

Q&A

1. What is the Requisitioned General Meeting about?

RM Funds is attempting to remove two independent directors and replace them with its own appointed nominees, for their own benefit and to the potential detriment of other shareholders.

The full text of the Requisitioned Resolutions is set out in the notice of meeting at the end of the circular.

2. Why is this a concern?

The two directors proposed by RM Funds, if successful, would displace two independent directors of your Company.

It is unclear what strategy they will employ, and these risks destabilising GSF's long-term successful strategy and could lead to short-term asset sales that harm shareholder value.

3. What has the Board done so far?

Your Board is fully independent with expert and relevant experience. It is most importantly committed to the highest standards of corporate governance and therefore committed to creating and preserving value for ALL shareholders.

It has delivered strong operational performance, reduced fees, completed an independent review of strategy, and has outlined and is currently executing a clear roadmap for growth.

Your Company has recently announced considerable operational progress, including;

- More than doubling energised capacity
- \$84m combined consideration for the Investment Tax Credits (net of insurance costs)

4. What is the Board recommending?

Your Board is unanimously recommending that Shareholders VOTE AGAINST all of the Requisitioned Resolutions.

Your Board believes that the Company's mandate will continue to provide attractive long-term investment opportunities.

This is underpinned by the following five pillars:

- The Company's investment strategy, which has positioned it well for sustainable long-term value creation, is at risk of being derailed by an activist investor
- Benefits of geographic diversification with assets across five grids
- Capital allocation clearly outlined, following successful asset and ITC monetisation
- Shareholder engagement demonstrates clear support for ongoing strategy execution
- Skills and independence of the existing Board

More details can be found in the Circular and the Board webinar.

Please see the section of the Circular titled “Action to be taken” for further information on the action shareholders are recommended to take in respect of the EGM and details of how you can instruct a proxy to vote on your behalf at the EGM.

In light of all of the above, the Board strongly recommends that Shareholders VOTE AGAINST all Resolutions to be proposed at the Requisitioned General Meeting.

5. Why has the Board decided not to pursue Share Buybacks in the near-term?

While there is ongoing debate about the effectiveness of buybacks in narrowing discounts; at the current level of discount, the Board believe that they would be NAV accretive. However, following their recent engagement with a significant portion of the register, both directly and through advisers, there was a clear preference expressed that a significant portion of our investors prioritised (i) dividends and (ii) reinvestment into the portfolio, particularly through augmentation, which is seen as a highly valuable in the long term.

One of the key considerations is the trade-off between distributions (via dividends or buybacks) and reinvestment (in the interim bridged by loan repayment). At present, the returns on offer from re-investment exceed the dividend yield, making augmentation the more value-accretive option. This also preserves best flexibility and optionality on the portfolio’s asset base.

While the Company’s initial build strategy minimised duration, and therefore capex, to reflect the market opportunity, the current environment presents compelling opportunities in longer-duration assets (e.g. 2-hour systems) in select markets such as GB.

In the short term, available cash has been used to repay debt facilities, resulting in immediate realised savings of 7-8% in interest costs. Furthermore, when the opportunity arises, it allows for the reinvestment of that capital by redrawing the loan facility.

To summarise, the decision not to pursue buybacks to date has been shaped by careful consideration of shareholder feedback, market opportunities, and long-term value creation. However, the Board is seeking shareholder approval at the upcoming Annual General Meeting (AGM) to maintain the authority to undertake buybacks in future, should cash flows improve because of prices rising beyond those seen last year and/or as a result of cost cutting measures (e.g., management fees) and bringing trading in-house. The Board have indicated an intention to increase cash returns to shareholders, which could well take the form of buy backs, higher dividends or a combination of both.

6. What is the investment advisory fee paid to the Investment Manager?

Effective from 1st October, the fees payable under the AIFM Agreement will be reduced to a fee calculated at 1% per annum of the average (50:50) of market capitalisation and Adjusted NAV.

Other fund expenses include accounting fees, legal, CMA, Optimisation and professional fees, PR and brokers’ fees in line with the typical costs expected of investment trusts.

7. How has diversification improved the Company’s revenue profile?

As a dividend paying stock, diversification has had a tangible benefit for shareholders, both by increasing revenue and reducing volatility when compared to a GB-only strategy.

For the FY24/25, on a revenue per MW basis, the diversified portfolio outperformed **by 32%** compared to a GB-only strategy.

This is by no means an outlier; in the [Company's 2024 Half Year report](#), with a low correlation between GB revenue and non-GB revenue, the entire operational portfolio was able to maintain a higher absolute level of revenue and reduce revenue volatility by 46%, compared to what would be achieved by a GB-only strategy.

8. How do I vote?

Please see the **How to Vote** page. The document contains details of how to vote on the following platforms; Hargreaves Lansdown, Interactive Investor, AJ Bell, Charles Stanley, HSDL (Halifax Share Dealing), Barclays Smart Investor and EQi. Please do not hesitate to contact ir@gorestreetcap.com for any questions.

9. What percentage of votes are required in order for the proposed resolutions to pass?

Each resolution will require more than 50% of the votes cast to be in favour in order for the resolution to be passed.

10. What happens if I do not vote?

If Shareholders do not vote, there is a risk that a minority shareholding of an activist investor affects the outcome should there be limited other votes.

11. How can I ask questions?

If you would like to send a question or would like assistance by email, please contact ir@gorestreetcap.com.

You also will be able to ask questions in person at the meeting.

12. Will there be a webinar?

The Company's Board of Directors conducted a live presentation via Investor Meet Company on 30 July 2025, 14:30 BST. The recording is available [here](#).

13. What is the timetable?

Latest time and date for receipt of Forms of Proxy and electronic proxy appointments for the Requisitioned General Meeting	1 p.m. on 18 August 2025
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Requisitioned General Meeting	1 p.m. on 20 August 2025
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Announcement of results of the Requisitioned General Meeting	20 August 2025
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Shareholders should be aware that the deadlines for voting through platforms may be earlier than the Company's proxy voting deadline.

14. Where can I find more information about GSF?

The Company recently released the 2025 Annual Report and Financial Report, available here: <https://www.gsenergystoragefund.com/docs/librariesprovider22/archive/reports/annual-report-2025.pdf> or email questions to ir@gorestreetcap.com