

GCP ASSET BACKED

GCP Asset Backed Income Fund Limited
Half-yearly report and unaudited interim condensed financial
statements for the period ended 30 June 2026

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About the Company

GCP Asset Backed Income Fund Limited is a listed investment company which focuses predominantly on investments in UK asset backed loans.

The Group is pursuing a managed wind-down, with the objective of realising all existing assets in an orderly manner. The portfolio remains diversified across asset backed loans in the social infrastructure, property, energy and infrastructure, and asset finance sectors, primarily located in the UK.

The Company is a closed-ended investment company incorporated in Jersey. It is listed on the Official List of the FCA with its shares admitted to trading on the LSE since 23 October 2015.

At 30 June 2026, it had a market capitalisation of £110.0 million. The Company is a constituent of the FTSE All-Share Index.

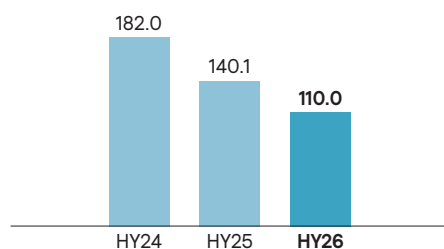
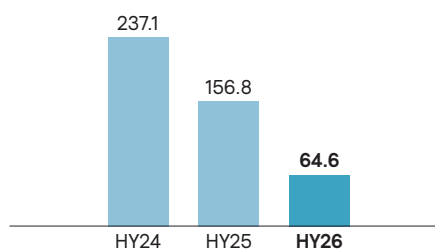


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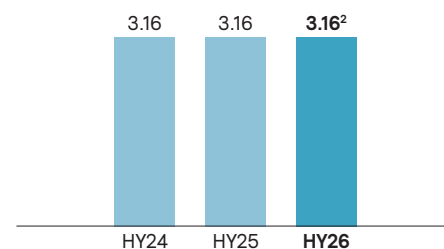


