Gore Street Energy Storage Fund plc Annual Results presentation

For the year ended 31 March 2024

Gore Street
Energy Storage Fund

Financial Highlights

NAV PER SHARE

107.0p

(2023: 115.6p)

OPERATIONAL EBITDA

£28.4m

(2023: £27.8m)

DIVIDEND YIELD

11.6%

(2023: 6.9%)

NAV TOTAL RETURN

-1.2%

(2023: 12.6%)

ENERGISED CAPACITY

421.4MW

(2023: 291.6 MW)

TOTAL CAPACITY

1.25GW

(2023: 1.17 GW)

Supported by:

- Operational Excellence
- Strong Balance Sheet
- Rapidly Growing Operational Capacity

Unique Proposition

Balanced Portfolio

5

uncorrelated markets

20+

Revenue streams resulting in high revenue generation per MW

5

System durations[1], ranging from 30 minutes to 4 hours, each tailored to the market opportunity while minimising costs to maximise returns

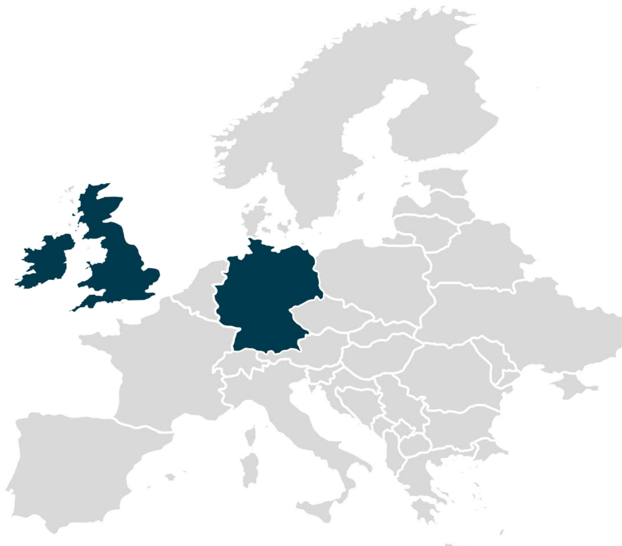
Continued Growth

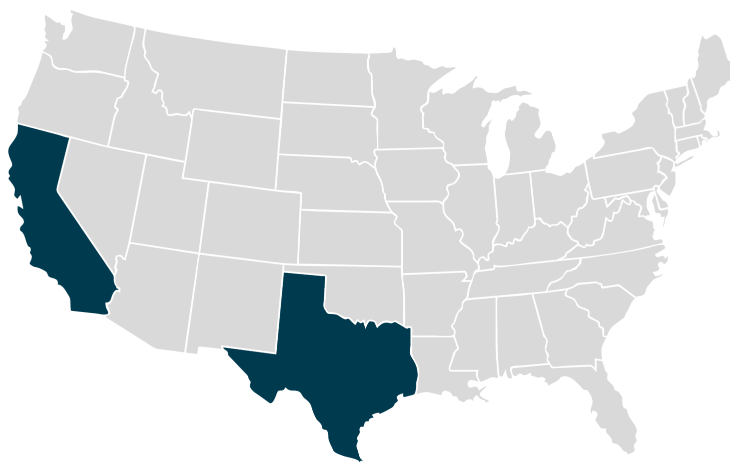
+79%

Increase in energised capacity expected in the next seven months.

$60-80m

ITC payment expected in 2025





Operational Excellence

+45 %

Increase in energised capacity

+5.5 %

Increase in total revenue

+2.3 %

Increase in operational EBITDA

1. This includes Big Rock as a 4-hr duration site to meet the requirements under the RA contract

Highlights

STRONG REVENUE GENERATION

£41.4m Total Revenue
FY23: £39.3m

£28.4m Operational EBITDA
FY23: £27.8m

GROWING OPERATIONAL FLEET

311.5 MW Average Operational capacity
FY23: 291.6 MW

753.4 MW Projected energised capacity by FY-end
FY23: 291.6 MW

ROBUST BALANCE SHEET

£60.7m Cash or cash equivalents

£58.6m Debt Headroom

£23m Net Cash

6.5% Gearing (of GAV)

DIVERSIFIED PORTFOLIO

£15.1 Average revenue per MW/hr for the total portfolio

£19.6 Average revenue per MW/hr for the international portfolio

DIVIDEND TARGET ACHIEVED

7% Of NAV dividend target achieved for the period

DIVIDEND POLICY CHANGE

7.0p Per ordinary share per annum for the 2025 financial year

Portfolio Significantly Derisked: Key Remaining Steps

Enderby

- Batteries, power conversion system, and substation are complete
- Large transmission-connected site
- Energisation window begins in August

Big Rock

- Foundation piles installed and enclosure onsite
- Largest asset to date (200 MW/ 400 MWh) in the Company’s fifth market
- Works progressing well with strong confidence for energisation by December 2024

