions causing global warming have resulted in climate disasters across the globe
-> the energy system must change for the world to adapt



The Energy Transition: Drivers



Technology advancements

Rapidly advancing technologies have resulted in significant cost reductions and efficiency advancements for solar, storage and wind. Energy infrastructure and grid networks have become digitalised.



Policy

Governments have adopted green energy policies and tax credits to achieve decarbonisation milestones.



Culture

Investor and public appetite for renewable energy in light of growing awareness of climate change has spurred investment and demand for green energy solutions. ESG investments have become the centrepiece of investor reporting.

04/02/2021

Financial Times

How the race for renewable energy is reshaping global politics

21/01/2020

Forbes

Renewable Energy Prices Hit Record Lows: How Can Utilities Benefit From Unstoppable Solar And Wind?

24/04/2021

The Guardian

‘Insanely cheap energy’: how solar power continues to shock the world

19/09/2020

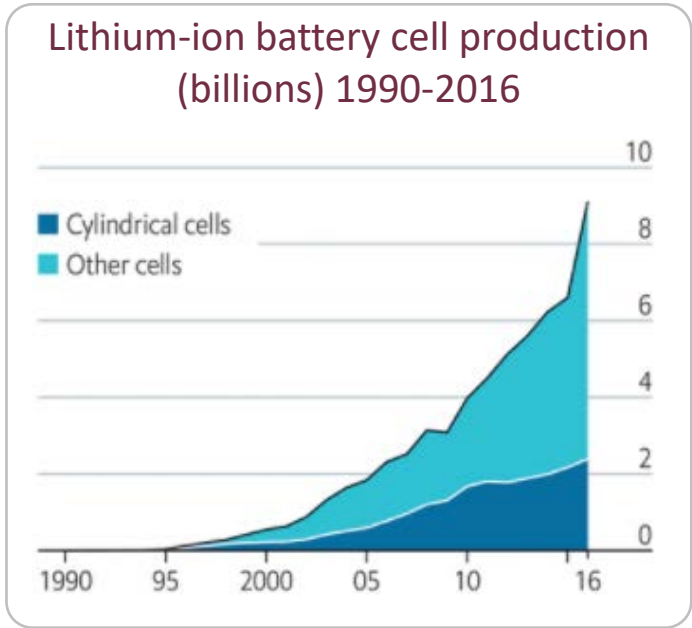
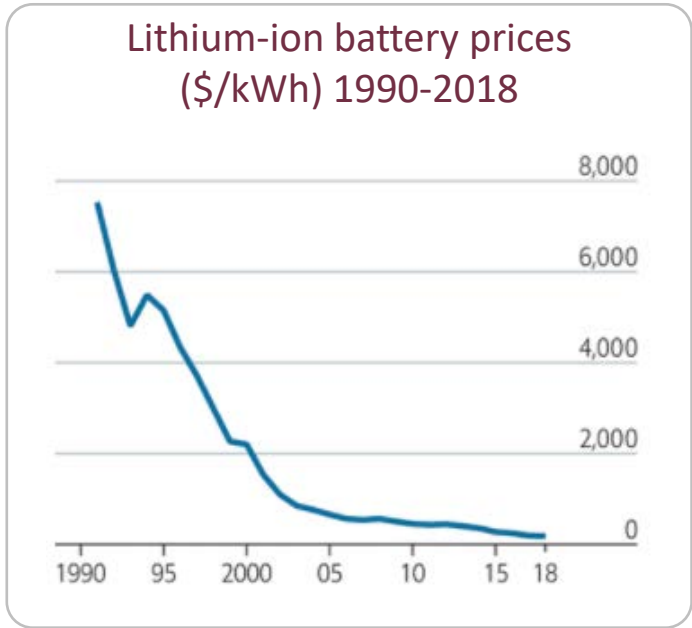
The Economist

Is it the end of the oil age?