At a glance – 30 June 2026

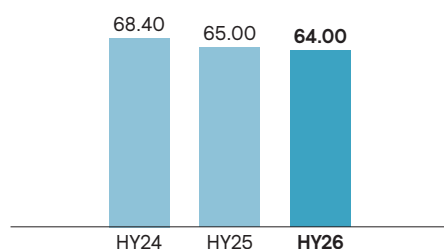
Market capitalisation £m

Value of investments¹ £m

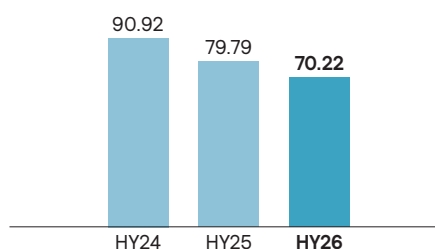
Dividends per share for the period p



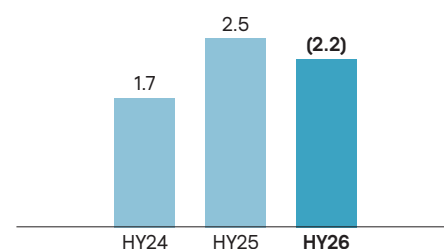
Share price p



NAV per ordinary share p



Profit/(loss) for the period £m



Highlights for the period

- Dividends of 3.16² pence per share declared and paid for the period. Aggregate dividend payments over the last twelve months represent a 9.9% yield on the Company's closing share price at 30 June 2026.
- Strong progress continues to be made on the Company's managed wind-down. Material repayments were received in the period allowing a further redemption post period end. Following this redemption, a total of 319.3 million shares have been redeemed since the inception of the realisation programme, returning £266.6 million to shareholders and representing a 75.9% reduction in share capital.
- Total NAV return³ for the period of (1.8)% (30 June 2025: 1.4%) and total NAV return⁴ since IPO of 41.7%.
- Loss for the period of £2.2 million (30 June 2025: profit of £2.5 million). Further information on financial performance is included on pages 12 to 13.
- NAV per ordinary share of 70.22⁴ pence at 30 June 2026, a decrease from the year end. Further information is included in the Investment Manager's report on pages 6 to 11.
- Repayments of £46.4 million received by the Group in the period. Interest amounts of £0.8 million were capitalised in accordance with contractual terms.
- Exposure to a diversified, partially inflation and/or interest rate-protected portfolio of 14 asset backed loans with a third party valuation of £61.1 million⁵ at 30 June 2026.
- Post period end, the Group received repayments totalling £0.2 million and advanced £0.1 million to an existing asset consistent with the Company's strategy of supporting portfolio value where it is expected to deliver the best outcome for shareholders over the realisation period.
- Post period end, the Company completed its fourth compulsory redemption of ordinary shares, returning £45.0 million to shareholders and reducing the issued share capital. Further details are provided in note 14.

1. Includes the valuation of the Subsidiary; refer to note 7 for further information.

2. Total dividends of 3.1625 pence per share include a quarterly dividend of 1.58125 pence per share for the quarter to 30 June 2026, which was declared post period end.

3. Alternative performance measure – refer to pages 37 and 38 for definitions and calculation methodology.

4. Does not include a provision for the dividend in respect of the quarter to 30 June 2026, which was declared and paid post period end.

5. Valuation of the loan portfolio held by the Subsidiary. The Company makes its investments through its wholly owned Subsidiary. Refer to note 1 for further information.

Investment objectives and KPIs

The Company's purpose as a closed-ended investment company is to meet its investment objective, which is to undertake a managed wind-down of the Company and realise all existing assets in the Company's portfolio in an orderly manner.



Undertake a managed wind-down

To facilitate the cost-effective return of capital to shareholders.



Realise all existing assets

To maximise the value received from the sale or repayment of loans.



Complete in an orderly manner

To facilitate timely capital returns to shareholders.

Key performance indicators

The Company is undergoing a managed wind-down of assets and a return of capital to shareholders.

253.7m¹

Shares redeemed since the inception of the realisation programme

£221.6m

Value of shares redeemed since the inception of the realisation programme

The Group is invested in a portfolio of 14 asset backed loans with a weighted average life of seven years.

£46.4m

Principal repayments received by the Group in the period

7.59%

Average IRR² of loans repaid in the period

The Company has returned capital to shareholders through the redemption of shares while maintaining the dividend in the period.

61.1%³

Percentage of capital returned to shareholders

3.16p⁴

Dividends per share paid for the period

Further information on Company performance can be found on pages 12 and 13.

1. Since the inception of the realisation programme in May 2024.

2. Alternative performance measure – refer to pages 37 and 38 for definitions and calculation methodology.

3. Percentage of the Company's issued share capital redeemed since the inception of the realisation programme to 30 June 2026, including shares held in treasury.

4. Total dividends of 3.1625 pence per share includes a quarterly dividend of 1.58125 pence per share for the quarter to 30 June 2026, which was declared post period end.

Chairman's interim statement

I am pleased to provide an update on the progress of the Company's managed wind-down, as detailed in this half-yearly report and financial statements.



Alex Ohlsson

Chairman

Introduction

Following updates to the Company's investment policy and objectives in May 2024, the Company remains focused on the managed realisation of its assets and return of capital to shareholders.

Since the inception of the realisation programme, the Company has returned £221.6 million to shareholders through the compulsory redemption of 253.7 million shares, representing 61.1%¹ of the Company's issued share capital. In addition, the Company has maintained the payment of regular and stable dividends, with a further £5.4 million paid in the half-yearly period, representing 3.16² pence per share.

Post period end, the Company announced a fourth compulsory redemption of £45.0 million at a price of 68.63875 pence per share, resulting in £266.6 million of total capital returned to shareholders and representing a 75.9% reduction in share capital.

The Company's investment portfolio was valued at £64.6 million at 30 June 2026. As is set out in more detail on page 8, the implied IRR³ of a purchase of shares at the prevailing share price at 30 June 2026 and receipt of cash flows in line with the Investment Manager's base case for the remainder of the Company's realisation plan is 14.1%.