Dog Fish

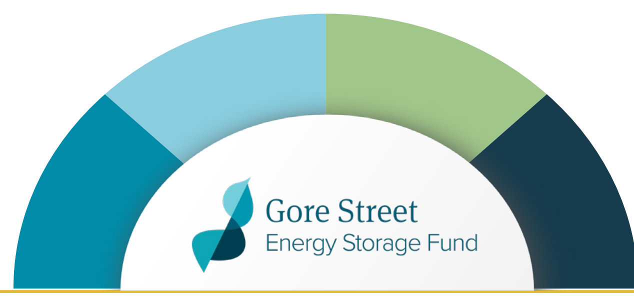
- All significant physical works completed to safe-harbour the 10% ITC enhancement
- 2.5x increase in operational capacity in the highly profitable ERCOT market
- On track for February 2025 energisation

RA Contract

- Negotiations are in the final stage, with a market update expected soon
- High prices current seen due to demand surpassing supply
- Adds a large contracted element to the Company's revenue profile

+ $60-80m ITC Cash inflow

Well-diversified, low-leverage portfolio



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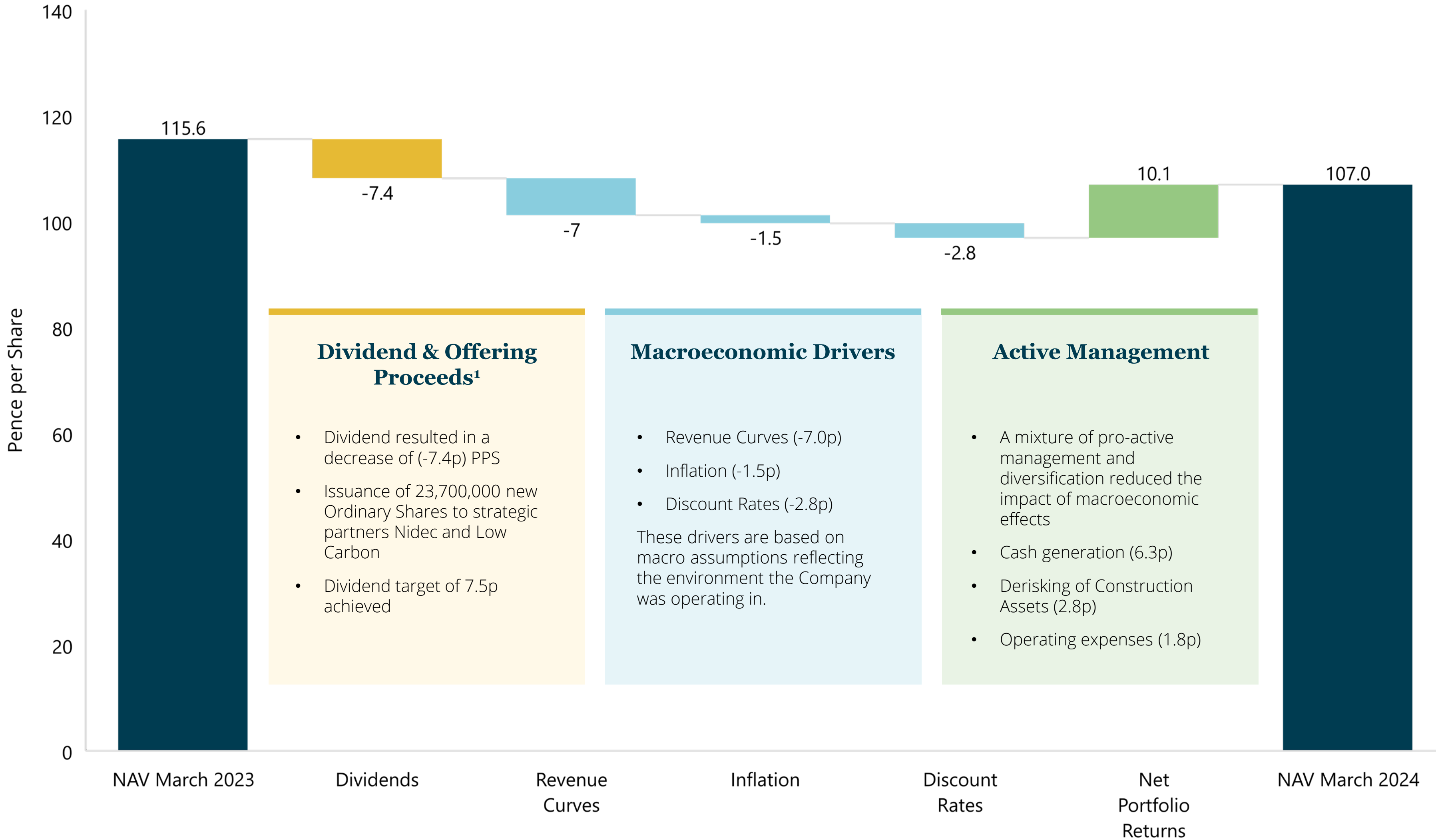
Valuations & Capital Allocation

NAV Bridge



Dividend & Offering Proceeds[1]

- Dividend resulted in a decrease of (-7.4p) PPS
- Issuance of 23,700,000 new Ordinary Shares to strategic partners Nidec and Low Carbon
- Dividend target of 7.5p achieved

Macroeconomic Drivers

- Revenue Curves (-7.0p)
- Inflation (-1.5p)
- Discount Rates (-2.8p)

These drivers are based on macro assumptions reflecting the environment the Company was operating in.

