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Pantheon Infrastructure PLC
02 March 2023

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PANTHEON INFRASTRUCTURE PLC

Results for the period ended 31 December 2022

The Directors of the Company are pleased to announce the Company's full year results for the period ended 31 December 2022. The full audited annual report and audited condensed financial statements can be accessed via the Company's website at www.pantheoninfrastructure.com or by contacting the Company Secretary by telephone on +44 (0) 333 300 1950.

Highlights:

- Oversubscribed IPO in November 2021 raising gross proceeds of £400 million and a subsequent Subscription share issue raising gross proceeds of £80.8 million
- Significant progress made in building a diversified portfolio of high-quality infrastructure assets through a low-cost, co-investment model, which provides access to opportunities not normally available to public market investors
- Net asset value (NAV) of £475 million, 98.9 pence per share as at 31 December 2022
- In the period to 31 December 2022, the Company committed £346 million across ten investments, of which £288 million was invested across nine investments, in line with deployment timetable outlined at IPO
- After the period end a further £43 million was committed to a digital investment, GD Towers, and the total amount invested increased by £84 million to £372 million, principally due to funding calls on GD Towers and NGT
- £62.5 million Revolving Credit Facility agreed with Lloyds Bank Corporate Markets in December 2022 to provide additional working capital liquidity and support further investment
- Full year dividend of 2 pence per share in respect of the period from IPO to 31 December 2022, in line with guidance. Following payment of the interim dividend of 1 pence per share on 22 October 2022, a second interim dividend of 1 pence per share will be paid on 31 March 2023
- Target to double dividend to 4 pence per share in respect of the financial year ending 2023 with a progressive dividend policy thereafter
- The Company has a robust pipeline of opportunities within a supportive infrastructure investment environment

The portfolio comprises assets in the following sectors: Digital; including data centres, fibre networks and telecom towers; Power & Utilities, including electricity generation, gas transmission and district heating; Renewables & Energy Efficiency, providing critical electricity infrastructure and metering; and Transport & Logistics, with the asset operating in the cold storage logistics sector.

Vagn Sørensen, Chair, Pantheon Infrastructure Plc, said: "I am pleased to report the maiden full year results for Pantheon Infrastructure Plc, which outlines the considerable progress made since IPO. Despite the turbulent backdrop across geopolitics, macroeconomics and markets, PINT's investments have proved very resilient, with the portfolio benefiting from geographic and sector diversification and downside protections. I would like to thank investors for their ongoing support."

Richard Sem, Partner at Pantheon Ventures, PINT's investment manager, said: "We have assembled a strong portfolio of assets in our target sectors, and I am excited about their growth prospects. PINT's strategy is to target assets that benefit from strong secular tailwinds as the global requirement for infrastructure assets grows, particularly in relation to the path towards decarbonisation and net zero. This will require sustained investment and we believe that private capital will play an ever-increasing role in funding these projects. Although the market remains competitive, PINT will continue to target assets with defensive characteristics that benefit from secular tailwinds to deliver real terms growth across the economic cycle."

Ends

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Notes to editors

Pantheon Infrastructure PLC (PINT)

Pantheon Infrastructure PLC 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. Its Ordinary Shares trade under the ticker 'PINT'. The independent Board of Directors of PINT have appointed Pantheon, one of the leading private markets investment managers globally, as investment manager. PINT aims to provide exposure to a global, diversified portfolio of high-quality infrastructure assets through building a portfolio of direct co-investments in infrastructure assets with strong defensive characteristics, typically benefitting from contracted cash flows, inflation protection and conservative leverage profiles.

Further details can be found at www.pantheoninfrastructure.com

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Pantheon

Pantheon is a leading global private equity, infrastructure & real assets, private debt and real estate investor with 40 years' experience sourcing and executing private market investment opportunities on behalf of clients. Pantheon has US$88.9 billion in assets under management and advice (as at 30 September 2022) and employs over 450 staff, including more than 140 investment professionals, across offices in London, San Francisco, New York, Chicago, Hong Kong, Seoul, Bogotá, Tokyo, Dublin, Berlin and a presence in Tel Aviv.

Further details can be found at www.pantheon.com

Why invest in PINT

The Company aims to build a global portfolio of investments with blended risk/return profiles, and set 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

PINT is managed by Pantheon's global infrastructure investment team, which has a deep and broad sourcing network with leading private asset investment managers. 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 extensive deal flow network of blue chip infrastructure investors. There are fewer public market infrastructure opportunities to access private infrastructure assets, as infrastructure companies often remain private for long periods of time. Therefore, investing in PINT provides access to high quality co investment infrastructure assets not normally accessible to public market investors.

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.

Enhanced economics

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 nor carried interest.

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

Pantheon is able to apply its integrated ESG approach to investments to the direct co investment as well as to the Sponsor.

Pantheon's infrastructure experience

$19.0bn
AUM

188
Investments

30
Investment professionals

21 years
Average years' experience of Investment Committee

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 of 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. 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 in portfolios, 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. Cash flows that have a high portion of protection through contractual structures with high-quality counterparties offer further downside protection.

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.

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 a globally 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 aims to build a global portfolio of investments with blended risk/return profiles, and set targets across deal types, sectors and geographies for diversification. Please see below for more detail.

Digital Infrastructure
41%[1]
Data centres, fibre networks and towers

Power & Utilities
25%[1]
Energy utilities, water and conventional power

Renewables & Energy Efficiency
9%[1]
Wind, solar, sustainable waste and smart infrastructure

Transport & Logistics
8%[1]
Ports, rail and road, airports and e-mobility

1. Proportion of gross assets of £484.3 million at 31 December 2022. Includes assets which have been invested, committed and/or were in legal closing as at 31 December 2022. Figures do not total to 100% because of uncommitted cash totalling 17% of gross assets.

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% p.a. following full investment of IPO and subscription share proceeds.

8-10% p.a.[1]
Target NAV Total Return per share

2p per share[2]
Full-year 2022 dividend

4p per share[2]
Target 2023 dividend, progressive thereafter

1. NAV Total Return per share is defined as the growth in the NAV per share, together with all distributions (of an income or capital nature) paid in respect of such share.
2. Following the first year dividend of 2p per share, the Company is targeting an increased dividend of 4p per share for the year ending 31 December 2023 and, thereafter, a progressive dividend.

Chair's statement

Investing in infrastructure has never been so important.

We are pleased with the Portfolio assembled to date and have confidence in the future of the Company and its Portfolio, and the high-quality pipeline of opportunities.

Vagn Sørensen
Chair, Pantheon Infrastructure Plc

£389 million of net IPO and subscription share proceeds committed[1]

1p per share
Second interim dividend declared for the period

Introduction
I would like to thank all of PINT's investors who have supported the Company since its launch and have been instrumental in its success.

PINT's IPO was oversubscribed and hit its hard cap, reaching £400 million of gross proceeds (the largest new infrastructure investment company launch of 2021), which were augmented by £80.8 million of gross proceeds from the exercise of its subscription share offering in the summer of 2022.

PINT's purpose is to enable investors to gain exposure to a mix of high-quality growth and income-generating private infrastructure assets in developed markets. We target those assets with strong downside and inflation protection and invest alongside leading Sponsors and institutional investors.

The Company is targeting a NAV Total Return per share of between 8% and 10% p.a. Following the payment of the interim dividend of 1p per share in October, the Board is recommending a further dividend of 1p per share for the period to 31 December 2022, in line with our targets, which we expect to rise to 4p per Ordinary Share for the financial year ending 31 December 2023, and a progressive dividend thereafter. The Company intends to pay dividends on a semi‑annual basis.

Market environment and C shares
The period under review, which covers a little over a year since the Company's IPO in November 2021, was challenging in terms of geopolitics, macroeconomic factors and broad market volatility. In February 2022, Russia's invasion of Ukraine caused a spike in energy prices and higher inflation at a time when concerns were already rising about slowing global growth. The UK's so called 'mini-budget' in September included significant unfunded tax cuts to which markets reacted negatively and strongly. The cost of UK government debt rose with unprecedented speed, and the associated fall in value of gilts triggered a sell-off in UK equities as pension funds were forced to liquidate assets to meet collateral calls.

With this backdrop, it was pleasing that PINT's portfolio of infrastructure assets proved very resilient, benefiting from geographic and sector diversification and downside protections. However, the shares of investment trusts across all sectors, including infrastructure, were not immune to the fall in the broader UK equity indices. PINT's shares fell to trading at a discount for the first time since launch and, as a result, the Board concluded that the issue of new equity C shares proposed for September 2022 should not proceed.

Since that time, under a new UK Prime Minister and Chancellor of the Exchequer, the destabilising changes proposed under the mini‑budget have been reversed. Whilst the listed infrastructure sector continues to trade at a discount, we remain confident of the high quality characteristics of infrastructure assets which are largely uncorrelated with more volatile asset classes.

Deployment and performance
As at 31 December 2022, the Company had committed to ten assets totalling £346 million, with a further £43 million committed post the year end into GD Towers. In total this amounts to £389 million, which compares favourably with our initial target of committing to up to twelve assets in the first twelve months and means that the Company is substantially fully invested, after allowing for required working capital and cash retentions.

NAV per share as at 31 December 2022 was 98.9p, up 0.9p per share for the period since IPO, principally attributable to underlying gains on the Portfolio, which was valued at £301 million, reflecting the nine assets invested at 31 December 2022. Given the recency of the Company's new investments, these were modest gains and no significant valuation movements were recognised in the period.

Strategy and portfolio
The Company seeks to generate attractive risk-adjusted returns by constructing a diversified portfolio of high-quality assets across the global infrastructure investment universe, with a focus on assets that offer downside and inflation protection, which is particularly relevant in the current market environment. Leveraging Pantheon's extensive 13-year experience in infrastructure investing and its c.$19 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.

We do, however, remain alert to the challenges in the current environment and there are several key themes that we believe are important to consider:

Inflation
Despite policy intervention, inflation is at levels which have not been seen for over 40 years. 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.

Interest rates
Rates have risen faster than at any other time in history, with bond yields driving up risk-free rates; however, transactional evidence is showing limited to modest increases in discount rates. Portfolio financings have been executed on favourable terms, which mitigate this risk; however, new platforms are factoring in higher debt costs.

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 diligence focus when considering investments for PINT.

Strong governance
The Board takes its responsibilities to its shareholders, in accordance with good governance standards, very seriously. To that end, we have assembled a highly experienced and independent Board of Directors. All the Board members have worked extensively in the infrastructure sector and have a combined experience across the industry in excess of 100 years. All the Directors are non-executive and are independent of Pantheon. We have recently completed our first internal Board Evaluation, a process which we will carry out annually hereafter.

At present, the Board has concluded it is of an appropriate size relative to the assets of the Company, with good diversity of skills, gender and experience. As a relatively new Board, no Directors are expected to retire in the short term. However, we are aware of the need to consider Board tenure and ensure continuity and a smooth transition of Directors in the future, as well as adding further diversity, and will consider this in our succession planning in the coming years.

The Board of Directors is responsible for managing the business affairs of the Company in accordance with the Articles and has overall responsibility for the Company's activities, including setting strategy, approving future capital raising activity, the review of investment activity and performance, and the overall supervision of Pantheon as Investment Manager. The PINT team at Pantheon is led by Richard Sem, a Partner with over 25 years of experience investing in infrastructure. The Board is confident that the Pantheon team has the depth and expertise to enable PINT to achieve its long term objectives.

The Directors may delegate certain functions to other parties such as the Investment Manager, the Administrator, the Depositary and the Registrar. In particular, the Directors have delegated responsibility for managing the Company's investment portfolio to Pantheon as the Investment Manager.

Pantheon has selected a number of top-tier advisers for PINT, including Investec as broker, Hogan Lovells as Legal Counsel and EY as auditors.

Pantheon has a proven track record of delivering strong returns by applying a disciplined investment process across a globally diversified portfolio and we are confident that its approach, to focus on co-investing, thus minimising fees while maximising the number of investment opportunities it can access, offers a compelling and differentiated opportunity for investors.

PINT's Directors collectively own a total of 240,000 shares in the Company. In addition, thirteen Partners of Pantheon collectively hold a further 1,232,570 shares.

ESG
The Board recognises the importance of ESG to the operations of the Company as well as to the operations of those whose services it uses and the companies it invests in. The Board as a whole fulfils the responsibilities of the ESG Committee, which include:

- monitoring the Company's compliance with applicable ESG policies and regulations; and
- oversight of new and developing ESG legislation.

As part of fulfilling its responsibilities, the committee receives ESG updates from Pantheon.

We are impressed with the ESG activities and plans proposed by the portfolio companies. More details can be found in the 'ESG' and the 'PINT Investments' sections of this report.

Annual General Meeting
The first Annual General Meeting (AGM) of the Company will be held at 11.00am on 30 March 2023 at 10 Finsbury Square, 4th Floor, London, EC2A 1AF. All shareholders are encouraged to attend.

Outlook
The need for new infrastructure has not diminished because of the global economic outlook. The developed world continues to embark on an aggressive path towards decarbonisation, and 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, with significant fundraising activity in private markets further driving strong demand for high-quality infrastructure assets.