Managed wind-down

Pursuant to the resolutions passed at the AGM and EGM in May 2024, the Company's objective remains to undertake a managed wind-down and realise all existing assets in the portfolio in an orderly manner. The Investment Manager has been retained under a side letter to the investment management agreement to oversee the realisation plan. An update on progress with the realisation plan is provided on page 8 of this report.

Investment portfolio

The Group did not make any new investments during the period. In line with the Company's objective, no new investment activity is planned. However, further capital was advanced to an existing asset during the period, consistent with the Company's strategy of supporting portfolio value where it is expected to deliver the best outcome for shareholders over the realisation period.

1. Percentage of the Company's issued share capital redeemed since the inception of the realisation programme to 30 June 2026, including shares held in treasury.
2. Total dividends of 3.1625 pence per share includes a quarterly dividend of 1.58125 pence per share for the quarter to 30 June 2026, which was declared post period end.
3. Alternative performance measure – refer to pages 37 and 38 for definitions and calculation methodology.

Chairman's interim statement continued

Investment portfolio continued

At the period end, the Group held 14 loans (31 December 2025: 19) with a fair valuation of £61.1 million and a principal balance of £113.4 million, invested across the property, social infrastructure, energy and asset finance sectors.

The weighted average annualised yield¹ generated by the portfolio was relatively stable in the period, decreasing from 8.6% at 31 December 2025 to 8.2% at 30 June 2026.

The weighted average discount rate¹ used to value the Group's investment portfolio increased slightly during the period to 9.4% at 30 June 2026, compared to 9.3% at 31 December 2025, with the change resulting from: (i) increases to discount rates¹ resulting from asset-specific factors applied by Mazars, the Company's independent Valuation Agent; and (ii) changes to the composition of the portfolio as repayments were received.

Financial performance

In the period, the Company's portfolio generated interest income of £7.2 million, offset by net losses on financial assets of £8.3 million and other income of £0.1 million. This resulted in a total loss for the period of £2.2 million after expenses of £1.2 million.

Losses of 1.30 pence per share on an IFRS basis were incurred in the period. Adjusted EPS¹ was 1.56 pence per share, compared to the dividend of 3.16² pence for the period.

Net asset value

At the period end, the net assets of the Company were £120.7 million, compared to £128.4 million at 31 December 2025. On a NAV per share basis, this fell over the period from 74.69 pence at 31 December 2025 to 70.22 pence at 30 June 2026.

On 11 September 2026, the closing share price was 60.25 pence, with the shares trading at a 14.2% discount¹ to NAV.

Financing

Cash on hand at 30 June 2026 was £56.6 million (31 December 2025: £9.98 million).

Dividend policy

The Board is mindful of the return of capital to shareholders and continues to review how best to distribute the Company's cash resources and earnings to shareholders.

It is the Board's intention to maintain the Company's existing level of dividend of 6.325 pence per annum³ whilst the Company remains substantially invested, for as long as is practicable.

The Company declared and paid dividends of 3.16² pence per share in the period. The total dividend was not covered by EPS of (1.3) pence for the period and 0.49 times covered by an adjusted EPS¹ of 1.56 pence.

Market overview

The Company, and the wider alternative investment universe in which it sits, has historically provided investors with an attractive alternative to fixed income during a period of enduring low interest rates. The increase in yields available from traditional income sources has been accompanied by a flight of capital away from alternative assets into more traditional fixed income producing assets. This has, in turn, reduced demand for the Company's shares and contributed to the prevailing and persistent discount¹ to NAV at which the Company's shares have been trading and ultimately the decision to realise the Company's investment portfolio through a managed realisation and return of capital to shareholders.

Inflation has fallen over the period (twelve month changes to CPI fell from 3.4% in December 2025 to 2.6% in June 2026); however, this remains higher than the UK central bank's long-term target of 2.0%.