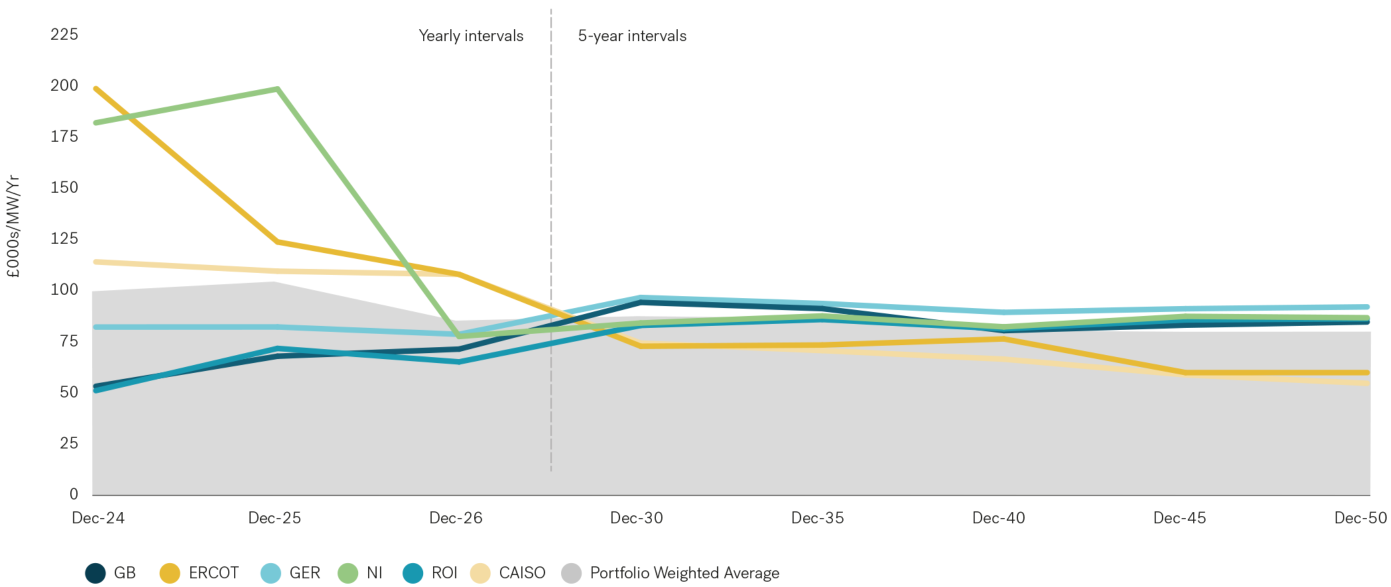
Active Management

- A mixture of pro-active management and diversification reduced the impact of macroeconomic effects
- Cash generation (6.3p)
- Derisking of Construction Assets (2.8p)
- Operating expenses (1.8p)

1. Offering proceeds contributed £27m to total NAV

Appropriate Revenue Forecasts

Blended Curve of Ancillary Services and Trading, by Grid. Portfolio weighted average[1]



Revenue curves (-7.0p)

- Revenue curves are sourced from independent third parties
- These curves exclude capacity markets, and resource adequacy in CAISO

The decline in GB revenue forecasts reflects recent revenue weakness due to oversaturation in battery supply.