PINT's strategy continues to be to identify and target companies that 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 IPO, is all the more crucial in current market conditions. The Board remains optimistic about PINT's future investment opportunities and value creation potential.

Vagn Sørensen
Chair

1 March 2023

1. This refers to the capital committed to assets which are: invested, committed and in legal closing at 31 December 2022.

Investment Manager's report

Founded in 1982, Pantheon has established itself as a leading global multi strategy investor in private equity, infrastructure and real assets, private debt and real estate.

Pantheon's infrastructure experience
Since 2009, Pantheon has completed 188 infrastructure investments across primaries, secondaries and co-investments alongside more than 56 asset sourcing partners, solidifying its position as one of the largest managers investing in infrastructure. Total infrastructure co-investment and Sponsor relationships exceeded 50 as of December 2022, including investments closed or in legal closing. The global infrastructure investment team managed $19.0 billion in AUM as at 30 September 2022.

Pantheon platform
143
Investment professionals

$88.9bn[1]
Funds under management

>960
Institutional investors globally

11
Global offices

Pantheon private infrastructure

$19.0bn[1]
AUM

188
Investments

30
Investment professionals

21 years
Average years' experience of investment Committee

Pantheon private infrastructure co-investments

$4.4bn
Total commitments

52
Total investments

50+
Asset sourcing partners

12.3%
Notional net IRR[2]

1. As at 30 September 2022. 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 30 September 2022. 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.

Pantheon has extensive experience of and expertise in primary, secondary and co-investments, which are defined as follows:

- Primary investments: involve a commitment to a newly launched limited life fund managed by a Sponsor, seeking to exit improved businesses in the later years of the fund term at a profit
- Secondary investments: traditionally involve the purchase of an interest in an established private fund or a portfolio of companies from an existing investor
- Co-investments: afford the opportunity for investors to invest alongside Sponsors in specific Portfolio Companies, typically on a fee and carried interest-free basis

PINT focuses on gaining exposure to infrastructure assets via co-investments.

Pantheon primary funds strategy	**Sponsors require co-investment partner**	**Pantheon co-investment strategy**
AUM in primary companies since 2009[1] $9.0bn	***Co-investment opportunities screened since 2015[2]*** $70bn	***Committed across 52 co-investment assets*** $4.4bn Committed across 52 co-investment assets[3]
· Pantheon develops long-term relationships with top tier sponsors by investing in their underlying flagship funds. · Sponsors consider Pantheon to be a strategic partner, rather than a direct competitor.	Sponsors may offer co-investments for the following reasons: · size of transaction; · manage concentration limits; · raise follow-on capital; and · strengthen investor relationships.	· Access to co-investment assets, typically on a no-fee, no-carry basis. · Proven track record as a valuable partner by providing experience in complex deals; speed and certainty of deal execution within short time frames. · Co-investment track record has produced notional net IRR of 12.3%[4].

1. As at 30 September 2022. 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. Pantheon internal data from 2015 to December 2022. Screened deal flow is based on total value of transactions ($).
3. Total infrastructure co-investment count and committed amount as of December 2022, includes all Pantheon infrastructure co-investments closed or in legal closing.
4. Performance data as of 30 September 2022. Performance data includes all consummated infrastructure co-investments approved by GIRAC since 2015, when Pantheon established its infrastructure co-investment strategy.

Portfolio

PINT is constructing a diversified global portfolio with a focus on developed market OECD countries, with the majority of exposure in Western Europe and North America. Over the medium term, the Investment Manager expects, in line with the initial prospectus, the composition of the Portfolio to include investments in the following sub-sectors: Digital Infrastructure, Power & Utilities, Transport & Logistics, Renewables & Energy Efficiency and Social & Other Infrastructure.

In the period to 31 December 2022, the Company committed £346 million across ten investments, of which £288 million was invested across nine investments.

After the period end a further £43 million was committed to a digital investment, GD Towers, and the total amount invested increased by £84 million to £372 million, principally due to funding calls on GD Towers and NGT.

The Portfolio assembled to date is diversified across sectors and geographies, and the Investment Manager believes that it will endure through the current and near-term volatile market environment. The Portfolio investments typically benefit from defensive characteristics, including long-term contracted cash flows, inflation protection and robust capital structures.

Five investments are in Digital Infrastructure, representing 41% of gross assets, across the data centre, towers and fibre sub-sectors. Three investments, representing 25%, are in the Power & Utilities sector including: gas transmission, district heating and electricity generation, with the remaining investments in Renewables & Energy Efficiency (9%) and Transport & Logistics (8%). The largest percentage of the exposure is in North America (41%), with the remaining exposure in Europe (34%), and the UK (8%).

The weighted average Sponsor case IRR of the Portfolio, based on total commitments at 31 December 2022, was 13.9%. The weighted average gearing was 38%.

NAV pence per share movement (period to 31 December 2022)
NAV per share over the period increased by 0.9p per share, after adjusting for the interim dividend paid of 1.0p per share paid in October 2022. The movement in the period was principally driven by fair value gains of 2.0p per share and foreign exchange movements of 2.1p per share attributable to the strengthening of the USD in the period, which was partially offset by a (1.8)p per share movement from the foreign exchange hedging programme. Investment Income from the Portfolio and interest on cash deposits contributed 0.4p per share, offset by (1.0)p per share related to fund operating expenses, and (1.0)p per share dividend, resulting in a closing NAV of 98.9p per share. This will be reduced after the second interim dividend of 1p per share, which will be paid on 31 March 2023. There are no dilutive securities in issue.

The breakdown of the Company's gross assets[1] as at 31 December 2022 is shown below by reference to sector and geography. The breakdowns are shown relative to amounts invested[2] and committed[3].

Sector diversification (as at 31 December 2022)
invested + committed breakdown

Digital Infrastructure | 41%
Invested | 29%   Committed | 12%

Power & Utilities | 25%
Invested | 17%   Committed | 8%

Renewables & Energy Efficiency | 9%
Invested | 9%   Committed | <1%

Transport & Logistics | 8%
Invested | 8%   Committed | <1%

Remaining Cash[4] | 17%

Geographic diversification (as at 31 December 2022)
invested and committed breakdown

Europe | 41%
Invested | 30%   Committed | 11%

North America | 34%
Invested | 32%   Committed | 2%

UK | 8%
Invested | -   Committed | 8%

Remaining cash[4] | 17%

1. Gross assets of £484.3 million consisting of the £301.4 million Portfolio fair value and £182.9 million of cash and cash equivalents at 31 December 2022.
2. Invested amounts at 31 December 2022 totalled £301.4 million, representing the fair value of the Company's funded investments in those sectors or geographies.
3. Committed amounts at 31 December 2022 totalled £101.2 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 Cash at 31 December 2022 totalled £81.7 million, representing £9.7 million of cash retained against buffers not covered by the Company's revolving credit facility, and £72.0 million of remaining funds available to invest.

Asset	Status	Investment date	Sector	Region	Sponsor	Portfolio NAV 31 December 2022 (£m)	Unfunded Commitments[1] (£m)

Portfolio assets 31 December 2022							
CyrusOne	Invested	March 2022	Digital: Data Centre	North America	KKR	23	4
Cartier Energy Holdings	Invested	April 2022	Power & Utilities: District Heating	North America	Vauban	35	-
Delta Fiber	Invested	May 2022	Digital: Fibre	Europe	Stonepeak	23	2
Vertical Bridge	Invested	May 2022	Digital: Towers	North America	Digital Bridge	27	-
Calpine	Invested	July 2022	Power & Utilities: Electricity Generation	North America	ECP	47	-
Fudura	Invested	July 2022	Renewables & Energy Efficiency	Europe	DIF	41	2
Primafrio	Invested	July 2022	Transport & Logistics	Europe	Apollo	40	1
Vantage Data Centres	Invested	August 2022	Digital: Data Centre	North America	Digital Bridge	22	5
National Broadband Ireland	Invested	November 2022	Digital: Fibre	Europe	Asterion Industrial Partners	43	4
National Gas[2]	Invested	January 2023	Power & Utilities: Gas Transmission	UK	Macquarie	-	41
						301	**58**
Assets committed and in legal closing at 31 December 2022							
GD Towers[3]	Invested	January 2023	Digital: Towers	Europe	Digital Bridge		43
						301	**101**

1. Commitments based on undrawn amounts of deals committed or in legal closing, converted into GBP as necessary, at 31 December 2022.
2. The financial close of National Gas was subject to regulatory clearances, with the investment completing post 31 December 2022.
3. The financial close of GD Towers occurred post 31 December 2022.

Performance

During the period the Portfolio generated underlying growth of £9.6 million, reflecting a 3.3% movement on the capital invested, before adjusting for capital distributions totalling £4.0 million. Movements in foreign currencies resulted in a foreign exchange gain of £7.7 million, before adjusting for the impact of the foreign exchange hedging programme, resulting in a closing value of £301.4 million at 31 December 2022.

There were no material performance updates across the Portfolio during the period, and the Investment Manager remains confident of the investment theses and underwriting that underpins the Company's investments. No changes were proposed by Sponsors to any of their underlying business plans, and in some cases additional high conviction growth opportunities were identified.

Under the Company's valuation policy investments are carried at fair value in accordance with FRS 102 and the International Private Equity and Venture Capital Valuation (IPEV) guidelines. In private market transactions, the purchase cost of the investment is an indication of its initial fair value and is thereafter calibrated for subsequent events and changes in valuation inputs. At the period end a number of the Company's investments were valued at a price consistent with the purchase price, and Pantheon does not consider this to be unexpected or unreasonable given the recency and stage of some of the Portfolio investments by the Sponsors, all of which have been held for less than twelve months.

The Portfolio had a weighted average discount rate (WADR) of 14.2%[1] at the period end. This is slightly higher than the weighted average Sponsor case IRR of the Portfolio of 13.9%[2], due to some modest increases in discount rates across the Digital Infrastructure sector, and the effect of undrawn commitments.

Outlook

The Investment Manager remains confident in the volume of attractive opportunities for the Company going forward. The tailwinds that support the demand for new infrastructure and the growth opportunities that accompany it remain strong across all the sub-sectors the Company is active in, which provides protection against any potential market softening.

Overall, the Investment Manager does not expect to see significant movements in the Company's valuations arising due to current market considerations. There has been limited transactional evidence to support downward valuation trends, and reference valuations for private market infrastructure funds have traditionally been marked lower than the prices ultimately realised at exit, which adds in further long-term headroom and supports the notion that private markets assets demonstrate less volatility than public proxies in times of market disruption.

Higher debt costs arising from increasing interest rates do have the potential to impact valuations where capital structures do not allow for interest rate risk to be fully mitigated, as more cash flows are diverted to servicing debt. However, in general gearing levels remain low compared to previous financial crises, and the Investment Manager continues to exercise a diligent approach to underwriting which typically involves allowing for additional pricing premiums for any uncommitted debt financing packages, relative to Sponsor base cases.

The consensus amongst Sponsors that the Investment Manager works with is that discount rates will either remain flat or see some modest increases. Most Sponsors believe that valuations will more generally likely remain flat in the short term as underlying performance is offset by higher operating costs and/or capital expenditure.

From a wider market perspective, there continue to be significant allocations to infrastructure as an asset class, and to the private infrastructure market specifically, which creates sustained competition for assets and further supports valuations. Specifically, there remains high interest in assets with some form of inflation linkage and those that play a role in the energy transition.

1. WADR of 14.0% is based on the discount rate of each completed investment at 31 December 2022, weighted by total contribution to Portfolio NAV at that date.
2. Based on the Sponsor base case IRR of each completed investment at 31 December 2022, weighted by total commitment size, converted to GBP as necessary.

Dividend
In the IPO Prospectus, the Company said it would target a NAV Total Return of 8-10% p.a. following full investment of the IPO proceeds and an initial dividend of at least 2p per share for the first financial period ended 31 December 2022, rising to 4p per share for the year ending 31 December 2023 and a progressive dividend thereafter.

As part of this annual results announcement, the Board is declaring the Company's second interim dividend of 1p per share in respect of the period 1 July 2022 to 31 December 2022, which will be paid on 31 March 2023. This is in line with the Company's target.

Over the medium term, the Company expects the Portfolio to generate both yield and capital growth to support the progressive dividend policy and expects to maintain a healthy dividend cover from income distributions and surplus capital profits through realisations.

Foreign exchange impact
In order to limit the potential impact from material movements in major foreign exchange rates on non-local currency investments, the Company has put in place a foreign exchange hedging programme. The aim of this programme is to reduce (rather than eliminate) the impact of movements in foreign exchange rates on the Company's NAV, and to this end the Company has adopted an internal policy to seek to limit its unhedged exposure to 25% of NAV at any time. This is achieved through the execution of foreign exchange hedging contracts relative to the ongoing non-local currency investment exposure. Any such hedging strategy for PINT is subject to, inter alia, market liquidity and pricing for hedges, foreign exchange volatilities, the composition of the Company's portfolio and the Company's balance sheet.