1. Alternative performance measure – refer to pages 37 and 38 for definitions and calculation methodology.

2. Total dividends of 3.1625 pence per share includes a quarterly dividend of 1.58125 pence per share for the quarter to 30 June 2026, which was declared post period end.

3. This is a target only and does not constitute a profit forecast.

The Bank of England base rate has remained flat during the period at 3.75%. Risk-free yield curves have increased during the reporting period, with five year UK gilt yields increasing from 3.92% (31 December 2025) to 4.30% (30 June 2026). This has been driven by the onset of war in the Middle East and the associated impact on macro uncertainty and higher European energy prices.

These market changes have had a minimal impact on the discount¹ to NAV per share at which the Company's shares trade in the market, with share price principally reflecting the market's expectation of the delivery of the Company's realisation plan.

Principal risks and uncertainties

Following a detailed review of the principal risks and uncertainties described on pages 32 to 35 of the Company's 2025 annual report, the Board concluded that the principal risks and uncertainties are unchanged since publication of the 2025 annual report and are expected to remain relevant to the Company for the next six months of its financial year.

Governance and compliance

The Board recognises the importance of a strong corporate governance culture and continues to maintain principles of good corporate governance as set out in the AIC Code.

Going concern statement

The Directors have assessed the Company's ability to continue as a going concern, having considered the liquidity of the Group's investment portfolio and the Company's financial position in respect of its level of cash as well as its forecasted future cash flows, and investment commitments.

After making enquiries of the Investment Manager on the maturity profile of the investment portfolio and the forecast cash flows, and having reassessed the principal risks in light of the Company's investment objective and strategy to realise all existing assets, the Directors are satisfied that the Company has adequate resources to continue in operational existence for a period of at least twelve months from the date on which the half-yearly report and unaudited interim condensed financial statements are approved.

Based on the above assessment, the Directors have concluded that the financial statements of the Company should continue to be prepared on a going concern basis and the financial statements have been prepared accordingly.

On behalf of the Board

Alex Ohlsson
Chairman

14 September 2026

For more information,
please refer to the
Investment Manager's
report on pages 6 to 11.

1. Alternative performance measure – refer to pages 37 and 38 for definitions and calculation methodology.

Investment Manager's report

The Company's investment objective is to undertake a managed wind-down of the Company and realise all existing assets in the Group's portfolio in an orderly manner.

The Investment Manager

Since the Company's IPO, Gravis Capital Management Ltd has provided discretionary investment and risk management services.

This includes identifying and structuring investments, conducting due diligence, monitoring investments, managing and reporting on the existing loan portfolio, and providing financial reporting support. The Investment Manager is the appointed AIFM to the Company.

Following the EGM in May 2024, shareholders approved a resolution to amend the Company's investment policy and objective to implement an Orderly Realisation of its assets. As part of this process, shareholders also voted to modify the Company's investment management agreement with the Investment Manager through a side letter.

This side letter sets out the Investment Manager's responsibilities in developing and executing the realisation plan, the details of which were published by the Company in July 2024 and are available on its website. Additionally, the side letter revised the fee arrangements to maintain alignment between the Investment Manager and shareholders. Information on the fees payable to the Investment Manager pursuant to the side letter can be found in note 13.

Pursuant to the terms of the side letter, the Investment Manager has devised a realisation plan that has been agreed with the Board, and sets out, among other things:

- a) the options and base case plan to realise each loan;
- b) the delegated authorities under which the Investment Manager shall work to implement the revised investment objective and policy; and
- c) the approach to the realisation of any residual positions at the target date of 31 December 2027, or any other such date that may be agreed between the Company and the Investment Manager.

There have been no changes to the Investment Manager personnel involved in the delivery of investment management services to the Company during the period.

Investment objective

The Company's investment objective is to undertake a managed wind-down of the Company and realise all existing assets in the Company's portfolio in an orderly manner.

Investment policy

The assets of the Company will be realised in an orderly manner, returning cash to shareholders principally by undertaking compulsory redemptions of ordinary shares in such volumes and at such times as the Board may, in its absolute discretion, determine, having regard to the amount of cash available for distribution and retaining sufficient working capital for ongoing operations.