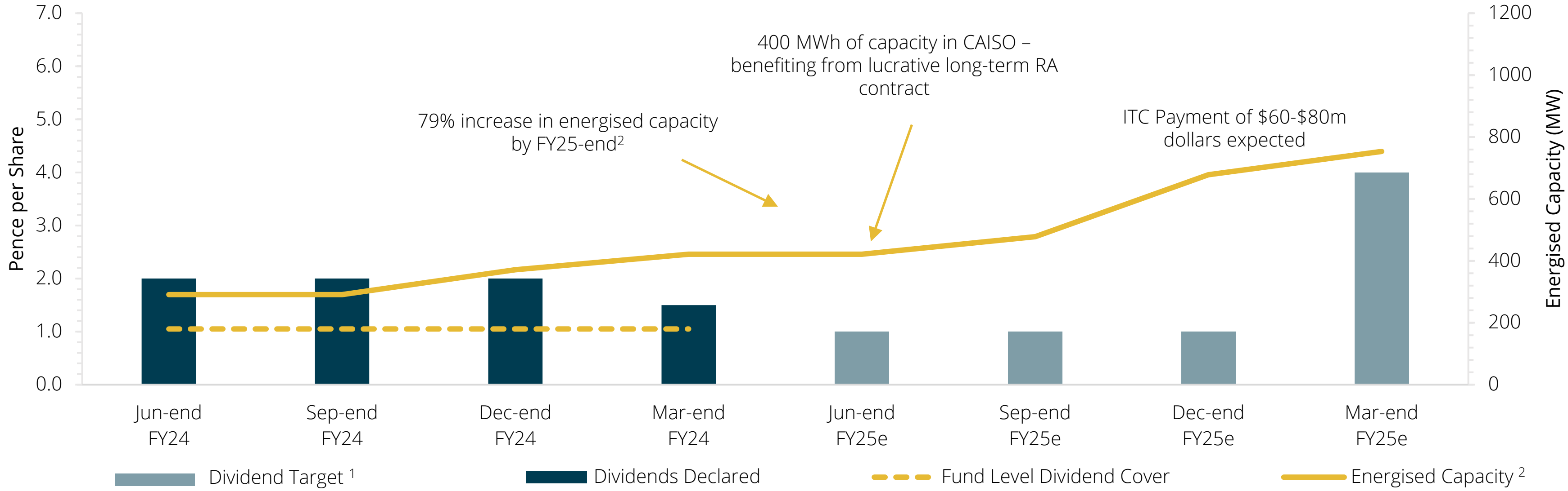
Capacity Market Contracted Revenue

- **GB:** 1-year CM contracts secured for 8 assets (mixture of T-1 and T-4) during the period
- **ROI:** Contract secured for Porterstown
- **NI:** All assets have Capacity Market contracts (Oct 27-Sep 28)
- **California:** Current market environment for long term fixed price RA contracts is favourable – expected to be accretive to NAV once secured

1. Curves are presented in real terms

Dividend Target

FY25 Dividend target aligned with cash flow



Operational portfolio of 753.4 MW fully funded using debt and available cash

GAV ratio of 15% is expected to reach the 753.4 MW operational

Aligned with investor expectations

Aligned with cash flow

Route to full cover

1. Based on GSF FY25 Dividend Policy
2. Based on target energisation dates as disclosed in the FY24 Annual Report

Strategic Cash Allocation

Key Considerations for Various Sources of Cash Flow

Cost of Capital	Higher interest rates make debt financing less attractive
Availability of Equity Capital	Limited availability from equity capital market
Balance Sheet Robustness	While debt financing options are available, the Investment Manager is conservatively managing GSF's balance sheet
Investment Tax Credit	Closely monitor timing of ITC cash receipt and use of the proceeds
Cash Generation	Construction portfolio COD towards 750MW and market revenue per MW in the five grids GSF operates
Portfolio Rebalancing	Assets not under construction could be considered for strategic disposal

Use of Cash Flow

- **Dividend**
- **Capex for projects under construction to bring the operational portfolio to >750MW**
- **Capex for pre-construction portfolio up to c.500MW**

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Portfolio Operational Performance

Track record: GSF Portfolio Summary

GSF's operational portfolio is

421.4 MW [1]

GB & Northern Ireland (GBP)

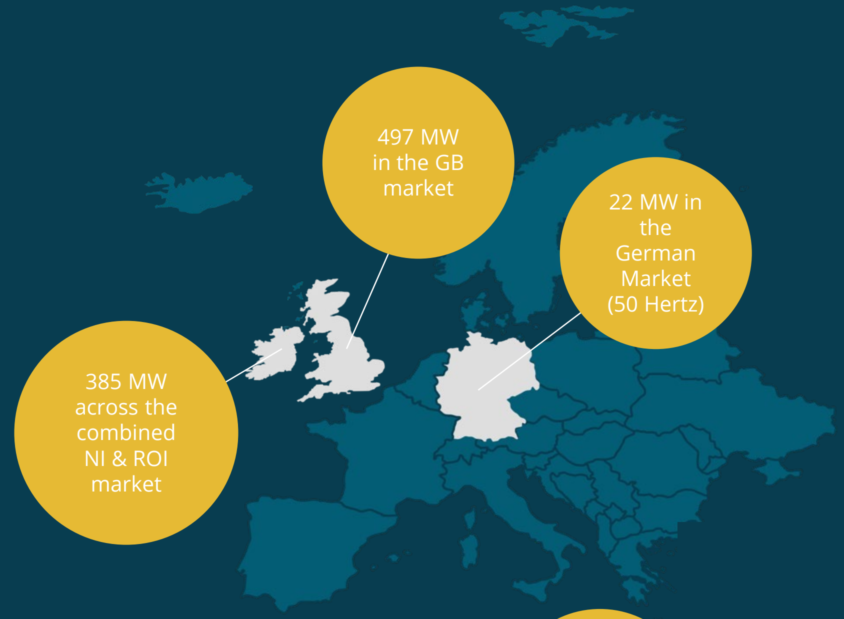
1.	Boulby	6.0 MW | 6.0 MWh	9.	Larport	19.5 MW | 19.5 MWh
2.	Cenin	4.0 MW | 4.8 MWh	10.	Ancala	11.2 MW | 11.2 MWh
3.	POTL	9.0 MW | 4.5 MWh	11.	Breach	10.0 MW | 10.0 MWh
4.	Lower Road	10.0 MW | 5.0 MWh	12.	Stony	79.9 MW | 79.9 MWh
5.	Mullavilly	50.0 MW | 21.3 MWh	13.	Ferrymuir	49.9 MW | 49.9 MWh
6.	Drumkee	50.0 MW | 21.3 MWh	14.	Enderby	57.0 MW | 57.0 MWh | Sep 2024
7.	Hulley	20.0 MW | 20.0 MWh	15.	Middleton	200.0 MW | 2026
8.	Lascar	20.0 MW | 20.0 MWh			