To date the Company has arrangements with five hedging counterparties, all on an unsecured basis and subject only to margin calls if pre-specified credit limits are breached on an individual counterparty (not aggregate) basis. Furthermore, in line with the Investment Manager's risk policies, the Company has adopted a policy to maintain strict liquidity buffers in relation to these hedging positions to protect against extreme volatility-driven margin requirements. The details of the Company's hedging positions and associated cash buffers are set out in the table opposite.

The depreciation of GBP resulted in a positive Portfolio and non-Portfolio foreign exchange movement in the period to 31 December 2022 of £9.9 million, which was offset by a loss on the hedging programme of £8.5 million.

Counterparty	EUR Notional (€m)	USD Notional ($m)	Mark-to-market (£m)	Buffer (£m)
A	-	82.3	(3.2)	6.2
B	-	84.2	(3.4)	6.3
C	91.0	12.4	(1.4)	9.1
D	23.7	-	(0.2)	1.8
E	23.7	8.8	(0.3)	2.5
Total	**138.4**	**187.7**	**(8.5)**	**25.8**

Borrowings
In December 2022, the Company entered into a new three year multi-currency revolving credit facility ('RCF') for an aggregate commitment of £62.5 million with Lloyds Bank Corporate Markets plc. The RCF allows the Company to maintain liquidity for unfunded commitments and working capital requirements whilst minimising the inefficiencies of holding excessive cash. The RCF, which is secured on the assets of the Company, includes an uncommitted accordion feature, which will be accessible, subject to approval, by additional lenders, and is intended to increase over time in line with the Company's NAV and its borrowing policy.

Cash and liquidity management
At the period end, the Company had total available liquidity of £245.4 million, comprising £182.9 million of cash and £62.5 million of undrawn RCF.

The Company maintains a policy to hold liquidity sufficient to cover all investment commitments and amounts in legal closing due in the next twelve months. At the period end, this amount totalled £101.2 million, inclusive of £84.2 million in respect of the National Gas and GD Towers transactions which were subsequently drawn post period end.

In addition to this, the Company has adopted a risk-based policy to hold specific cash buffers in respect of potential further liquidity requirements. 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 £72.2 million.

The net balance of all these considerations represents the funds available to the Company for further investment. As at the period end this amount stood at £72.0 million, which was significantly boosted after completion of the Company's RCF in December 2022.

	£m

Sources	
Cash & equivalents	182.9
RCF	62.5
Total (A)	**245.4**
Commitments	
Undrawn investment commitments	57.9
Investments in legal closing	43.4
Total (B)	**101.2**
Buffers	
Operating costs	7.4
FX MtM	4.5
Dividends	14.4
Co-investment buffers	16.0
FX buffers on undrawn investment commitments	4.1
FX hedging buffers	25.8
Total (C)	**72.2**
Available funds (= A - B - C)	**72.0**

1. Totals do not match due to rounding.

Ongoing Charges

The Company's ongoing charges figure is calculated in accordance with the Association of Investment Companies ('AIC') recommended methodology and was 1.02% for the period to 31 December 2022, reported on an annualised basis. The ongoing charges are lower in the first year as no management fee was paid on undeployed cash until 75% of the Net Issue Proceeds were deployed. This was achieved in the quarter to 30 September 2022.

Inflation

Impact of inflation

Since IPO, inflation across the Company's target geographies has been at historic highs and materially above central bank targets. Accordingly it has become an area of even greater focus to investors and therefore during the transaction underwriting process.

Historically, infrastructure as an asset class has benefited from strong inflation linkage owing to the nature of its underlying revenue mechanisms and pricing power. Typically this would serve to at least protect against the impact inflation has on an infrastructure asset's cost base, and in some cases would provide for an inflationary element to net returns.

The extent to which an investment's valuation will be impacted by material changes in actual and forecast inflation, and therefore the Company's correlation to it, is determined by the proportion of income and costs that are linked to inflation. This varies across sectors and specific investments, and no two businesses will behave identically to changes in inflation.

The revenues and costs of infrastructure assets can be considered to fall within a number of broad categories which all capture inflation in different ways, as set out in the exhibit below.

Inflationary characteristics of infrastructure revenues and costs:

Contractual	Demand	Regulated
Contractual revenues subject to specific uprating provisions, usually annually and by reference to either a fixed escalator or a specified inflation measure. In some cases such uprating will be subject to caps or floors which limit the extent to which inflation is captured.	Non-contractual revenues (or short-term contracts) without explicit inflation linkage but where market dynamics (such as high barriers to entry or monopoly positioning) provide potential for repricing that can capture inflation.	Regulated revenues determined by real price control mechanisms which allow for annual uprating by reference to a specified inflation measure.

Valuation impact

The impact of changes in inflation assumptions on the valuation of assets is determined by the types of underlying revenues and input costs, and the size of the cost base relative to its revenues. Where expected increases in revenues exceed any expected increases in costs in a higher inflation scenario, forecast net cash flows will increase resulting in positive inflation correlation. Where expected increases in costs exceed any expected increases in revenues, forecast net cash flows will decrease resulting in negative inflation correlation.

Capital costs	Operating costs	Financing costs
Capital expenditure costs such as construction, equipment and labour costs that are often subject to unique and sectorspecific supply side inflationary pressures. On larger capital initiatives this risk may be passed down to suppliers.	Operating costs such as labour and utilities costs which more broadly align with wider inflationary outturn.	Borrowing costs are impacted by inflation either directly, where index-linked debt is in place, or indirectly due to the fact that central bank rates are used as a tool to curb high inflation. This impact may be avoided or reduced where interest rate hedging has been used.

PINT's Portfolio

All of the Company's investments are unique and the extent to which inflation impacts them varies according to sector:

- **Data centre** and **towers** assets tend to be characterised by fixed or capped escalators, which limits revenue upsides in high inflationary scenarios. However, these investments also often include separate pass-through mechanisms for utility costs, which limits cost inflationary pressures.
- **Fibre** assets may have greater direct linkage to inflation measures through wholesale pricing contracts, but also carry a greater degree of exposure to capex inflation that is not usually passed on to suppliers.

- **Utility** assets typically have regulated indexing arrangements where ongoing revenues are a direct function of inflation.
- **Power** and **Renewables** assets will normally benefit from a mixture of short and medium term "fixed price" contracted revenues with a variety of different escalators, and long-term un-contracted wholesale revenues that are assumed to increase in line with inflation and over time. For new developments, spikes in capex cost inflation can be mitigated with pass-through or price adjustment mechanisms in offtake agreements.
- **Transport** assets exposed to demand risk or short-term contracts may only have implicit inflation protection depending on the ability to re-price tariffs/tolls.

Methodology
The inflation or escalation assumptions that impact on the valuation and forecast returns of the Portfolio are determined by Sponsors, reflective of underlying contractual or market specific factors, as noted above, as well as the inflationary environment more generally. Where revenues or costs are not expressly linked to an inflation measure, Sponsors will take a view on the extent to which those revenues or costs will change relative to inflation more generally.

All inflation assumptions are subject to detailed review and analysis by the Investment Manager during the underwriting process, and may be adjusted in the Company's underwriting base case. Where revenues or costs have express linkage to a local inflationary measure, such as CPI, the underwriting base case will adopt long term central bank forecasts, and where future business growth is included in the underwriting case, associated revenues and costs are assumed to respond in the same manner as current revenues and costs.

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 in the annual report. 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 flow. The impact of this across the Portfolio is mitigated by hedged or fixed rate debt at investment level.

Post balance sheet events

The Company has seen significant activity since the accounts date of 31 December 2022, most notably the commitment of £43.4 million to GD Towers, of which £37.9 million was invested, and the movement to legal closing of a £25.0 million transaction in a US renewables asset. Additionally, a further £45.0 million was invested in respect of prior investment commitments across a number of deals, most notably £40.8 million in respect of NGT.
The updated breakdown of the Company's gross assets[1] as at 24 February 2023 is shown below by reference to sector and geography. The breakdowns are shown relative to amounts invested[2] and committed[3].

Sector diversification (as at 24 February 2023)
invested + committed

Digital Infrastructure | 41%
Invested | 38%   Committed | 3%

Power & Utilities | 25%
Invested | 25%   Committed | -

Renewables & Energy Efficiency | 14%
Invested | 9%   Committed | 5%

Transport & Logistics | 8%
Invested | 8%   Committed | <1%

Remaining cash[4] | 12%

Geographic diversification (as at 24 February 2023)
invested + committed

Europe | 41%
Invested | 38%   Committed | 3%

North America | 39%
Invested | 33%   Committed | 6%

UK | 8%
Invested | 8%   Committed | -

Remaining cash[4] | 12%

1. Gross assets of £482.8 million consisting of £383.0 million of adjusted (for invested amounts and distributions) Portfolio fair value and £99.8 million of cash and cash equivalents at 24 February 2023.
2. Invested amounts at 24 February 2023 totalled £383.0 million, representing the adjusted (for invested amounts and distributions) fair value of the Company's funded investments in those sectors or geographies.
3. Committed amounts at 24 February 2023 totalled £42.4 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 cash at 24 February 2023 totalled £57.4 million, representing £9.7 million of cash retained against buffers not covered by the Company's RCF, and £47.7 million of remaining funds available to invest.

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 £8.0 million, as shown in the Income Statement, as a percentage of the opening NAV of £392.1 million which is based on the net IPO Proceeds.	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 at the balance sheet date.	The calculation uses FRS 102 measures and is set out in Note 18 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. The value of future commitments is set out in Note 21 to the accounts.

NAV Total Return
The Company is targeting a NAV Total Return per share of 8-10% p.a. following full investment of the IPO proceeds.

Definition
Total return is how we measure the overall financial performance of the Company.

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.

Total return is measured against 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 issued in the year.

How has PINT performed?
Total return for the period to 31 December 2022 was 2.0%. Given the recent acquisition of the investments, no significant portfolio gains have been recognised in the period, but the Portfolio is well positioned to deliver on PINT's return targets.

Annual distribution
The Company is targeting a 2p per share dividend in the first year, 4p per share in the second year, followed by a progressive dividend policy thereafter.

Definition
This measure reflects the dividends distributed to shareholders each year.

The Company's investment objective is to generate returns from Portfolio income and capital returns (through value growth and realised capital profits).

The dividend is measured on a pence per share basis, and is targeted to be progressive.

How has PINT performed?
Second interim dividend of 1p per share declared for the period from 1 July 2022 to 31 December 2022, to be paid on 31 March 2023, which together with the dividend of 1p per share paid in October 2022 totals 2p per share for the period ended 31 December 2022. The Company intends to pay dividends on a semi-annual basis in line with its progressive dividend policy.

Investment policy

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 offer strong downside protection and typically offer strong inflation protection.

The Company invests globally, 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 is not limited to):

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

Renewables & Energy Efficiency
(including smart infrastructure, wind, solar, and sustainable waste)

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

Transport & Logistics
(including ports, rail, roads, airports and logistics assets)

Social & Other Infrastructure
(including education, healthcare, government and community buildings)

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 fund managed by Pantheon, has invested or may invest ('Sponsors'). 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.

Investment restrictions
The Company invests and manages its assets with the objective of spreading risk and, in doing so, is subject to the following investment restrictions, which are measured at the time of investment:

- no single Portfolio Investment will represent more than 15% of Gross Asset Value;
- no more than 20% of Gross Asset Value will be invested in investments where the underlying infrastructure asset is located in a non-OECD country; and
- no more than 30% of Gross Asset Value will be invested alongside funds or accounts of any single Sponsor (other than Pantheon).

In addition, the Company does not invest in infrastructure assets whose principal operations are in any of the following sectors (each a "**Restricted Sector**"):

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

The Company may invest in infrastructure assets whose principal operations are not in a Restricted Sector but that nonetheless have some exposure to a Restricted Sector (for example, a diversified freight rail transportation asset that has some exposure to the coal sector), provided that: (i) no more than 15% of any such infrastructure asset's total revenues are derived from Restricted Sectors; (ii) no more than 5% of total revenues across the Portfolio (measured on a look-through basis) will be derived.

Business model

Purpose

The Company aims to build a global Portfolio of investments with blended risk/return profiles, and 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

How we create value
Investors
Shareholders
Investors in PINT can participate in a globally diversified portfolio of core infrastructure assets alongside other leading private asset managers and institutional investors.

PINT's business model creates value by allowing Pantheon, the Investment Manager, to allocate capital and invest on its behalf alongside the Sponsors that it believes have a distinct edge in a particular infrastructure sector.

Vehicle
PINT (public)
PINT has access to Pantheon's deal sourcing platform.
Since PINT is publicly listed, any retail or institutional investor is able to benefit from any value it creates.

Other Pantheon Funds (private)
Pantheon provides a broad sourcing network with leading private asset investment managers and has strong relationships with Sponsors it can leverage on behalf of PINT.

Refer to the Investment Manager's report for more details.

Portfolio
Infrastructure assets
High-quality infrastructure assets typically benefit from long-term contractual cash flows, positive correlation to inflation and exposure to secular changes in society.

Value creation
8-10% p.a.
NAV Total Return per share

4p per share[1]
second year dividend, progressive thereafter

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

Background to co-investments

There are broadly three routes to investing in private infrastructure assets:

Co-investments
Co-investments give investors the opportunity to invest alongside Sponsors in specific portfolio companies. Allocating to co-investments can provide incremental advantages to investors, including targeted deal selection and fee-efficient exposure to transactions which are often offered on a no-fee and no-carry basis.