The Energy Transition: Falling Technology Costs

Advancing technologies have significantly reduced costs and achieved efficiency gains, creating a business for greater adoption of renewables

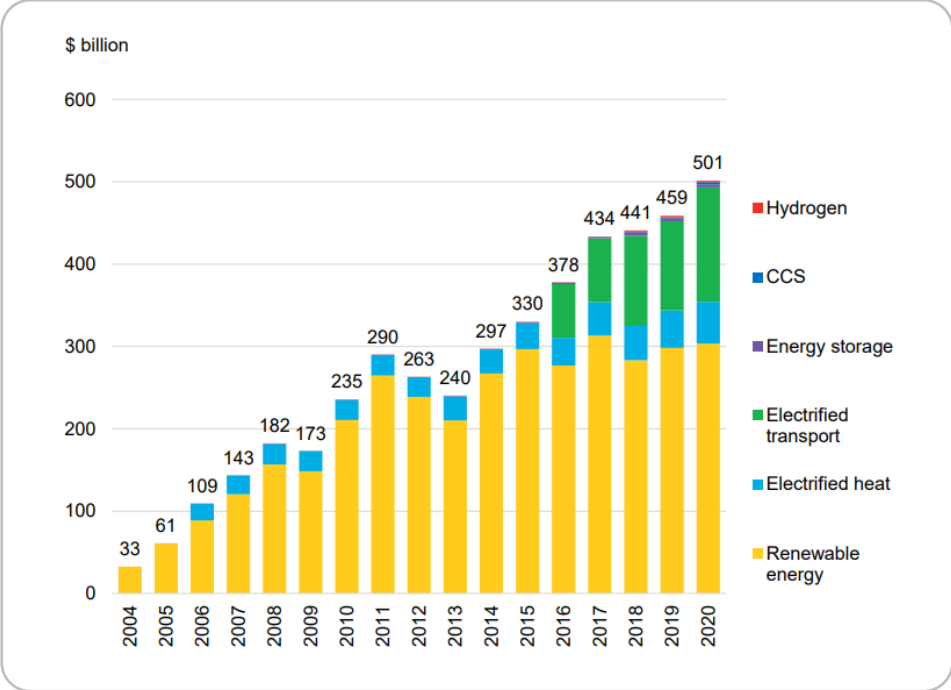
Lithium-ion battery transition since 1990



The Energy Transition: Market Overview

Energy transition is driving a \$4-10 trillion market for renewables and energy storage that will replace fossil fuel power by 2030, with \$500bn committed to decarbonization in 2020