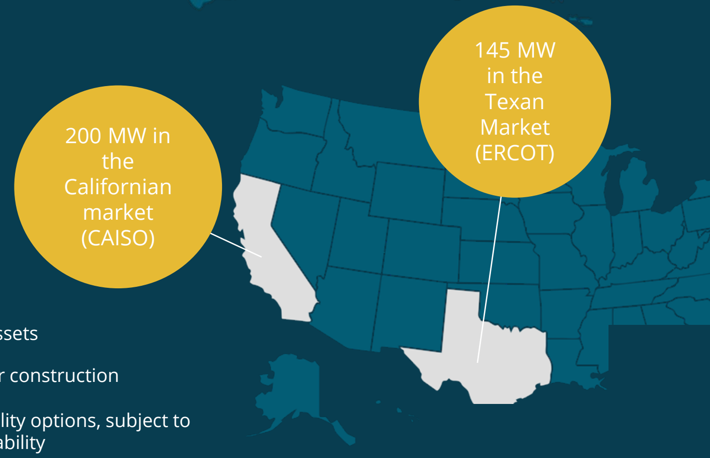
Republic of Ireland & Germany (EUR)

16.	Cremzow	22.0 MW | 29.0 MWh	18.	KBSL	30.0 MW | 2026
17.	PBSL	30.0 MW | 30.0 MWh	18.1	KBSL Expansion	90.0 MW | 2027
17.1	PBSL Expansion	60.0 MW | 60.0 MWh | TBC	19.	Mucklagh	75.0 MW | 2028

North America (USD)

20.	Snyder	9.95 MW | 19.9 MWh	25.	Wichita Falls	9.95 MW | 2025
21.	Westover	9.95 MW | 19.9 MWh	26.	Mesquite	9.95 MW | 2025
22.	Sweetwater	9.95 MW | 19.9 MWh	27.	Mineral Wells	9.95 MW | 2025
23.	Big Rock	200.0 MW |400.0 MWh | Dec 2024	28.	Cedar Hill	9.95 MW | 2025
24.	Dog Fish	75.0 MW |75.0 MWh | Feb 2025			





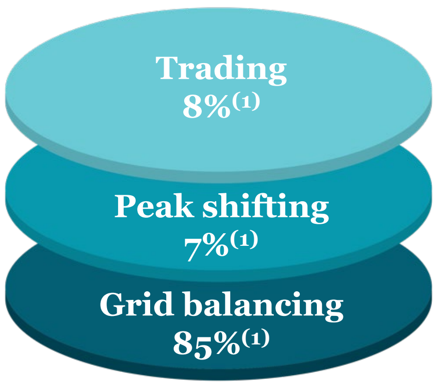
- Energised Assets
- Assets under construction
- Grid availability options, subject to capital availability

1. As of the date of publication

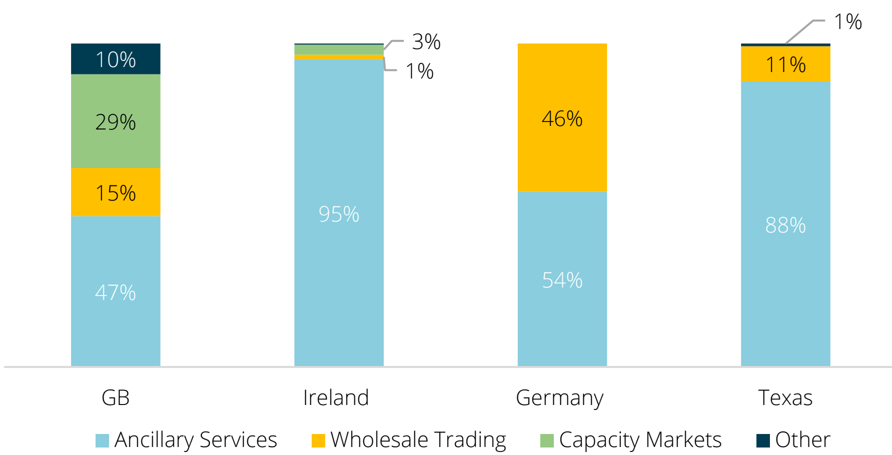
Market Overview

3 Types of Service

With 20+ Revenue Streams Available



Revenue Strategies Per Market (excl. LD)[2]



GB

- Secured a combined 251.5 MW of non-derated CM contracts
- Agreements will provide an additional c.£1.7m in two delivery years, alongside existing CM commitments

ROI & NI

- 41% increase in revenue for NI assets and 23% for ROI compared to previous period due to diversification of revenue sources
- 40% Y-o-Y increase in DS3 revenue driven by increased volatility of wind generation

Germany

- Leveraging additional services and algorithmic trading boosted revenue by 43% compared to a strategy focused solely on FCR

Texas

- 57% increase in revenue from the Texan portfolio compared to the previous year
- 72% of revenue made in Q2 due to high temperatures
- RRS saw a 22% increase in average price compared to the previous year

1. Based on FY23/24 revenues (excludes other forms of revenue such as LDs, REPs, ABSVD, NIVs)
2. 29% CM in GB is a function of suppressed merchant revenue pricing

Revenue Breakdown & Highlights

Average revenue per grid during FY23/24[1]