PINT's investment policy is to gain exposure to infrastructure assets via **co-investments**. This can take the form of the following types of transaction:

- **Co-bid**: Partnering with a lead Sponsor to underwrite a deal prior to final bid submission, requiring the need for a sophisticated investor who can lead independent due diligence on an asset.
- **Targeted syndication**: Following the signing of a deal, a Sponsor will offer a select group of investors a portion of the deal. This will typically comprise fewer than five parties, who may have undertaken some early due diligence on the transaction.
- **General syndication**: Following the signing of a deal, a Sponsor will offer all of its existing fund investors the opportunity to gain exposure to a transaction.

Primaries
Primaries involve a commitment to a newly launched limited life fund managed by a Sponsor who will build a portfolio of private investments and seek to exit improved businesses in the later years of the fund term at a profit.

Secondaries
Secondaries traditionally involve the purchase of an interest in an established private fund or a portfolio of funds from an existing investor.

Sale process initiated	Final bid submitted	Deal signing
Co-bid		Targeted syndication General syndication

Advantages of investing in infrastructure via co-investments
Investing in co-investments can be an attractive way to gain access to private infrastructure for several reasons, including:

Access:
There are fewer public market opportunities to access infrastructure assets, as infrastructure companies tend to remain private for longer periods of time. Therefore, investing through co-investments provides access to assets not normally accessible by public market investors.

Enhanced economics:

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.

Alignment:
The structure of co-investments provides significant alignment through the incentivisation of both deal Sponsors, who typically provide the majority of capital through their primary fund vehicles, and management who are typically tied in under long-term incentive programmes.

Portfolio construction:
Pantheon is able to utilise 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.

Diversification:
Co-investments are a critical part of portfolio construction in having the ability to build a programme that is truly diversified across infrastructure sectors, geographies, stages and Sponsor.

Exposure to nascent sectors:
Co-investments can provide access to nascent and emerging sectors that may otherwise be underweight or not be available within primary or secondary investment opportunities.

Sponsor Specialisation:
Co-investors have the ability to choose deals alongside a Sponsor with a distinct edge who may be best placed to create value.

Pantheon's investment process

Sourcing and origination
In its role as investment manager to the Company, Pantheon is responsible for the sourcing and execution of transactions on behalf of PINT.

The Investment Manager's sourcing leads to a wide array of investment opportunities as Sponsors embrace new transaction models and co-investment appetite from investors increases. Pantheon's primary relationships and network of Sponsors allows it to be a preferred co-investor, screening a high volume of proprietary transactions. Pantheon's ability to work with partners to provide capital solutions in complex scenarios is expected to continue to generate differentiated deal flow and allow it to acquire high-quality and difficult-to-access assets for the Company's Portfolio and other Pantheon clients.

Co-investment capital makes up a sizeable portion of the infrastructure investment universe, and Pantheon continues to see strong deal flow, with continued signs of growth. This is driven by Sponsors continuing to see the wider franchise benefit in offering their trusted partners co-investment deal flow, and in particular due to such Sponsors being constrained by fund concentration limits. Such limits may restrict the volume of capital many Sponsors can invest from their funds in larger transactions, potentially restricting their access to many deals unless they have access to additional co-investment capital.

Screening
Screening is the first of three stages of the Pantheon investment due diligence and approval process. This stage involves preliminary due diligence of the opportunity, which will include:

- Assessing the deal fit to fund strategy
- Review potential returns profile
- Explore risk factors
- Determine manager track record
- Understand transaction dynamics and sponsor alignment
- Conduct fund/company overview

Reasons to decline
- Poor-quality assets
- Business/firm franchise issue
- Lack of coverage
- Overly competitive process
- Limited Pantheon edge
- Poor fit with portfolio strategy
- ESG considerations

Due diligence and underwriting
After Screening, due diligence will be undertaken as part of the Advanced Notice stage, including:

- Review financial model and underlying assumptions
- Review internal and company databases
- Evaluate macro trends and sector themes/outlook and review compatibility with assumptions
- Identify risks and mitigants

Reasons to decline
- Asset-related risk factors:
  - High debt levels
  - High purchase price
  - Commodity price risk
  - Concentration risk
  - Quality of assets/Sponsors
  - Lack of embedded value
- Pricing disconnect

If a deal is approved at Advanced Notice stage, it will proceed to the final investment committee stage, Investment Thesis. Transactional and due diligence work undertaken ahead of this includes:

- Benchmark performance
- Extensive asset due diligence

- Assess downside protection
- Finalise financial model
- Onsite manager visits
- ESG and climate change risk assessment
- Tax due diligence
- Conduct background checks/reference calls
- Complete "Investment Thesis" for submission to GIRAC

Reasons to decline
- Legal considerations
- Limited downside protection
- Inconclusive references
- Weak governance

For co-investments, the Company is typically entering the acquisition at the same time as the Sponsor which sets the valuation and enters at the same amount, creating alignment with the Company. The Sponsor provides its valuation assumptions for the target asset and the Investment Manager will seek to verify them, and either underwrite the deal at the same return target as the Sponsor, or take a more conservative view on some of the valuation assumptions which may result in a lower underwritten return target. This process involves the Investment Manager conducting its own independent review of the valuation assumptions which includes, but is not limited to, the following analysis as part of the Investment Thesis:

- review of all due diligence material available, including technical, market, legal, financial and tax. Assumptions for the valuation are driven from these third-party independent consultant reports;
- consult with external market contacts to verify key assumptions;
- review financial model driving the valuation; and
- conduct downside and upside sensitivities to prepare a Pantheon base case that can be underwritten and that meets relevant return requirements.

The base case prepared during the underwriting process forms the basis of the final Investment Thesis. The investment return targets can be attributed to several key components of a target business, which may include:

- **Existing business**: returns from the profitability of the target's existing assets/contracts.
- **Organic growth**: returns derived from initiatives to greater utilise existing infrastructure, such as leasing further antennae capacity on an existing tower installation or supplying other energy products to existing clients of a district heating business.
- **Growth capital**: returns generated from additional profitability arising from capital expenditure initiatives, taking the form of expanding and/or upgrading existing or developing new infrastructure. Such initiatives will depend on the target company's ability to source and execute on a pipeline of growth opportunities.
- **Capital structure**: returns generated from optimising the target's debt structure in tandem with its growth trajectory.
- **M&A activity**: returns generated from the increased scale and efficiencies achieved through bolt-on acquisition activity.
- **Operational efficiencies**: increased returns generated from reduced operating costs achievable through greater business scale.
- **Multiple expansion**: returns generated from delivering an exit at an increased earnings multiple relative to the initial entry valuation. An increased exit multiple would be in keeping with the expectations to both increase the scale of the target as well as reducing the risk-profile over time.

The expected holding period for each co-investment is between 5 to 7 years, however this does not form the basis of any guaranteed exit timing or method from the Sponsor. The final timing of a co-investment exit will be a function of business performance and economic conditions, and accordingly this is sensitised during the underwriting process to ensure any delays will not materially compromise expected returns.

Several key financial metrics are used for analytical purposes, including internal rate of return (IRR) and multiple on invested capital (MOIC). IRR is the annual rate of growth that an investment is expected to generate over its life, and MOIC measures investment returns by comparing the total realised value of an investment at the exit date relative to the initial investment amount. The illustrative bridge chart in the annual report demonstrates the contributions to expected returns of certain assumptions in a typical private market infrastructure co-investment transaction.

Approval and execution
The final path approval of a deal includes:

- Presentation of final investment thesis
- Approval by GIRAC
- Allocation between Pantheon clients in line with Allocation policy
- Funding ringfenced pending completion

Once a deal has been approved, it will move in to legal closing and execution, which involves:

- Optimising deal structure
- Review and negotiate agreements
- Finalise reporting requirements
- Negotiate preferential terms and rights
- Execute transfer and payments
- Implement hedging initiatives

The Company invests in infrastructure assets typically through a co-investment programme.

Valuations
The Company invests in infrastructure assets typically through a co-investment programme. In a typical co-investment the Company partakes in the investment alongside a lead investor or a Sponsor. The Sponsor will typically set up a co-investment vehicle, subject to annual statutory audits, that invests into an underlying infrastructure investment and will issue a NAV and capital accounts on a quarterly basis.

The Sponsor will usually own the majority of equity and have significant or controlling influence in the asset. Accordingly Pantheon considers the Sponsor to be the responsible party for preparing the valuation on behalf of the co-investment vehicle, and may rely upon the valuations prepared by the Sponsor that have been prepared in-line with the relevant accounting standards and IPEV guidelines. In private market investing, the Sponsor is usually considered to be the best party to determine the appropriate valuation due to the following:

- intimate knowledge of the underlying infrastructure asset held in the SPV and its business and the fundamental business environment in which it operates;
- a comprehensive understanding of the underlying infrastructure asset held in the SPV and its financials;
- knowledge of the market environment in which transactions of comparable companies take place; and
- The Company's economic interest in an investment as a co-investor is aligned with that of the Sponsor.

In private market transactions, the purchase cost of the investment is an indication of its initial fair value and is thereafter calibrated for subsequent events and changes in valuation inputs. Infrastructure assets often display particular characteristics allowing long-term financial forecasts to be prepared, which tends to result in a higher prevalence of Discounted Cash Flows (DCF) in the valuation. In such cases fair value is estimated by deriving the present value of the expected cash flows generated by the investment through the use of reasonable assumptions such as appropriate discount rates to reflect the inherent risk of the assets forming the investment.

Valuation governance
Pantheon operates a valuation committee, which is independent of the investment and investor relations teams, and chaired by Pantheon's Chief Risk Officer, which ensures that there are robust governance, oversight and process frameworks in place, guaranteeing compliance with standards and consistent application of policy.

The valuation committee review and challenges the valuations provided by the Sponsors and reviews the accounting policies and valuations methodologies applied. The valuation vommittee has responsibility for approving investment valuations which determine the fair value of the Portfolio, with input from the investment team who are responsible for managing the Portfolio.

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.

Diversification	Global portfolio with exposure to regions, sectors and sourcing partners and the ability to tilt the Portfolio over time to the best risk/return opportunities.
Resilient cash flow assets	Emphasis on direct infrastructure assets with substantial contracted cash flows and conservative leverage creates a portfolio with downside protection.
Inflation protection	Natural hedge against rising inflation with certain assets benefiting from inflation protection.
Capturing long-term growth	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.
Value-creation opportunities	Assets where added value can be created through operational optimisation, incremental expansion of a platform or industry consolidation, utilising the skill-set and track record of Sponsors.
Strong ESG characteristics	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.

Strategy in action

Diversification
National Broadband Ireland

In November 2022 PINT committed approximately €52.7 million in Asterion Industrial Partners' interest in National Broadband Ireland (NBI), an Irish fibre to the premises (FTTP) network developer and operator.

NBI was selected by the Irish Department for Environment, Climate and Communications to support the country's National Broadband Plan, a programme that seeks to connect every business, public and residential premises in the country to high-speed broadband by 2027. NBI is responsible for passing and connecting approximately 560,000 premises in rural areas stretching across 96% of the land mass of Ireland, serving around 23% of the population and 69% of the country's farms, making this the largest infrastructural project in rural Ireland since rural electrification.

Deployment is split into 227 Development Areas with the rollout occurring in all counties simultaneously. The Irish government is providing subsidies alongside the capital committed by shareholders and revenue generated to support the design, procurement, construction and maintenance of the network under a 25-year project agreement. The project is expected to help bridge the digital divide between rural and urban areas in Ireland.

The investment is in line with PINT's strategy of building a diversified portfolio of infrastructure assets benefiting from structural growth drivers. Investment in digital infrastructure is essential to ensure everyone benefits from the deployment of high-speed networks. PINT has invested through Asterion Industrial Partners, a leading

European infrastructure investment manager specialising in the telecoms, energy & utilities, and mobility sectors, with fellow investor Granahan McCourt retaining its current interest in NBI.

"This transaction represents a high-quality fibre asset alongside our long-standing partner Asterion. NBI's commitment to providing high-speed broadband to underserved areas in Ireland makes it a compelling investment proposition which has a positive impact on local communities."

Richard Sem
Partner at Pantheon, PINT's Investment Manager

Principal risks and uncertainties

Integrity, objectivity and accountability are embedded in the Company's approach to risk management.

Patrick O'Donnell Bourke
Chair of the Audit and Risk Committee

The Company is exposed to a variety of risks and uncertainties and the Board is ultimately responsible for the risk management of the Company. It seeks to achieve an appropriate balance between mitigating risk and generating long-term sustainable risk-adjusted returns for shareholders. Integrity, objectivity and accountability are embedded in the Company's approach to risk management. The Board exercises oversight of this framework, through its Audit and Risk Committee, and has undertaken a robust assessment and review of the principal risks facing the Company, including those that would threaten its business model, future performance, solvency or liquidity.