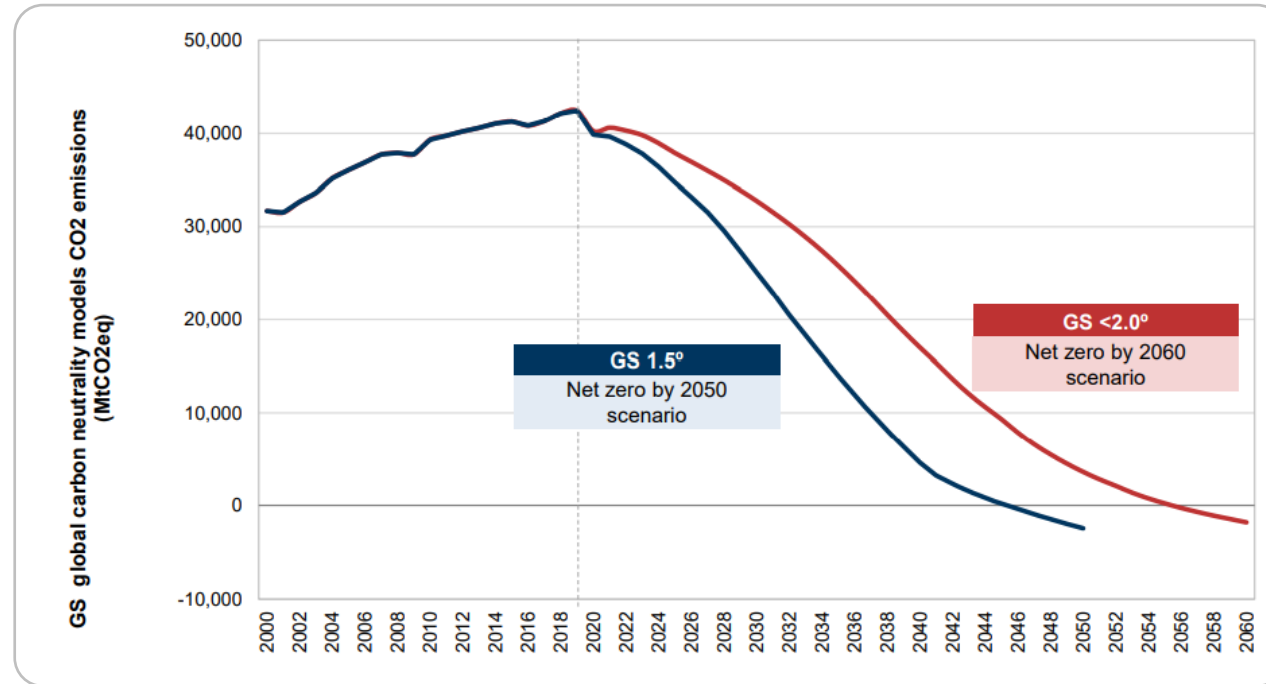
Global Investment in the Energy Transition (by sector), \$ trillion



The Energy Transition: The Impact

Without immediate investment into the energy transition, the environment risks facing irreversible damage

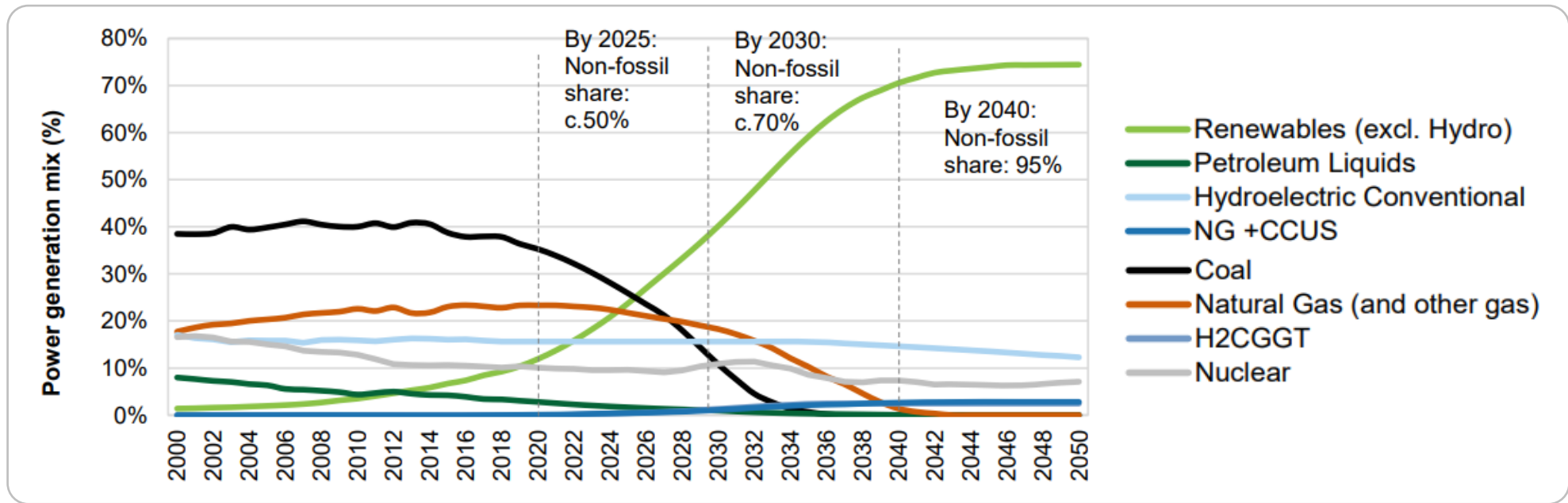
Two global carbon neutrality scenarios: 1.5°C global warming (net-zero by 2050); and <2°C global warming (net-zero by 2060)



The Energy Transition: What's changed?