NI/ROI

£20.67/ MW/hr

£37.02/ MWh/hr

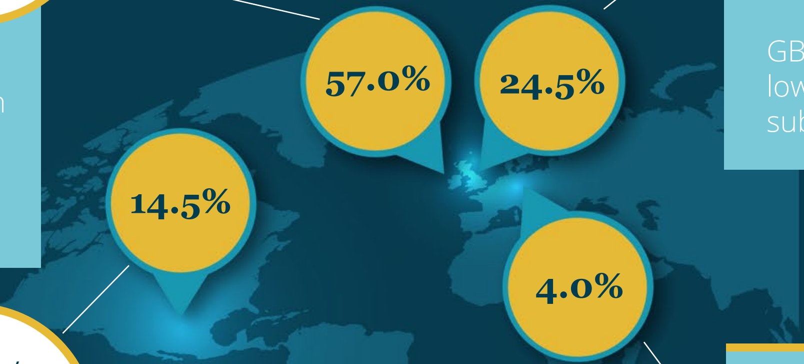
Increasing renewables generation led to increased volatility on the grid. The assets capitalised on this volatility, leading to a strong performance overall.

Great Britain

£8.80/ MW/hr

£9.44/ MWh/ hr

GB remained the Company's lowest performing market due to subdued ancillary revenues.



ERCOT

£22.82/ MW/hr

£11.41/ MWh/hr

In Q2, the operational Texas sites made 72% of their revenue due to high temperatures increasing volatility.

Portfolio weighted average

£15.12/ MW/hr

£16.69/ MWh/hr

Germany

£9.11/ MW/hr

£6.91/ MWh/hr

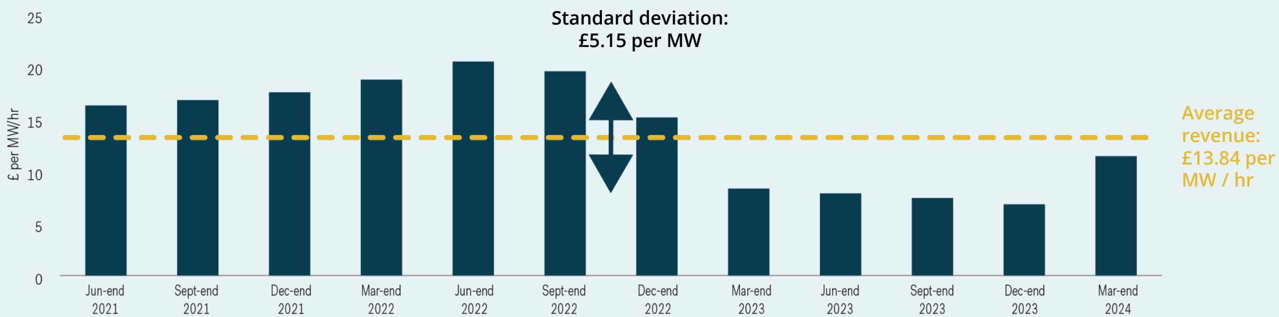
Leveraging additional services (beyond FCR) and algorithmic trading allowed the asset to surpass the revenue achievable from a strategy focused solely on FCR by 43% across the period.

1. Figures include c.£3.0m of liquidated damages for GB and c. £0.2m of liquidated damages for ERCOT.

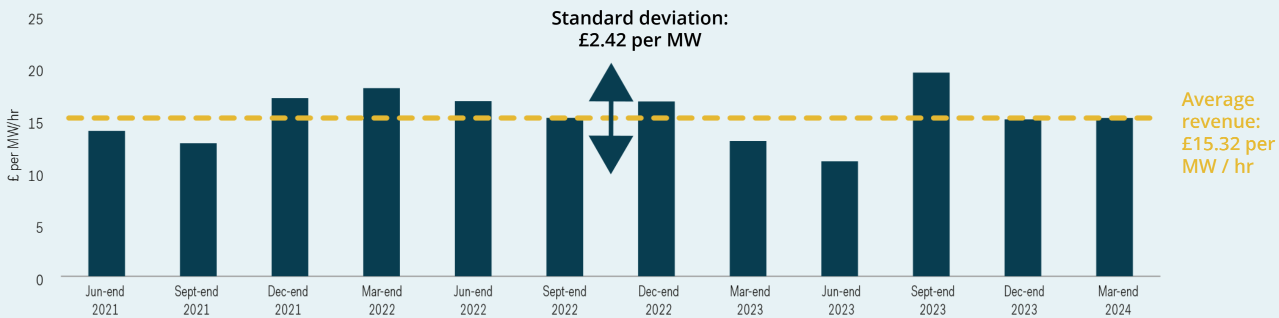
Diversification

Seasonal variation in one market creates large fluctuations in quarterly revenue, making diversification critical for BESS.