The Company is reliant on the risk management frameworks of the Investment Manager and other key service providers, as well as on the risk management operations of each Portfolio Company. The Board manages risks through reports from the Investment Manager and other service providers and through regular updates on the operational and financial performance of Portfolio Companies.

For each risk, and emerging risks, the likelihood and consequences are identified, and the management controls and frequency of monitoring are confirmed and reviewed during Audit and Risk Committee meetings. Please see below a summary of the principal risks and their mitigation.

Risk management procedure

- Risk appetite
- Risk identification and assessment
- Monitoring and reporting
- Control and mitigation

Infrastructure asset risks

Risk	Description of risk	Mitigation
Market conditions ***Higher***	· Macroeconomic or market volatility, as the result of the Russian invasion of Ukraine and the recovery from Covid-19, presents a significant threat to the global economy, resulting in a combination of rising inflation, interest rates and uncertain supply chains, which flows through to pricing, valuations and portfolio performance. · Recession in Europe, the US or the UK could impact the growth prospects of one or more of the Portfolio Companies. · Rising inflation and interest rates may lead to higher financing costs for a Portfolio Company which could adversely impact its profits. · Discount rate pressures in light of the rising interest rate environment.	· The Company targets a diversified infrastructure programme with exhibited low to moderate correlation of exposures across sectors and geographies; historically, infrastructure sub-sectors have returns relative to one another. · Portfolio Companies could put in place inflation protection by seeking to include inflation adjustment mechanisms in their contracts. · Certain Portfolio assets already provide inflation protection via contracted revenues linked to inflation. · Portfolio Companies could also put in place interest rate hedges.
Political and regulatory changes ***Level***	· Political actions and regulatory changes may adversely impact the operating and revenue structure of Portfolio Companies. · Complexity of government regulatory standards may result in litigation/disputes over interpretation and enforceability.	· The Company predominantly targets investments in North America, Europe and Australasia which have broadly stable legal, political and regulatory regimes. · The Investment Manager conducts due diligence on the regulatory risks of a prospective Portfolio Company to ensure protections in the underlying contracts are in place.
Falls in demand ***Level***	· A fall in demand for the Portfolio Companies' services or products. A Portfolio Company's revenue is exposed to market supply and demand forces. Falls in demand that are below the levels used in underlying	· The Investment Manager conducts sensitivity analysis and demand stress testing in its due diligence for assets. · The investment strategy is to target assets that have the majority of their cash flows

	valuation assumptions could lead to adverse financial performance of the Portfolio Company.	protected through contractual structures, which limits demand risk.

Investment strategy risks

Risk	Description of risk	Mitigation
Returns target ***Level***	· The Company may not meet its investment objective; this could result in returns being materially lower than targeted and dissatisfied investors.	· The Investment Manager adheres to the investment policy and criteria when making investment decisions. · The Board reviews the investment performance of the Company on a quarterly basis to ensure adherence to the investment policy.
Investor sentiment ***Higher***	· Investor sentiment could lead to the Company share price falling below its NAV, which if it persisted for a long time, would inhibit new equity capital raises. An inability to raise new equity capital could be inhibitive to scaling the Portfolio and disrupt liquidity levels.	· Alternative forms of capital such as debt could be considered. · Opportunistic sale of targeted existing assets. · The Company has the ability to buy back shares. · The Investment Manager constantly targets new shareholders.
Lack of suitable investment opportunities ***Level***	· Unavailability of appropriate investments to acquire due to unfavourable deal terms. · Re-investment risk which could arise from delayed redeployment of any proceeds from the sale of assets.	· The Board reviews investment guidelines and will make appropriate recommendations to shareholders if it believes changes are needed. · The Investment Manager seeks to continue actively sourcing appropriate investments by engaging with its Sponsors and negotiate co-investment rights when committing capital to the Sponsors' underlying funds. · The demand and need for infrastructure should ensure continuing deal flow.
Liquidity management including level and cost of debt ***Level***	· Failure to manage the Company's liquidity position, including cash and credit facilities, could result in insufficient liquidity to pay dividends and operating expenses or to make new or support investments. · Excessive cash balances, introducing cash drag on the Company's returns. · High levels and cost of debt within the Company and/or the special purpose vehicles which invest in the Portfolio Companies could result in covenant breaches and/or increased volatility in the Company's NAV.	· Regular reporting of current and projected liquidity, under both normal and stress conditions. · Liquidity availability is assessed during the allocation of new investment opportunities. · The Board and Investment Manager review Company debt levels and covenants, on a quarterly basis, to ensure they stay within the leverage cap that has been established to limit exposure to debt-related risks. · Debt levels within Portfolio Companies are reviewed by the Investment Manager as part of due diligence.
Portfolio concentration risk ***Reducing***	Portfolio concentration risk in relation to exposure to individual assets, operators, geographies and asset types. This could impact NAV and ultimately affect the Company's targeted rate of return.	· The Board conducts quarterly reviews of the investment portfolio against the Company's investment policy and criteria. · Investment restrictions outlined in the investment policy are designed to reduce portfolio concentration risk.

Operational risk

Risk	Description of risk	Mitigation
Investment Manager ***Level***	· An over-reliance on the Investment Manager. A failure of the Investment Manager to retain or recruit appropriately qualified personnel may have a material adverse effect on the Company's overall performance.	· The Board performs an ongoing review of the Investment Manager's performance in addition to a formal annual review. · Pantheon continues to invest in its talent and regularly considers succession planning.

Tax status and legislation ***Level***	· Failure to observe requirements to maintain investment trust tax status in the UK. · Failure to understand tax risks when investing or divesting could lead to tax exposure or financial loss.	· The Board, through the Company Secretary, ensures that the Company meets the criteria to maintain the current investment trust status of the Company. · The Board has engaged a third party to provide taxation advice and Pantheon's investment process incorporates the assessment of tax.
Third‑party providers ***Level***	· Poor performance by third‑party service providers could result in inability to perform key functions (e.g. reporting, record keeping etc.) effectively. This could result in loss of Company information, errors in published information or damage to its reputation.	· The Board reviews and signs off contractual arrangements with all key service providers. · The Board reviews the performance of key service providers annually.
Cyber security ***Level***	· Cyber security risk which could arise from reputational damage from theft or loss of confidential data through cyber hacking.	· The Audit and Risk Committee reviews service providers' cyber security arrangements, controls and business continuity processes to ensure any data loss is mitigated and reputational damage is minimised.

Other risks

Risk	Description of risk	Mitigation
Geopolitical turbulence ***Higher***	· Geopolitical turbulence (e.g. Ukraine/Russia conflict): medium and long‑term impact of global economies, including energy prices and interest rates, and individual companies to which the Company has exposure.	· This risk is considered on an asset‑by‑asset basis. · The Company also monitors the impact of geopolitical trends on the overall Portfolio as well as on individual sectors and companies.
Climate change ***Level***	· Climate change causing physical and transition risks could impact the financial performance of the Portfolio. Physical risks arising from extreme weather events could impact the operations of a Portfolio Company. In addition, transition risk in terms of policy, legal, technological, market and reputation risks could negatively impact the operations of the assets.	· The Investment Manager conducts due diligence in relation to climate change matters before making investment decisions. · The Company invests in assets with strong management teams that have a long track record of actively managing physical risks such as maintenance schedules. · The Company has in place an ESG policy, including taking account of sector exclusions.

Viability statement

Pursuant to provision 31 of the UK Corporate Governance Code 2018, and the AIC Code of Corporate Governance, the Board has assessed the viability of the Company over a three‑year period from 31 December 2022. The Directors consider that a three‑year period to December 2025 is appropriate for assessing the Company's viability. There is greater predictability of the Company's cash flows over that time period and increased uncertainty surrounding economic, political and regulatory changes over the longer term.

The Company has a diverse Portfolio of infrastructure investments, expected to produce good and reasonably predictable levels of income which cover the costs, and expected to cover the Company's dividend target as the Portfolio matures. The defensive nature of the Portfolio and of the essential services that the businesses in which the Company invest provide to their customers are being demonstrated in the current climate, with infrastructure assets providing strong downside protection across market cycles given the regulated and contracted nature of cash flows, which typically offer strong inflation protection.

Against this background, in making their assessment, the Directors reviewed the reports of the Investment Manager in relation to the resilience of the Company, taking account of its current position, the principal risks facing it in a downside scenario due to the geopolitical uncertainties as a result of the Russia-Ukraine conflict, including disruption to the supply chain and increases in the cost of living as a result of this conflict, inflationary expectations, interest rate rises and, the impact of climate change on the Company's portfolio. As discussed in Note 1 to the financial statements, the effectiveness of any mitigating actions and the Company's risk appetite were also considered as part of the various downside liquidity scenario modelling carried out, after which the Directors came to their conclusion as to the Company's viability over the three year period.

The Investment Manager considers the future cash requirements of the Company before acquiring or funding Portfolio Companies. Furthermore, the Board receives regular updates from the Investment Manager on the

Company's cash and debt position, which allows the Board to maintain its fiduciary responsibility to the shareholders and, if required, limit funding for existing commitments.

The Board considered the Company's viability over the three year period based on a working capital model prepared by the Investment Manager. The working capital model forecasts key cash flow drivers such as capital deployment rate, investment returns and operating expenses. In connection with the preparation of the working capital model, capital raises, realisations and distribution payments were assumed not to occur during the three year period, unless already predetermined. The working capital model also considered other scenarios including an increase in the cost of debt and restriction in debt availability, and an inability for the Company to raise equity.

The results of stress testing showed that the Company would be able to withstand the impact of various scenarios occurring over the three-year period. The Directors also considered the Company's position with reference to its investment trust structure, its business model, its business objectives, the principal risks and uncertainties as detailed above and its present and projected financial position. As part of the overall assessment, the Directors took into account the Investment Manager's culture, which emphasises collaboration and accountability, the Investment Manager's conservative approach to balance sheet management, and its emphasis on investing with underlying Sponsors that are focused on generating outperformance.

To support their statement, the Directors also took into account the nature of the Company's business, including the available liquidity, the potential of its portfolio of investments to generate future income and capital proceeds, and the ability of the Directors to minimise the level of cash outflows, if necessary. Based on the above assessment, the Directors have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the three-year period to December 2025.

On behalf of the Board

Vagn Sørensen
Chair

1 March 2023

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 FLSmidth & Co (2009 2022).

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 25 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.

Anne Baldock
Remuneration Committee Chair and Senior Independent Director
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), non executive 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 Railways 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.

Andrea Finegan
Management Engagement 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.

Extracts from the Directors' report

Share capital
The rights attaching to the Company's shares are set out in the Company's Articles of Association. Further details can be found in Note 16 of the financial statements.

As at 31 December 2022 and as at the date of this report, the Company had shares in issue as shown in the table overleaf, all of which were listed on the official list maintained by the FCA and admitted to trading on the London Stock Exchange. No shares were held in treasury at the year end.

There are no restrictions on the free transferability of the Shares, subject to compliance with applicable securities laws and provisions in the Articles entitling the Board to decline to register certain transfers in a limited number of circumstances, such as where the transfer might cause the Company to be subject to or operate in accordance with ERISA and other US laws.

The powers given to the Directors are contained within the Company's articles, are subject to relevant legislation and, in certain circumstances (including in relation to the issuing or buying back by the Company of its shares), are subject to the authority being given to the Directors by shareholders.

Prior to the Company's listing on 13 October 2021, the Directors were authorised in accordance with the Articles to allot up to a maximum of two billion Ordinary and/or C Shares and to disapply pre-emption rights in respect of those Ordinary and/or C shares, such authority to expire on 13 October 2024. To date, no Shares have been allotted under this authority.

An authority to repurchase up to 14.99% of the Company's issued share capital to be held in treasury or for cancellation was also granted to the Directors on 12 October 2021, however this will expire at the conclusion of the 2023 AGM when a resolution for its renewal will be proposed, as explained in the separate 2023 AGM Notice. To date, no Shares have been repurchased by the Company under this existing authority.

Share capital and voting rights	Number of shares in issue	Voting rights attached to shares	Number of shares held in treasury
At Initial Public Offering			
Ordinary Shares of 0.01p each	400,000,000	400,000,000	-
Subscription Shares of 0.01p each	80,000,000	80,000,000	-
At 31 December 2022			
Ordinary Shares at 0.01p each	480,000,000	480,000,000	-

Going concern
The Company's business activities, together with the factors likely to affect its future development, performance and position, including its financial position, are set out in the strategic report and Investment Manager's report. The Directors have made an assessment of going concern, taking into account both the Company's financial position at the balance sheet date and the expected performance of the Company, using the information available up to the date of issue of the financial statements.

Total available financing as at 31 December 2022 stood at £245.4 million, comprising £182.9 million in available cash balances and £62.5 million through the Company's RCF, which matures in December 2025. The Company maintains a policy to hold liquidity sufficient to cover all future operating and financial commitments due in the next twelve months. This includes all forecast operating costs, dividend payments, foreign exchange hedge settlements due (based on mark-to-market valuations), and all unfunded investment commitments which could be called during the period as detailed in the Cash and liquidity management section on page 19.