A fundamental change to the global energy system is crucial for the world to reach its climate targets

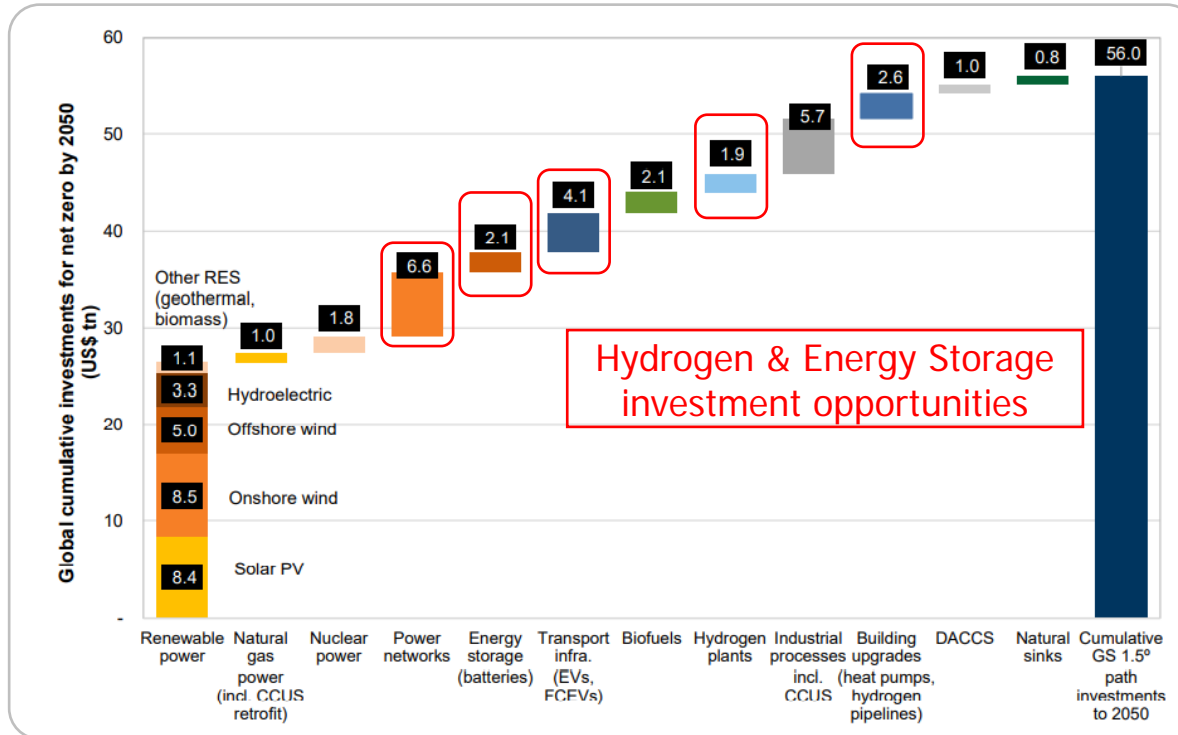
Change in the global power generation mix necessary for the 1.5°C global warming scenario



