

## Infracorp – GFH’s infrastructure platform invests with Equitix in electricity distribution



- Infracorp and Equitix announces completion of first co-investment in the European Infrastructure Sector
- Strategic collaboration to significantly boost Infracorp’s Infrastructure footprint

**Manama, Bahrain, 11 January 2023:** GFH Financial Group’s (“GFH”) sustainable infrastructure platform - Infracorp today announced an initial co-investment with Equitix in Aurora Infrastructure Oy (“Aurora”); a well-established monopoly electricity distribution network operating in two key geographical areas of Finland and one of the largest industrial electricity distribution networks in the Nordics region.

Aurora serves a blue chip international industrial client base that are highly committed to the network and which have invested more than €4.5 billion combined in the Company’s two sites (AKO and ATO) since 2005. Aurora’s AKO site serves government backed and/or listed customers in traditional fuels, renewable fuels and chemical products segments, with its main clients being Neste, Borealis, Linde and Veolia. Its ATO network meanwhile, serves Outukumpu, the largest integrated plant and the only fully integrated stainless steel facility in the world.

Aurora’s electricity distribution network represents physically irreplaceable assets that are supported by long-term contracted cash flows, high-margins and a semi-regulated tariff structure, inflation and interest rate pass-throughs, significant barriers to entry and inelastic demand profile. Consistent with Infracorp’s focus, Aurora has a strong ESG basis and also benefits from the commitment of the Company’s customers to ESG principles with well-publicised strategies on decarbonization of their on-site operations underpinned by further electrification.

Infracorp will also enter into future collaborative discussions with Equitix, a leading global investor and long-term fund manager of core infrastructure assets. Equitix has over \$11.7 billion of assets under management and is the infrastructure investment division of Tetragon, the global asset management group which manages \$80 billion of assets on behalf of its clients. From this initial partnering, Infracorp will explore possible further opportunities to work with Equitix to invest in select infrastructure deals on

a discretionary basis. Any such potential opportunities will offer the ability to strengthen Infracorp's global infrastructure investments platform in Europe and the Americas across a range of defensive and downturn resistant infrastructure sector investments.

Commenting, **Majed Al Khan, CEO of Infracorp** said, *"In line with our vision, we're pleased to announce this investment in Aurora, which provides critical power distribution infrastructure for strategic blue-chip industrial customers committed to energy transition in Finland, including the two single largest electricity consumers in the Nordics. Aurora's electricity distribution network connects its customers' sites to the main power grid, making them strategic for the European and global value chain in the chemicals and stainless-steel industries. There is no alternative electricity distribution network available to its customers at these sites making this a unique asset. We are delighted to be working with Equitix, a leading global infrastructure asset manager with deep experience in managing and maximising the value of similar infrastructure assets."*

**Awais Majeed, Executive Director – Private Equity at GFH**, added, *"In line with our strategy of investing in resilient, ESG impact sectors, this transaction marks another investment in a sector that has proven resilient and which we expect to remain relatively immune to economic cycles. Aurora operates in a stable, business-friendly environment with macroeconomic trends providing a favourable backdrop for infrastructure investments. Importantly, it also benefits from an established energy system in Finland and a unique position in the electricity distribution space with no exposure to volume risk as well as a robust customer base with large well-established counterparties, backed by the Finnish government. We look forward to working with Aurora's highly experienced management team to continue to enhance the value of its assets and to further improve efficiency for the benefit of all stakeholders."*

**Hugh Crossley, Chief Executive Officer at Equitix**, said: *"We are pleased to work with GFH and Infracorp on this excellent investment which provides critical electricity network to the Finnish economy. The investment opportunities in infrastructure remain extensive and Equitix is uniquely structured to source and execute core infrastructure investments, manage them responsibly and deliver outstanding risk-weighted returns. We look forward to collaborating with GFH further. Equitix values the partnership and there is ample opportunity to explore a pipeline of attractive opportunities across the UK, Europe and the Americas together."*

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**About GFH Financial Group B.S.C.:**

GFH is one of the most recognised financial groups in the Gulf region. Its businesses include Asset Management, Wealth Management, Commercial Banking and Proprietary investments. The Group's operations are focused in the GCC, US and Europe. GFH is listed in Bahrain Bourse, Boursa Kuwait, Dubai Financial Market and ADX. For more information, please visit [www.gfh.com](http://www.gfh.com)

**About Infracorp B.S.C.:**

Infracorp is GFH's sustainable infrastructure platform specialized in investing in the infrastructure and sustainability development sector, with a capital of 1.1 billion US Dollars. Infracorp manages a portfolio of nearly US\$3 billion in infrastructure assets, including a 250 million square feet land bank in the Gulf, North Africa and South Asia which is earmarked for sustainable economic and social infrastructure. Infracorp's sustainability strategy is designed to



generate strong long-term returns for investors through proactive management of ESG risks, and by embracing opportunities for value creation in the sustainable investment ecosystem. The company focuses on investments in developing communities and investing in logistics and technologies that support sustainability and renewables as well as social infrastructure assets across the education and healthcare sectors. For more information about Infracorp, visit [www.infracorp.bh](http://www.infracorp.bh)

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