The Directors considered downside liquidity modelling scenarios with varying degrees of decline in investment valuations and key drivers such as deployment rate, investment returns and operating expenses. In connection with the preparation of the model, capital raises, realisations and distribution payments were assumed not to occur during the assessment period. In the event of a downside scenario, the Company can take steps to limit or mitigate the impact on the balance sheet, including drawing on its RCF, which includes the provision of additional liquidity for working capital.

After due consideration of the activities of the Company, its assets, liabilities, commitments and financial resources, the Directors concluded that the Company has adequate resources to continue in operation for at least twelve months from the approval of the financial statements as at 31 December 2022. For this reason, they consider it appropriate to continue to adopt the going concern basis in preparing the financial statements.

Directors' responsibility statement

The Directors are responsible for preparing the annual report and the financial statements in accordance with applicable laws and regulations. Company law requires the Directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with applicable law and UK Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company as at the end of each financial year and of the profit or loss of the Company for that period.

In preparing these financial statements, the Directors are required to:

- present a true and fair view of the financial position, financial performance and cash flows of the Company;
- select suitable accounting policies in accordance with FRS 102 and then apply them consistently;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are also responsible for preparing the strategic report, the Directors' report, the Directors' remuneration report, the Corporate Governance Statement and the report of the Audit and Risk Committee in accordance with the Companies Act 2006 and applicable regulations, including the requirements of the Listing Rules and the Disclosure Guidance and Transparency Rules. The Directors have delegated responsibility to the Investment Manager for the maintenance and integrity of the Company's corporate and financial information included on the Company's website (www.pantheoninfrastructure.com). Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Each of the Directors, whose names are listed above, confirms that to the best of his or her knowledge:

- the financial statements, prepared in accordance with applicable accounting standards, give a true and fair view of the assets, liabilities, financial position and profit of the Company; and
- the strategic report contained in the annual report and financial statements includes a fair review of the development and performance of the business and the position of the Company, together with a description of the principal risks and uncertainties that it faces.

The UK Corporate Governance Code requires Directors to ensure that the annual report and financial statements are fair, balanced and understandable. In order to reach a conclusion on this matter, the Board has requested that the Audit and Risk Committee advises on whether it considers that the annual report and financial statements fulfil these requirements. The process by which the Audit and Risk Committee has reached these conclusions is set out in its report on pages 92 to 94 of the annual report. As a result, the Board has concluded that the annual report and financial statements for the period ended 31 December 2022, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the Company's position and performance, business model and strategy.

Signed on behalf of the Board by

Vagn Sørensen
Chair

1 March 2023

NON-STATUTORY ACCOUNTS

The financial information set out below does not constitute the Company's statutory accounts for the period ended 31 December 2022 but is derived from those accounts. Statutory accounts for the period ended December 2022 will be delivered to the Registrar of Companies in due course. The Auditors have reported on those accounts; their report was (i) unqualified, (ii) did not include a reference to any matters to which the Auditors drew attention by way of emphasis without qualifying their report and (iii) did not contain a statement under Section 498 (2) or (3) of the Companies Act 2006. The text of the Auditors' report can be found in the Company's full Annual Report and financial statements at www.pantheoninfrastructure.com.

Income statement
For the period from 9 September 2021 to 31 December 2022

	9 September 2021 to 31 December 2022

	Note	Revenue £'000	Capital £'000	Total £'000
Gain on investments at fair value through profit or loss[1]	10	-	**19,592**	**19,592**
Losses on derivative financial instruments at fair value through profit or loss	13	-	**(8,520)**	**(8,520)**
Foreign exchange gains on cash and cash equivalents		-	**5**	**5**
Investment management fees	2	**(3,194)**	-	**(3,194)**
Other expenses	3	**(1,360)**	**(555)**	**(1,915)**
(Loss)/profit before financing and taxation		**(4,554)**	**10,522**	**5,968**
Finance income	5	**2,096**	-	**2,096**
Interest payable and similar expenses	6	**(36)**	-	**(36)**
(Loss)/profit before taxation		**(2,494)**	**10,522**	**8,028**
Taxation recovered/(paid)	7	-	-	-
(Loss)/profit for the period, being total comprehensive income for the period		**(2,494)**	**10,522**	**8,028**
Earnings per share - basic and diluted	8	**(0.58p)**	**2.45p**	**1.87p**

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 102.

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

The Notes below form part of these financial statements.

Statement of changes in equity
For the period from 9 September 2021 to 31 December 2022

	Note	Share capital £'000	Share premium £'000	Capital redemption reserve[1] £'000	Capital reserve[1] £'000	Revenue reserve[1] £'000	Total £'000
Balance at 9 September 2021		-	-	-	-	-	-
Share issue costs		-	**(9,267)**	-	-	-	**(9,267)**
Ordinary Shares issued	16	**4,800**	**395,200**	-	-	-	**400,000**
Subscription shares issued (subsequently converted to Ordinary Shares)	16	-	**80,800**	-	-	-	**80,800**
Cancellation of share premium		-	**(387,284)**	**387,284**	-	-	-
Interim dividend paid	9	-	-	**(4,800)**	-	-	**(4,800)**
Profit/(loss) for the period		-	-	-	**10,522**	**(2,494)**	**8,028**
Closing equity shareholders' funds		**4,800**	**79,449**	**382,484**	**10,522**	**(2,494)**	**474,761**

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 below form part of these financial statements.

Balance sheet
As at 31 December 2022

	Note	31 December 2022 £'000
Non-current assets		
Investments at fair value	10	**301,382**
Debtors	11	**740**
Current assets		
Debtors	11	**959**
Cash and cash equivalents	12	**182,937**
		183,896
Creditors: Amounts falling due within one year		
Other creditors	14	**(2,737)**
		(2,737)
Net current assets		**181,159**
Total assets less current liabilities		**483,281**
Creditors: Amounts falling due after one year		
Derivatives-financial instruments	13	**(8,520)**
Net assets		**474,761**
Capital and reserves		
Called-up share capital	16	**4,800**

Share premium	17	**79,449**
Capital redemption reserve	17	**382,484**
Capital reserve	17	**10,522**
Revenue reserve	17	**(2,494)**
Total equity shareholders' funds		**474,761**
NAV per Ordinary Share	18	**98.9p**

The financial statements were approved by the Board of Pantheon Infrastructure Plc on 1 March 2023 and were authorised for issue by:

Vagn Sørensen
Chair

Company Number: 13611678

The Notes below form part of these financial statements.

Cash flow statement
For the period from 9 September 2021 to 31 December 2022

	9 September 2021 to 31 December 2022 £'000
Cash flow from operating activities	
Investment management fees paid	**(1,994)**
Operating fees paid	**(1,581)**
Other cash payments	**(110)**
Net cash outflow from operating activities	**(3,685)**
Cash flow from investing activities	
Purchase of investments	**(281,790)**
Net cash outflow from investing activities	**(281,790)**
Cash flow from financing activities	
Share issue proceeds	**480,800**
Share issue costs	**(9,267)**
Dividends paid	**(4,800)**
Bank charges	**(1)**
Finance income	**1,675**
Net cash inflow from financing activities	**468,407**
Increase in cash in the period	**182,932**
Cash and cash equivalents at the beginning of the period	**-**
Foreign exchange gains on cash and cash equivalents	**5**
Cash and cash equivalents at the end of the period	**182,937**

The Notes below form part of these financial statements.

Notes to the financial statements

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's financial statements have been prepared in compliance with FRS 102 as it applies to the financial statements of the Company for the period from 9 September 2021 to 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 audited 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 statements comprise the results of the Company only. The Company has control over a number of subsidiaries, further details of which are given in Note 20. 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. These subsidiaries are included at fair value within investments in accordance with 9.9C(a) of FRS 102.

These are the Company's first annual financial statements, for the period 9 September 2021 to 31 December 2022. Consequently, there are no comparatives for a previous period.

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 assets 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 31 December 2022.

In addition, the Directors have assessed the outlook, which considers the ongoing geopolitical uncertainties as a result of the Russia-Ukraine conflict including disruption to global supply chains 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.

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. Investments
The nature of the Company's underlying assets comprises unlisted investments, the majority of which are held through its subsidiary, Pantheon Infrastructure Holdings LP (PIH LP), with one held directly. While the Company operates a robust and consistent valuation process, there is significant estimation uncertainty in the underlying asset valuations which are estimated at a point in time. Accordingly, while relevant information relating to but received after the measurement date is considered, the Directors will only consider an adjustment to the financial statements if it were to have a significant impact and is indicative of conditions present at the measurement date.

The Company has fully adopted sections 11 and 12 of FRS 102. All investments held by the Company are classified as 'fair value through profit or loss'. The Company's business is investing in infrastructure assets with a view to profiting from their total return in the form of interest, dividends or increases in fair value. The investments are recognised at fair value on initial recognition represented by the cost of acquisition and the Company manages and evaluates the performance of its investments on a fair value basis.

Upon initial recognition investments held by the Company are classified 'at fair value through profit or loss'. All gains and losses are allocated to the capital column within the Income Statement as 'Gains on investments held at fair value through profit or loss'. When a purchase or sale is made under a contract, the terms of which require delivery within the time frame of the relevant market, the investments concerned are recognised or derecognised on the trade date. Subsequent to initial recognition, investments are valued at fair value through profit or loss. 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 the net asset value of those funds ascertained from 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 values 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 basis of valuation for infrastructure assets provided by the Sponsors depends on the nature of the underlying assets and will typically involve a fair value approach in line with recognised accounting standards and industry best practice guidelines such as IPEV. Infrastructure assets often display particular characteristics which will affect the valuation approach tending to result in a higher prevalence of discounted cash flows in the valuation, where the fair value is estimated by deriving the present value of the expected cash flows generated by the investment through the use of reasonable assumptions such as appropriate discount rate(s) to reflect the inherent risk of the asset(s) forming the investment.

The discounted cash flow basis requires assumptions to be made regarding future cash flows, terminal value and the discount rate to be applied to these cash flows. There is also consideration given to the impact of wider megatrends such as the transition to a lower-carbon economy and climate change.

The fair value will generally reflect the latest valuations available from the Sponsor which may not coincide with the Company's reporting date. In such cases the Investment Manager performs a roll forward from the latest available valuation to the relevant reporting date. The roll forward process takes consideration of the following factors:

i. transactions and foreign-exchange movements in the intervening period; and
ii. adjustments for expected performance of the investment in the intervening period.

This may also include, but is not limited to, in consultation with the Sponsor, changes in multiples/discount rates, asset fundamentals (for instance operating performance) and the macroeconomic environment.

On an annual basis the Investment Manager receives the annual audited financial statements from the Sponsors of the asset. The Investment Manager utilises the audited accounts to gain comfort that the underlying infrastructure asset is fair valued in line with recognised accounting standards and audited by a recognised auditor. This is in addition to the analysis performed by the Investment Manager to determine the reasonableness of the valuation and that it is appropriate to the investment and performance thereof.

If the Sponsor does not provide audited financial statements, to the extent that the Board of the Company or the Investment Manager deem it appropriate, and it is possible to do in conjunction with the Sponsor, the valuation of the underlying infrastructure asset is independently verified. The scope of this verification is determined on a case-by-case basis and, dependent on the asset, could include an independent valuation report from a valuation provider engaged by the Investment Manager. The Investment Manager then analyses the independent valuation report to determine the reasonableness of the valuation and that it is appropriate to the investment and performance thereof before presenting to the Investment Manager's Valuation Committee and the Board for approval.

E. Financial instruments
The Company makes investments and has commitments in currencies other than GBP, its reporting currency, and accordingly, a significant proportion of its investments and cash balances are in currencies other than GBP.
The Company uses forward foreign currency exchange contracts to hedge foreign exchange risks associated with its underlying investment activities. The contracts entered into by the Company are denominated in the currency of the geographic area in which the Company has significant exposure against its reporting currency.

Forward foreign currency exchange contracts are initially recognised and subsequently measured at fair value, the amount for which an asset, liability or equity instrument could be exchanged or settled between knowledgeable, willing parties in an arm's length transaction. Premiums payable under such arrangements are initially capitalised on the Balance Sheet.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs significant to the fair value measurement as a whole. The Company has elected not to apply hedge accounting and therefore changes in the fair value of forward foreign currency exchange contracts are recognised within the capital column of the Income Statement in the period in which they occur.

F. Income
Distributions receivable are recognised on the ex-dividend date. Where no ex-dividend date is quoted, distributions are recognised when the Company's right to receive payment is established. UK distributions are shown net of tax credits and foreign dividends are gross of the appropriate rate of withholding tax, with any withholding tax suffered being accounted for separately.

Other income is accounted for on an accruals basis.

Gains or losses resulting from the movement in fair value of the Company's investments held at fair value through profit or loss are recognised in the Income Statement at each valuation point.

G. Expenses
All expenses are accounted for on an accruals basis. Expenses, including investment management fees, are charged through the revenue account, except expenses which are incidental to the acquisition or disposal of an investment. These are treated as capital costs, separately identified, and charged to the capital account of the Income Statement.

H. Finance income
Finance income comprises interest received on funds invested into deposit accounts. Finance income is accounted for on an accruals basis.