Notwithstanding the foregoing, returns of capital to shareholders may take any other form as the Board may, in its absolute discretion, consider appropriate. The Board will endeavour to realise all the Company's investments in a manner that achieves a balance between maximising the value received from those investments and making timely returns to shareholders.

The Company may not make any new investments save that:

- investments may be made to honour commitments under existing contractual arrangements or, with the Board's prior written approval, to preserve the value of any existing investment; and
- cash held by the Company pending distribution will be held in either cash or cash equivalents for the purposes of cash management.

Any amounts received by the Company during the managed wind-down of the Company's assets will be held by the Company as cash on deposit and/or as cash equivalents, prior to returns being made in cash to shareholders (net of provisions for the Company's costs and expenses).

Borrowing and derivatives

The Company will not undertake borrowing other than for short-term working capital purposes. Gearing, represented by borrowings, will not exceed 25% of NAV calculated at the time of borrowing.

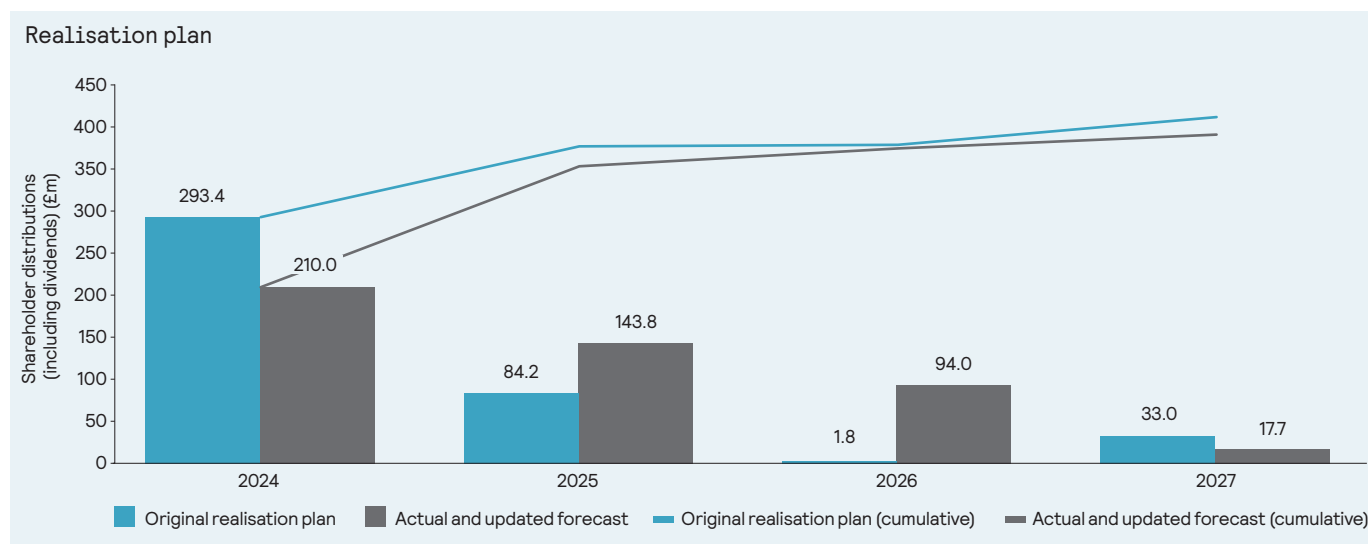
The Company may use derivatives for efficient portfolio management. In particular, the Company may engage in interest rate hedging or otherwise seek to mitigate the risk of interest rate changes as part of the Company's efficient portfolio management.

The Company will not engage in currency trading or interest rate trading for speculative purposes.

Investment Manager's report continued

Realisation plan update

The Investment Manager published the realisation plan in July 2024, which was approved by the Board. The chart below shows the progress and updates to the realisation plan.



IRR¹

The table below sets out the implied IRR¹ of the forecast return of capital to shareholders assuming an entry price of the prevailing share price.