Quarterly Revenue Volatility (GB Only)



Quarterly Revenue Volatility (After Diversification)



Quarterly revenue volatility reduced by more than

1/2

following diversification (compared to GB alone)[1]

Total portfolio average revenue is

11%

greater than the GB portfolio alone per MW/hr

1. Calculated from data starting from Jun-end 2021

Environmental, Social and Governance

15,178 tCO_2e

Net CO_2 emissions avoided

26,232 MWh

Total renewable electricity stored

The Sustainable Finance Disclosure Regulation (SFDR)

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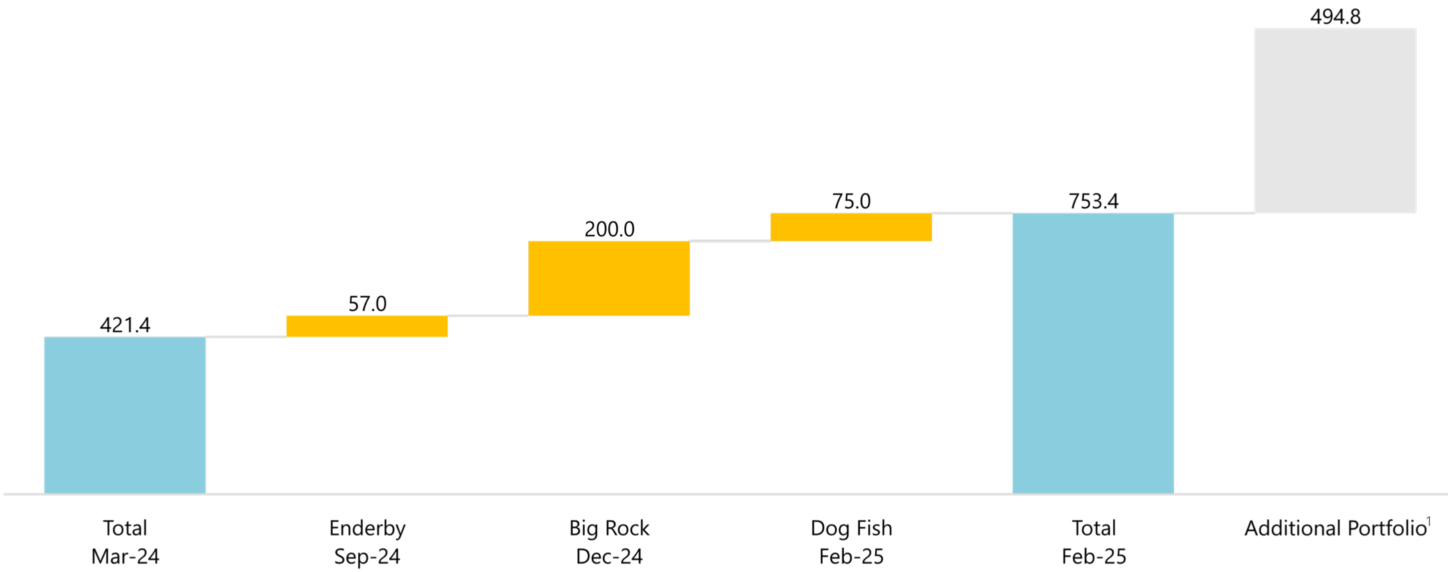
Next Milestones

Portfolio Growth

Portfolio Capacity Buildout (MW)



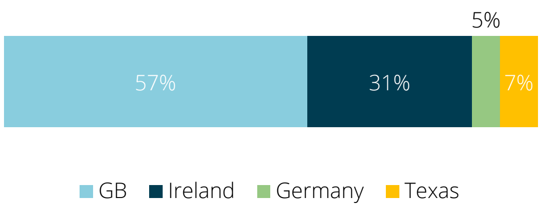
332.0 MW
Additional energised capacity by Feb 2025

45%
Energised capacity increased from Mar-2023 to Mar-2024

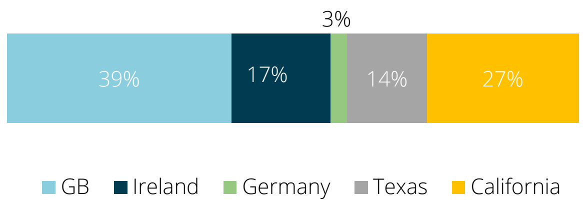
~ 924.1 MWh
Total MWh by Feb-2025

GSF Portfolio

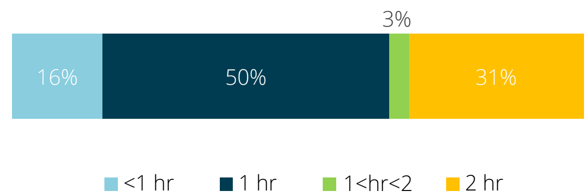
Split by geography (MW): Energised Mar-24



Split by geography (MW): Energised Feb-25[2]



Split by duration (MW): Energised Feb-25[2]



1. Construction strategy based on cash availability
2. Based on the published energisation schedule

Investment Tax Credit

Stand alone, BESS has been eligible for ITC benefits since Q4 2022.

Asset owners can deduct part of renewable energy project costs from federal taxes or sell the credits for cash to third parties, who can use them to offset their own tax liabilities.

Therefore, GSF's projects can monetise a material portion of the Capex for its US construction projects.