I. Finance costs
Finance costs consist of interest and other costs that the Company incurs in connection with bank and other borrowings. Finance costs also include the amortisation charge of arrangement or other costs associated with the set-up of borrowings; these are amortised over the period of the loan. All other finance costs are expensed in the period in which they occur.

J. Taxation
Corporation tax is recognised in profit or loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax that is provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantially enacted at the period end date.

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 continue for the foreseeable future to meet) the conditions for approval as an investment trust company, pursuant to sections 1158 and 1159 of the CTA.

Deferred tax assets are only recognised if it is considered more likely than not that there will be suitable profits from which the future reversal of timing differences can be deducted.

K. Cash and cash equivalents
Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less at the date of placement, free of any encumbrances, which are readily convertible into known amounts of cash and subject to insignificant risk of changes in value.

L. Debtors
Trade and other debtors are initially recognised at transaction value. Subsequent measurement is at the initially recognised value less any cash payments from the debtor, and less provision or write off for doubtful debts.
A provision is made where there is objective evidence that the Company will not be able to recover balances in full. Any adjustment is recognised in profit or loss as an impairment gain or loss.

M. Creditors
Trade and other creditors are initially recognised at fair value and subsequently held at amortised cost.

N. Interest-bearing loans and liabilities
All bank borrowings are initially recognised at transaction value net of attributable transaction costs. After initial recognition, all bank borrowings are measured at amortised cost using the effective interest method.

O. Dividends payable to shareholders
Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by shareholders at an Annual General Meeting.

P. Share premium

The share premium account represents the accumulated premium paid for shares issued above their nominal value less issue expenses. This is a reserve forming part of the non-distributable reserves. The following items are taken to this reserve:

- costs associated with the issue of equity; and
- premium on the issue of shares.

Q. Capital redemption reserve
The capital redemption reserve represents cancelled share premium less dividends paid from this reserve. This is a distributable reserve. This reserve also includes the cost of acquiring the Company's Ordinary Shares if the Company is in a position to buy back shares.

R. Capital reserve
The following are accounted for in this reserve:

- gains and losses on the realisation of investments;
- unrealised gains and losses on investments;
- gains and losses on foreign exchange forward contracts;
- realised foreign exchange differences of a capital nature; and
- expenses, together with related taxation effect, charged to this reserve in accordance with the above policies.

S. Revenue reserve
The revenue reserve represents the surplus of accumulated profits from the revenue column of the Income Statement and is distributable.

T. Foreign exchange
The functional and presentational currency of the Company is GBP because it is the primary currency in the economic environment in which the Company operates and, as a UK listed company, GBP is also its capital raising currency. Transactions denominated in foreign currencies are recorded in the local currency at actual foreign exchange rates as at the date of transaction. Monetary assets and liabilities denominated in foreign currencies at the period end are reported at the rates of foreign exchange prevailing at the period end. Any gain or loss arising from a change in exchange rates subsequent to the date of the transaction is included as a foreign exchange gain or loss in the revenue or capital column of the Income Statement depending on whether the gain or loss is of a capital or revenue nature. For non-monetary assets these are recognised as fair value adjustments.

U. 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. Details of how the fair values of infrastructure assets are estimated and any associated judgements applied are provided in section (D) of this note and also within the 'market price risk' section in Note 23.

2. Investment management fees

	Period ended 31 December 2022		
	Revenue £'000	**Capital £'000**	**Total £'000**
Investment management fees	**3,194**	**-**	**3,194**
	3,194	**-**	**3,194**

The Investment Manager is entitled to a quarterly management fee as 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 31 December 2022, £1,199,679 was owed for investment management fees.

The Investment Manager does not charge a performance fee.

3. Other expenses

	Period ended 31 December 2022		
	Revenue £'000	**Capital £'000**	**Total £'000**
Secretarial and accountancy services	**201**	**-**	**201**
Depositary services	**74**	**-**	**74**
Fees payable to the Company's Auditor for audit-related assurance services			
- Initial accounts	**25**	**-**	**25**
- Annual financial statements	**135**	**-**	**135**
Fees payable to the Company's Auditor for non-audit-related assurance service[1]	**35**	**-**	**35**
Directors' remuneration (see Note 4)	**220**	**-**	**220**
Employer's National Insurance (see Note 4)	**24**	**-**	**24**
Legal and professional fees	**186**	**534**	**720**
Other fees	**460**	**21**	**481**
	1,360	**555**	**1,915**

1. The non-audit fees payable to the Auditor relate to the review performed by EY of the Company's Half-Yearly Report for the period ended 30 June 2022. In addition, the Company paid EY £70,000 for acting as the Reporting Accountant in respect of the Company's IPO and the C share issue proposed for September 2022, which did not proceed due to market conditions. This fee has been included within the share issue costs charged to share premium.

4. Directors' remuneration

	Period ended 31 December 2022 £'000
Directors' fees	220
Employer's National Insurance	24
Total remuneration	**244**

As at 31 December 2022, there were no outstanding liabilities in relation to Directors' fees and Employer's National Insurance. A breakdown is provided in the Directors' remuneration report in the annual report.

5. Finance income

	Period ended 31 December 2022 £'000
Finance income	73
Bank Interest	2,023
Total	**2,096**

6. Interest payable and similar expenses

	Period ended 31 December 2022 £'000
Commitment fees payable on borrowings	22
Amortisation of loan arrangement fee	13
Bank interest expense	1
	36

7. Taxation

Tax charge

The tax credit/(charge) for the period differs from the standard rate of corporation tax in the UK (19%).
The differences are explained below:

	Period ended 31 December 2022		
	Revenue £'000	Capital £'000	Total £'000
(Loss)/profit before tax	(2,494)	10,522	8,028
Tax at UK corporation tax rate of 19%	(474)	1,999	1,525
Non-taxable investment, derivative and foreign exchange gains	-	(1,999)	1,999
Carry forward management expenses	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 excess management expenses and expenses in excess of taxable income as they will only be recoverable to the extent that there is sufficient future taxable revenue.

As at 31 December 2022, the Company had no unprovided deferred tax liabilities.

As at 31 December 2022, excess management expenses are £3.05 million as at 31 December 2022.

The UK Government has announced that it intends to increase the main rate of corporation tax from 19% to 25% from April 2023. As the Company is an investment trust it is not anticipated that the change in the corporation tax rate will impact the Company.

8. 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 since IPO. As there are no dilutive instruments outstanding, basic and diluted earnings per share are shown below:

	Revenue	Capital	Total
Earnings from 9 September 2021 to 31 December 2022 (£'000)	(2,494)	10,522	8,028
Weighted average Ordinary Shares (number)	-	-	428,272,575
Basic earnings per share	**(0.58)p**	**2.45p**	**1.87p**
Diluted earnings per share	**(0.58)p**	**2.45p**	**1.87p**

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.

9. Dividends paid

	Period ended 31 December 2022 £'000
Interim dividends paid during the period	**4,800**
	4,800

On 22 September 2022 the Company announced its first interim dividend of 1p per Ordinary Share for the period ended 30 June 2022. The dividend was paid on 28 October 2022 and was marked as ex-dividend on 6 October 2022.

10. Investments

	31 December 2022 £'000
Cost brought forward	**-**
Opening unrealised appreciation on investments held	
- Unlisted investments	**-**
Valuation of investments brought forward	**-**
Movement in period:	
Acquisitions at cost	**281,790**
Appreciation on investments held	**19,592**
Valuation of investments at period end	**301,382**
Cost at period end	**281,790**
Closing unrealised appreciation on investments held	
- Unlisted investments	**19,592**
Valuation of investments at period end	**301,382**

11. Debtors

	31 December 2022 £'000
Other debtors - non-current[1]	**740**
Other debtors - current	**486**
Prepayments and accrued income	**473**
	1,699

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

12. Cash and cash equivalents

	31 December 2022 £'000
Cash	**26,670**
Cash equivalents	**156,267**
	182,937

Cash equivalents of £156,267,000 were held in a money market fund at 31 December 2022.

13. Derivative financial instruments

	31 December 2022 £'000
Financial Liabilities: derivatives at fair value	**8,520**
	8,520

The Company uses forward foreign currency exchange contracts to minimise the effect of fluctuations in the investment portfolio from movements in exchange rates.

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 31 December 2022, the notional amount of the forward foreign currency exchange contracts held by the Company was £278.9 million.

14. Other creditors

	31 December 2022 £'000
Investment management fees payable	1,200
Other creditors and accruals	1,537
	2,737

15. Interest-bearing loans and borrowings

	31 December 2022 £'000
Interest-bearing loans and borrowings	-
Loan arrangement fee incurred in the period	1,100
Amortised loan arrangement fee for the period	(13)
Loan arrangement fee carried forward	1,087
Total credit facility payable	-

The Company entered into a £62.5 million revolving credit facility ('RCF') with Lloyds Bank Corporate Markets in December 2022. The RCF remained undrawn as at 31 December 2022.

The RCF is denominated in GBP, with the option to be utilised in other major currencies. The rate of interest will be the relevant currency benchmark plus an initial margin of 2.85% per annum. A commitment fee of 1.00% per annum is payable on undrawn amounts, and the tenor of the RCF is three years. 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 6 to these financial statements.

16. Called-up share capital

	31 December 2022	
Allotted, called up and fully paid:	Shares	£'000
Ordinary Shares of £0.01		
Opening balance	-	-
Ordinary Shares issued in the period	400,000,000	4,000
Conversion of subscription shares to Ordinary Shares in the period	80,000,000	800
Closing balance	480,000,000	4,800
Total called-up share capital	480,000,000	4,800

On 11 November 2021, the Company raised gross proceeds of £400.0 million through the issue of 400 million Ordinary Shares at IPO for an issue price of 100p per Ordinary Share. Each holder of Ordinary Shares is entitled, on a show of hands, to one vote and, on a poll, to one vote for each Ordinary Share held.

Subscription Shares were issued to subscribers as part of the Company's IPO on the basis of one Subscription Share for every five Ordinary Shares subscribed for. Each Subscription Share conferred the right (but not the obligation) to subscribe for one Ordinary Share on exercise of the rights attaching to the Subscription Shares. The subscription price per Ordinary Share payable on the exercise of the subscription rights was 101p, exercisable on either 30 June 2022, 29 July 2022 or 31 August 2022.

The Company announced on 5 July 2022 that 36,509,658 Subscription Shares had been converted into 36,509,658 Ordinary Shares which were admitted to trading on the Main Market of London Stock Exchange plc on 13 July 2022.

The Company announced on 3 August 2022 that 13,188,554 Subscription Shares had been converted into 13,188,554 Ordinary Shares which were admitted to trading on the Main Market of London Stock Exchange plc on 11 August 2022.

The Company announced on 2 September 2022 that 24,117,160 Subscription Shares had been converted into 24,117,160 Ordinary Shares. In addition, the Final Subscription Trustee exercised the Subscription Rights attaching to the 6,184,628 outstanding Subscription Shares on the same terms. Therefore, in aggregate, 30,301,788 new Ordinary Shares were admitted to trading on the Main Market of London Stock Exchange plc on 9 September 2022. There remain no Subscription Shares in issue and the Subscription Share line was cancelled on 9 September 2022.

17. Reserves

	Share premium £'000	Capital redemption reserve £'000	Capital reserve £'000	Revenue reserve £'000	Total £'000
Opening balance	-	-	-	-	-
Ordinary Shares issued	395,200	-	-	-	395,200
Subscription shares issued (subsequently converted to Ordinary Shares)	80,800	-	-	-	80,800
Share issue costs	(9,267)	-	-	-	(9,267)
Cancellation of share premium	(387,284)	387,284	-	-	-

Losses on derivative financial instruments at fair value through profit or loss	-	-	**(8,520)**	-	**(8,520)**
Gain on investments at fair value through profit or loss	-	-	**19,592**	-	**19,592**
Foreign exchange gains on cash and cash equivalents	-	-	**5**	-	**5**
Legal and professional expenses charged to capital	-	-	**(534)**	-	**(534)**
Other fees	-	-	**(21)**	-	**(21)**
Profit/(loss) for the period	-	-	-	**(2,494)**	**(2,494)**
Interim dividend paid	-	**(4,800)**	-	-	**(4,800)**
Closing balance	**79,449**	**382,484**	**10,522**	**(2,494)**	**469,961**

On 17 June 2022, the Company announced that the share premium account had been cancelled in accordance with the provisions of the Companies Act 2006 in order to create a distributable reserve, the capital redemption reserve, that is capable of being applied in any manner in which the Company's profits available for distribution are lawfully able to be applied.

The Company is able to distribute realised gains from the capital reserve. As at 31 December 2022 there were £nil reserves available for distribution from this reserve.

18. 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 are no dilutive instruments outstanding, both basic and diluted NAV per share are shown below:

	31 December 2022
Net assets attributable (£'000)	**474,761**
Ordinary Shares	**480,000,000**
NAV per Ordinary Share	**98.9p**

19. Reconciliation of loss before financing costs and taxation to net cash flows from operating activities

	9 September 2021 to 31 December 2022 [£'000]
Profit before financing costs and taxation	**5,968**
Gains on investments	**(19,592)**
Foreign exchange gains on cash and non-portfolio assets	**(5)**
Increase in debtors	**(182)**
Increase in creditors	**1,606**
Losses on derivative financial instruments at fair value through profit or loss	**8,520**
Net cash flows from operating activities	**(3,685)**

20. Subsidiaries
The Company has formed two wholly owned subsidiaries. The Company has ownership and control over these two entities and as such they have been 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 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.