The Energy Transition: Investment Opportunity

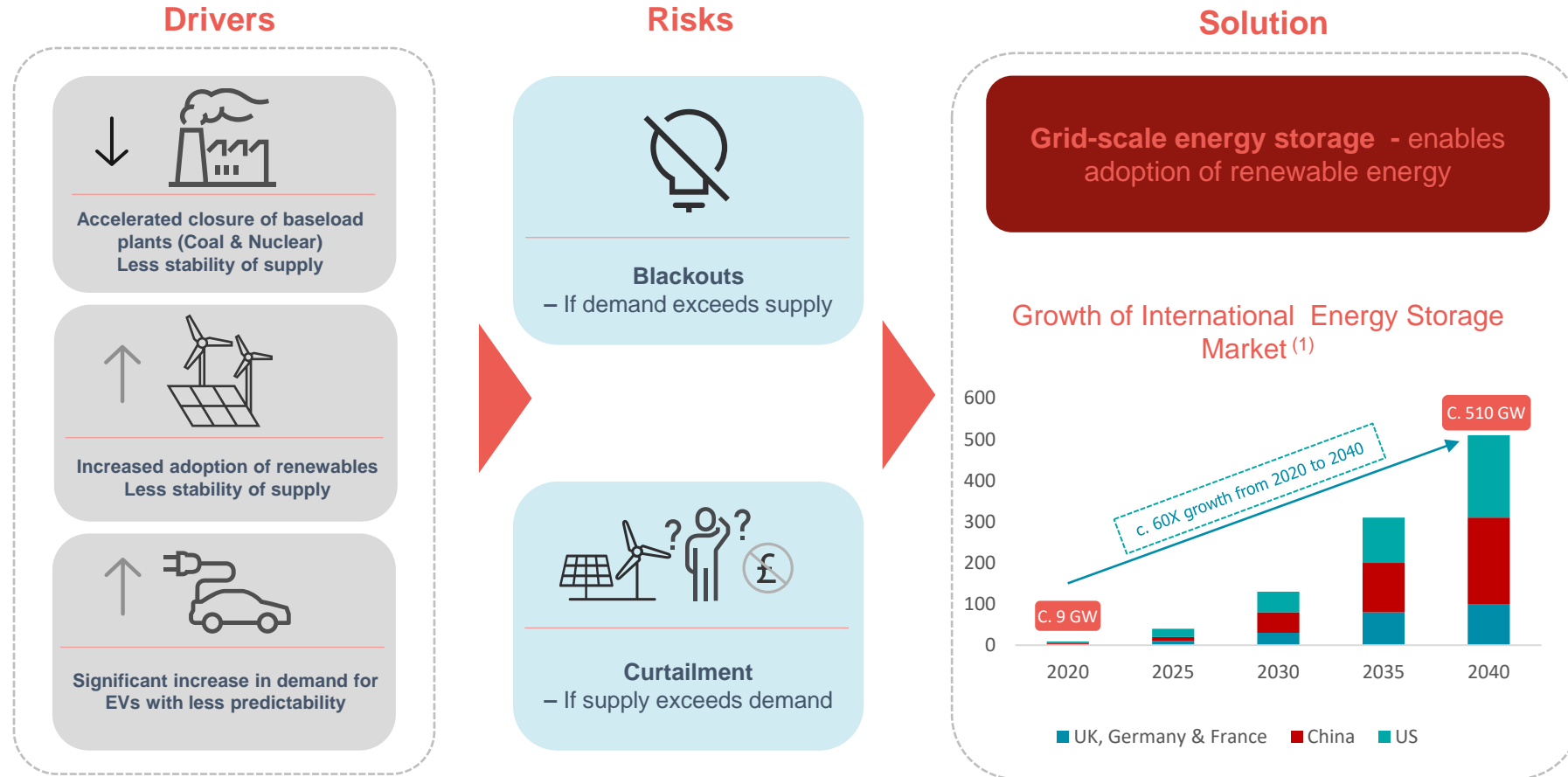
There's an estimated investment opportunity of \$56trn in the scenario where the world hits net-zero by 2050, for which energy storage and hydrogen are integral

Investment Opportunity across sectors if achieving global net-zero by 2050 (1.5°C global warming scenario)