Base value of 30% of qualifying capex; with bonus adders available.[1]

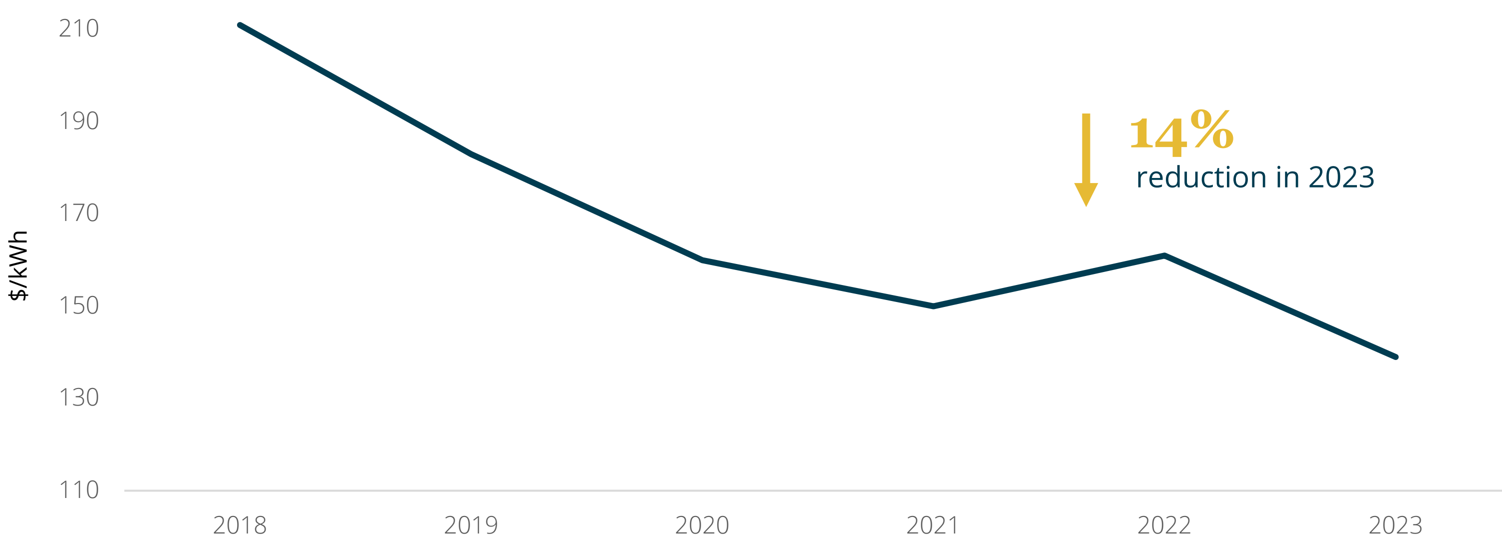
Projects generate tax credits when they are *Placed In Service*, which is either the tax year when the the property is ready for its assigned function (when the asset begins to export to the grid) or when depreciation begins.

$60-80 million cash inflow expected in 2025 based on Big Rock and Dogfish assets

1. Transferable Tax Credits - 2024 Ultimate Guide | Crux (cruxclimate.com)

Key Drivers of Additional Portfolio Construction

The average lithium-ion battery pack and cell price (volume weighted) [1]



$60-80 million

Anticipated total ITC benefit

Capital recycling

Options being actively explored

Key construction timeline drivers

- Capex costs
- Interest rates and cost of capital
- Regulatory changes
- Market mechanism changes
- Revenue opportunity and forecasts
- Fund-level liquidity management
- Practical drivers such as grid availability
- Battery costs represent c.30% of the total equipment costs

1. Bloomberg NEF

Resource Adequacy Contract

GSF is in advanced stages of securing an RA contract for its 200 MW / 400 MWh Big Rock project

What is a Resource Adequacy (RA) contract?

Key Features

- Resource adequacy refers to the state's electricity **grid's ability to reliably meet the power demands** of all consumers, **preventing blackouts** and **ensuring grid stability**.
- The RA program requires load-serving entities to demonstrate they have **secured enough capacity to cover their forecasted peak demand** plus a reserve margin.
- RA contracts require a **minimum duration of 4 hours**
- **Stackable long-term contract**, similar to GB market Capacity Market contracts, who's long-term fixed-price nature **supports securing project-level debt**.

Big Rock: 200 MW
100 MW of RA deliverability

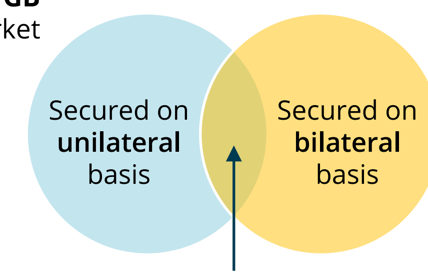
Contracted Capacity +
Reserve Margin

Long-term contract
at a **fixed price**

CAISO's
Load-serving entities

GB
Capacity Market

CAISO
Resource Adequacy



Both contracts address risk of insufficient capacity

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Conclusion

Conclusion

Construction portfolio supporting future growth

GSF's growing construction portfolio is expected to support future revenue generation and NAV progression as assets are de-risked from construction to operation phase.

Competitive cost per MW fully installed

The manager primarily acquires projects at the pre-construction stage and then leverages in house capabilities to develop flexible assets at competitive costs.

Best in class revenue generation

Supported by the Manager's in-house asset management and commercialisation group, the Manager remains focused on continuing to achieve high revenue amongst peers, allowing for the continued payment of dividends.

Consistent delivery against targets

The Company continues to create value for shareholders despite challenging GB market conditions due to appropriate valuations and a unique diversification strategy.

Past performance is not necessarily a guide to future performance

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