21. Contingencies, guarantees and financial commitments
At 31 December 2022, there were capital commitments outstanding of £57.9 million in respect of investments in infrastructure assets. The Company expects 100% of the capital commitments outstanding to be called within the next twelve months. These commitments will be funded using the Company's cash resources.

22. 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.

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

	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Investments	-	-	301,382	301,382
Derivative financial instruments	-	(8,520)	-	(8,520)
	-	(8,520)	301,382	292,862

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 the inflation rate assumption and the interest rates assumption used to project the future cash flows and the forecast cash flows themselves. Increasing the discount rate used in the valuation of each asset by 0.5% would reduce the value of the Portfolio by £10.5 million. Decreasing the discount rate used in the valuation of each asset by 0.5% would increase the value of the Portfolio by £11.2 million. The WADR of the Portfolio at 31 December 2022 is 14.2%.

The majority of assets held within Level 3 have revenues that are linked, partially linked or in some way correlated to inflation. The impact of increasing the inflation rate assumption by 0.5% would increase the value of the Portfolio by £3.7 million. Decreasing the inflation rate assumption used in the valuation of each asset by 0.5% would decrease the value of the Portfolio by £2.6 million.

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. Increasing the cost of borrowing assumption for each asset by 0.5% would reduce the value of the Portfolio by £5.9 million. Decreasing the interest rate assumption borrowings used in the valuation of each asset by 0.5% would increase the value of the Portfolio by £6.0 million. This calculation does not take account of any offsetting factors which may be expected to prevail if interest rates changed, including the impact of inflation discussed above.

23. Analysis of financial assets and liabilities
The primary investment objective of the Company is to seek to maximise long-term capital growth for its shareholders by investing in equity or equity-related investments in a diversified portfolio of infrastructure assets. Investments are not restricted to a single market and are made when opportunities arise and on an international basis.

The Company's financial instruments comprise infrastructure investments and derivatives.

The principal risks the Company faces in its Portfolio management activities are:

- liquidity risk;
- interest rate risk;
- credit risk;
- market price risk; and
- foreign exchange risk.

The Investment Manager monitors the financial risks affecting the Company on a regular basis and the Directors regularly receive financial information, which is used to identify and monitor risk.

In accordance with FRS 102, an analysis of financial assets and liabilities, which identifies the risk to the Company of holding such items, is given below.

Liquidity risk
Due to the nature of the Company's investment policy, the largest proportion of the Portfolio is invested in infrastructure assets through the Company's subsidiary, which are generally less readily marketable than listed equities. The Directors believe that the Company, as a closed-end fund with no fixed wind-up date, is ideally suited to making long-term investments in instruments with limited marketability. The investments are monitored by the Board on a regular basis.

As a result, the Company may not be able to quickly liquidate its investments at an amount close to their fair value in order to meet its liquidity requirements, including the need to meet outstanding undrawn commitments. The Company manages its liquid investments to ensure sufficient cash is available to meet contractual commitments and also seeks to have cash available to meet other short-term financial needs.

As at 31 December 2022, liquidity risk was considered low given the cash and cash equivalents available to the Company.

	31 December 2022 £'000
Cash and cash equivalents	**182,937**
Other creditors	**(2,737)**

As at 31 December 2022, the capital commitments outstanding totalled £57.9 million, therefore liquid resources available after commitments were £184.8 million.

Interest rate risk
Interest rate movements may affect the level of income receivable on cash deposits and interest payable on variable rate borrowings. Cash deposits generally comprise overnight call or short-term money market deposits and earn interest at floating rates based on prevailing bank base rates. Increases in interest rates may also ultimately impact the discount rates used to value investments.

Interest rate movements may affect the interest rate paid on financial liabilities. Interest on the RCF is payable at variable rates determined subject to drawdown. As at 31 December 2022, the RCF had not been drawn down.

Changes in interest rates may have an impact on consolidated earnings over the longer term. The table below provides indicative sensitivity data.

	31 December 2022 £'000	
Effect on profit before tax	**Increase in interest rates by 1%**	**Decrease in interest rates by 1%**
Increase/(decrease)	**2,422**	**(1,205)**

Credit risk
Credit risk is the risk that a counterparty will cause a financial loss to the Company by failing to discharge its obligations to the Company when they fall due. Cash deposits are placed with approved counterparties, all of whom have a credit rating of A- or above.

At the period end, the Company's financial assets exposed to credit risk amounted to the following:

	31 December 2022 £'000
Cash and cash equivalents	**182,937**

Market price risk
The fair value of future cash flows of an investment held by the Company may fluctuate. This market risk may comprise: foreign exchange risk, and/or fair value risk. The Board of Directors reviews and agrees policies for managing these risks. The Investment Manager assesses the exposure to market risk when making each investment decision, and monitors the overall level of market risk across the Company's investments on an ongoing basis.

The nature of the Company's investments means that they are valued by the Directors after due consideration of the most recent available information.

If the Portfolio fell by 20% from its 31 December 2022 valuation, with all other variables held constant, this would have led to a reduction of £64.5 million in the return before taxation. An increase of 20% would increase the return before taxation by £53.9 million.

Foreign exchange risk
Since it is the Company's policy to invest in a diverse portfolio of investments based in a number of countries, the Company is exposed to the risk of movement in foreign exchange rates. The Company enters into forward foreign currency exchange contracts to hedge the foreign exchange risks associated with its investment portfolio.
The contracts entered into by the Company are denominated in the currency of the geographic areas in which the Company has significant exposure against its reporting currency.

The contracts are measured at fair value and are recorded in the balance sheet as Derivatives - financial instruments. The Company has not elected to apply hedge accounting therefore the fair value changes are taken to the capital reserve.

The table below sets out the Company's foreign exchange exposure:

Foreign exchange risk	GBP £'000	EUR[1] £'000	USD[1] £'000	Total £'000
At 31 December 2022				
Cash and cash equivalents	181,987	828	122	182,937
Investments held at fair value through profit or loss	-	217,282	84,100	301,382
Other debtors	1,699	-	-	1,699
Other payables	(2,737)	-	-	(2,737)
Derivatives - financial liabilities	(8,520)	-	-	(8,520)

1. These values are expressed in GBP.

If there had been an increase/(decrease) in the GBP/USD exchange rate of 10% it would have the effect of (decreasing)/increasing equity shareholders' funds by £(6.8) million/£8.3 million which includes the impact of the foreign currency exchange contracts to partially offset the movement in value. The calculations are based on the financial assets and liabilities and the foreign exchange rate as at 31 December 2022 of 1.2029 GBP/USD.

If there had been an increase/(decrease) in the GBP/EUR exchange rate of 10% it would have the effect of (decreasing)/increasing equity shareholders' funds by £3.1 million/£(3.7) million which includes the impact of the foreign currency exchange contracts to partially offset the movement in value. The calculations are based on the financial assets and liabilities and the foreign exchange rate as at 31 December 2022 of 1.1271 GBP/EUR.

Managing capital
The Company's equity comprises Ordinary Shares as described in Note 17. Capital is managed so as to maximise the return to shareholders while maintaining a capital base that allows the Company to operate effectively in the marketplace and sustain future development of the business.

The Company considers its capital to comprise called-up share capital and reserves. As at 31 December 2022, the Company had entered into an RCF to increase the Company's liquidity. Details of available borrowings at the period end can be found earlier in this note.

The Company's assets and borrowing levels and the Company's capital requirements are reviewed regularly by the Board of Directors.

24. 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 existence of an independent Board of Directors demonstrates that the Company is free to pursue its own financial and operating policies and therefore, under the AIC SORP, the Investment Manager is not considered to be a related party.

The Company's related parties are its Directors and the fees paid to the Company's Board are disclosed in Note 4 alongside the outstanding amounts payable as at 31 December 2022. There are no other identifiable related parties at the period end.

25. Subsequent events
Commitments
In the period to 31 December 2022, the Company committed to £344.8 million across ten investments. At 31 December the Company had undrawn commitments of £57.6 million outstanding.

On 31 January 2023 the Company completed an investment in GD Towers, a leading digital infrastructure company, committing £43.4 million.

AIFMD disclosures

The Company is an Alternative Investment Fund (AIF) for the purposes of the Alternative Investment Fund Managers Directive (Directive 2011/61/EU) (AIFMD), and the Investment Manager was appointed as its Alternative Investment Fund Manager (AIFM) for the purposes of the AIFMD. The Investment Manager is a 'full scope' AIFM for the purposes of the AIFMD. The AIFMD requires certain disclosures to be made in the annual report of the Company. Many of these disclosures are already required by the Listing Rules and/or UK Accounting Standards, and these continue to be presented in other sections of the annual report, principally the strategic report, the Investment Manager's report and the financial statements. This section completes the disclosures required by the AIFMD.

Assets subject to special arrangements
The Company holds no assets subject to special arrangements arising from their illiquid nature.

Remuneration disclosure
The total number of staff of the Investment Manager as at 31 December 2022, including staff remunerated by affiliates of the Investment Manager, was approximately 465, of whom 22 were senior management or other members of staff whose actions have a material impact on the risk profile of the Company ('identified staff'). The total remuneration paid by the Investment Manager and its affiliates to staff of the Investment Manager in respect of the period ended 31 December 2022 attributable to work relating to the Company was as follows:

	12 months to 31 December 2022		
£'000	**Fixed**	**Variable**	**Total**
Senior management	**70**	**96**	**166**
Staff	**190**	**143**	**333**
Total staff	**260**	**238**	**499**
Identified staff	**44**	**61**	**105**

No carried interest was paid in respect of the Company during the period.

The above disclosures reflect only that element of the individuals' remuneration which is attributable to the activities of the Investment Manager relating to the Company. It is not possible to attribute remuneration paid to individual staff directly to income received from any fund and hence the above figures represent a notional approximation only calculated by reference to the assets under management of the Company as a proportion of the total assets under management of the Pantheon Group.

In determining the remuneration paid to its staff, the Investment Manager takes into account a number of factors including the performance of the Company, the Investment Manager and each individual member of staff. These factors are considered over a multi-year framework and include whether staff have met the Investment Manager's compliance standards. In addition, the Investment Manager seeks to ensure that its remuneration policies and practices align financial incentives for staff with the risks undertaken and results achieved by investors, for example by ensuring that a proportion of the variable income received by identified staff is deferred for a period of at least three years.

Full details of the Pantheon Group's remuneration policies and practices for staff (which includes the Investment Manager's staff) can be found at http://pantheonms.wpenginepowered.com/wp-content/uploads/2021/10/Pillar-3-disclosure-Pantheon-2020.pdf.

The AIFMD requires the Investment Manager of the Company to set leverage limits for the Company.
For the purposes of the AIFMD, leverage is any method by which the Company's exposure is increased, whether through the borrowing of cash or by the use of derivatives or by any other means. The AIFMD requires leverage to be expressed as a ratio between the Company's exposure and its NAV and prescribes two methodologies, the gross method and the commitment method (as set out in Commission Delegated Regulation No. 231/2013), for calculating such exposure.

The following leverage limits have been set for the Company:

i. the maximum leverage of the Company calculated in accordance with the gross method (under Article 7 of Commission Delegated Regulation No.231/2013 is 450%; and
ii. the maximum leverage of the Company calculated in accordance with the commitment method (under Article 8 of the AIFMD Regulation) is 450%.

Using the methodologies prescribed under the AIFMD, the Company's leverage as at 31 December 2022 is shown below:

	Gross method	**Commitment method**
Leverage ratio	**121%**	**160%**

There have been no changes to the maximum level of leverage which the Investment Manager may employ on behalf of the Company during the period to 31 December 2022. There are no collateral or asset reuse arrangements in place as at the period end.

Risk profile and risk management
The principal risks to which the Company is exposed and the approach to managing those risks are set out in the strategic report and also in Note 23 to the financial statements The investment restrictions which seek to mitigate some of those principal risks in relation to the Company's investment activities are set out in the investment policy and under 'Board responsibilities and relationship with the Investment Manager' in the Statement on Corporate Governance. Additionally, the individual counterparty exposure limit for deposits with each of the Company's bank counterparties has been set at c.£135 million or the equivalent in foreign currencies. The Investment Manager's risk management system incorporates regular review of the principal risks facing the Company and the investment restrictions applicable to the Company. The Investment Manager has established appropriate internal control processes to mitigate the risks, including those described in the 'Mitigation' column in the 'Risk management and principal risks' section of the strategic report. These investment restrictions were not exceeded in the period to 31 December 2022.

Article 23(1) disclosures to investors
The AIFMD requires certain information to be made available to investors in the Company before they invest and requires that material changes to this information be disclosed in the annual report of the Company. The information required to be disclosed is contained in the document 'Information for Investors', which is available on the Company's website at www.pantheoninfrastructure.com. There have been no material changes to this information requiring disclosure.

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.

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, also commonly referred to as the Sponsor.

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

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