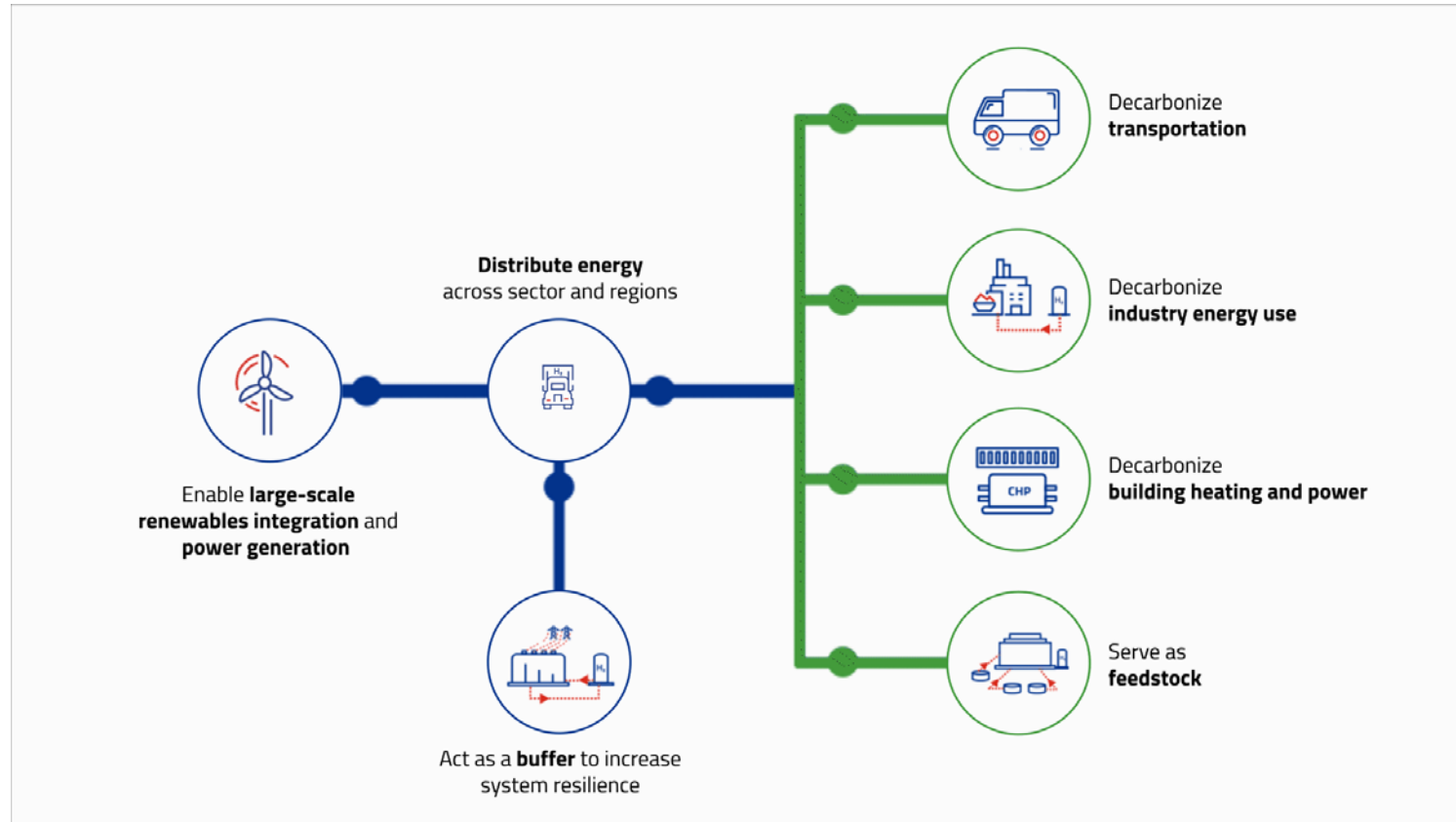
Energy Storage: A necessary enabler

Intermittent generation from renewables requires energy storage to balance supply/demand in real-time



Hydrogen: A necessary enabler

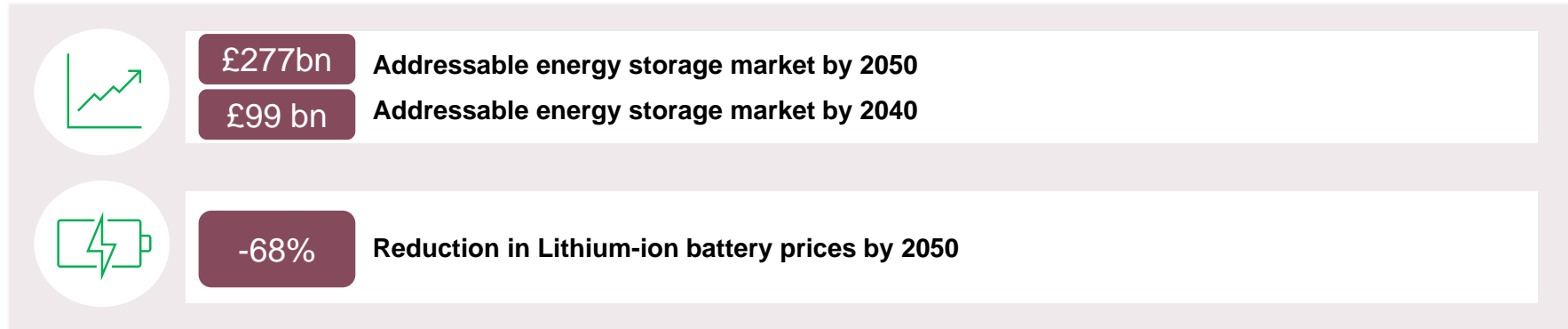
Hydrogen replaces traditional fossil fuel energy sources to power the future



Enable the renewable energy system → Decarbonize end uses

Gore Street Capital: Path to Sustainable Future

Gore Street thinks the path to a sustainable future is driven by Energy Storage and Hydrogen



The UK govt launched its hydrogen strategy to meet its goal of 5 gigawatts (GW) of low-carbon hydrogen production by 2030 (replacing natural gas). The hydrogen market is expected to grow 7x by 2050



Gore Street Energy Storage Fund: A Market Leader

Gore Street Energy Storage Fund is the first UK and Ireland pure-play energy storage fund, targeting a dividend of 7.0 pence or 7% of NAV.



Growth sector

Exponential growth predicted for energy storage in next decades



Attractive returns

Targeting projects with annual unlevered IRR of 10-12%⁽¹⁾; uncorrelated with COVID-19, equity market & power price movements



Backed by leading investors

Sovereign wealth fund, global industry leaders and specialist ESG funds



Best-in-class diverse asset pool

Highly competitive acquisition cost; portfolio with multiple revenue streams and different geographies and partners



ESG

Fully ESG compliant: No gas-peak generators in portfolio, LSE Green Economy Mark accredited

Gore Street Energy Storage Fund: Investment Approach

Utility scale storage projects targeting 10-12%⁽¹⁾ unlevered in aggregate across the portfolio

1

Acquisition approach: GSC has extensive market experience in optimising balance sheet efficiency

Proven ability to effectively execute at competitive prices

Efficient project screening and capital discipline is key to target return

2

Project type: Focus on acquiring rights and securing key contracts to bring an asset to commission Considerable in-house expertise in negotiating accretive contracts on behalf of portfolio companies

3

Monetisation: Contract stacking strategy across different organised markets

Investment Manager takes active approach working alongside aggregators to generate diverse sustainable revenue streams and optimise asset value

4

Technology: GSF is technology agnostic and is constantly accessing different storage solutions

Today, Manager has identified lithium-ion as the most efficient battery technology

5

Geography: Current portfolio is primarily focused on GB and Ireland where GSC has significant track record and market experience with both grids.

Flexibility to pursue attractive opportunities in Western Europe and USA, included in the current pipeline

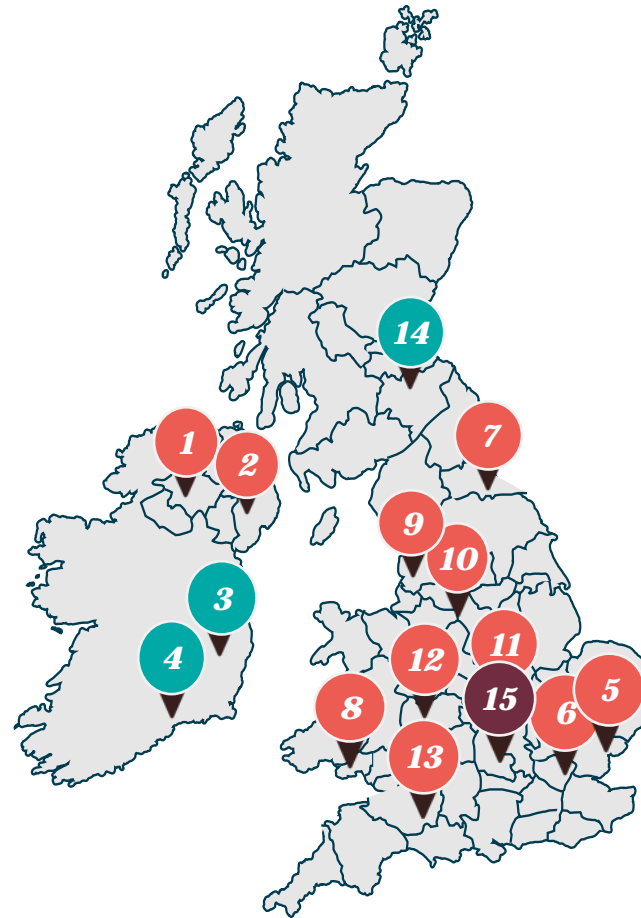
(1) Target IRR before fees and expenses. IRR range is subject to various risk adjustments. These are targets only which are based on a number of assumptions that may not materialise. There can be no guarantee that the fund will generate these or any returns.

Gore Street Energy Storage Fund: Portfolio

1. Drumkee	9. Hulley
2. Mullavilly	10. Lascar
3. Porterstown**	11. Breach
4. Kilmannock**	12. Larport
5. Port of Tilbury	13. Ancala*
6. Lower Road	14. Ferrymuir**
7. Boulby	15. Stony***
8. Cenin	

Total portfolio of GSF stood at 460MW as of July 2021

- 210 MW of operational and 230 MW of pre-construction and construction phase projects



*The Ancala asset comprises 10 smaller sites of 1.0MW – 1.2MW across the UK. The pin location represents Brook Hall which is one of the assets within Ancala. **Assets are under construction. ***Stony was acquired post period-end

Gore Street Energy Storage Fund: ESG

Gore Street's mission is to be a leader in the global movement to transition to a low carbon economy.

- The Company is committed to the continuous integration of environmental, social and governance (ESG) assessments throughout its investment process and project lifecycle and has begun to monitor its ESG performance through adherence to the reporting requirements under the UN's Principles for Responsible Investment (PRI), the Task Force on Climate-Related Disclosure (TCFD) and the Sustainable Finance Disclosure Regulation (SFDR).
- The growth of the Company's portfolio to 460MW is able to power approximately additional 50,000 homes by reducing curtailment of nonrenewable sources of energy like wind energy which have been found to be curtailed by up to 20%.



GIIN

The Company is also a member of the Global Impact Investing Network (GIIN) and is aligned with GIIN's mission of reducing barriers to impact investment and supporting the allocation of capital to fund solutions to the world's most intractable challenges.



Green Economy Mark

The company has also been awarded the London Stock Exchange's Green Economy Mark, acknowledging that it derives greater than 50% of its revenues from environmentally friendly sources and continues to optimize its portfolio to drive an increasing amount of revenue from green Sources.

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