The IRRs¹ are also presented on the same basis as set out in the original realisation plan (including actual distributions) to compare forecast with outturn and residual forecast performance.

	Principal balance at 30 June 2026 (£m)	Valuation at 30 June 2026 (£m)	Total actual and forecast distributions		
			Base (£m)	High (£m)	Low (£m)
Total portfolio	113.4	61.1	381.8	383.8	372.3

Total Realisation Plan cumulative distributions (actual and forecast) based on number of shares in issue at the start of the Realisation Plan (pence per ordinary share)

69.3 70.5 63.8

Implied IRR¹ on forecast cash flows to shareholders after 30 June 2026 based on an assumed purchase price of 64.00 pence per share at 30 June 2026

14.1% 17.8% (3.7)%

Implied IRR¹ based on actual and forecast cash flows to shareholders after 30 June 2024 based on an assumed purchase price of 69.80 pence per share at 30 June 2024

11.7% 12.2% 9.2%

Based on the latest forecast realisations, no incentive fee would be payable to the Investment Manager.

1. Alternative performance measure – refer to pages 37 and 38 for definitions and calculation methodology.

Portfolio

At 30 June 2026, the Group was invested in a portfolio of 14 asset backed loans with a weighted average life of seven years.

At that date, the fair value of the Group's portfolio and the NAV of the Company were £61.1¹ million and £120.7 million, respectively. Shareholders should note the following in relation to realisation plan:

Repayments

There can be no guarantee that loans will be repaid in accordance with contracted terms or that loans that were scheduled for repayment in 2026 will be repaid within the period assumed above. Borrowers may not repay on time (or at all) and their ability to service debts may be impaired from time to time. Borrowers may elect to repay loans before contractual maturity (in full or in part) and may exercise permitted loan extensions, and in order to maximise shareholder value, the Company may extend the term of a loan at the Board's discretion.

Valuation

There can be no assurance that the current valuation of the loans by the independent Valuation Agent, to which the Group is exposed, can be achieved. Seven loans made by the Group representing 35.8% by value of the portfolio at 30 June 2026 have been categorised by the Investment Manager as problem loans. The circumstances around these loans have been considered by the Board and the independent Valuation Agent in the valuation of these loans in the quarterly valuation process and associated NAV.

Problem loans

There were seven loans classed as problem loans at 30 June 2026, with a valuation totalling £21.9 million. The Board and Investment Manager continue working to resolve the remaining problem loans.

In line with the approach taken for the annual report and accounts for the period ended 31 December 2025, the Board has decided not to disclose additional detail on the problem loans so as to not jeopardise commercial negotiations in relation to the realisation of these assets.

Of the remaining loans at 30 June 2026, valuation movements have occurred in the period as a result of updates to the estimated timing and quantum of recovery amounts, which are impacted by (inter alia) market valuations of underlying assets, senior lender actions where the Company's exposure is subordinated, and progress with disposal processes and enforcement actions. In some cases, increased uncertainty relating to asset-specific recoveries has been reflected through an increase to the discount rate¹ applied by the Company's independent Valuation Agent, in the valuation of such loans.

Two conflicted loans, in which certain directors, officers and/or shareholders of the Investment Manager have an equity interest, with a valuation of £3.4 million (5.6% of the Group's portfolio) were categorised by the Investment Manager as problem loans at 30 June 2026.

Across the Group's portfolio, the Group has exposure to real estate markets. These loans represent 51.6% of the Group's portfolio and include loans exposed to property in social infrastructure sectors such as student accommodation, social housing.

The Group's portfolio includes exposure to two loans secured against a portfolio of assets that are considered either in development or under construction. These assets represent 20.4% of the Group's portfolio. In some instances, these assets are part of a broader portfolio that includes operational assets. The portfolio's exposure extends indirectly to a construction project through two borrower loans.

The Group's portfolio includes loans that are subordinate to the borrowers' senior debt, representing 24.3% of the portfolio value. Additionally, the portfolio contains senior loans that are used by borrowers to lend into structures where they become effectively subordinated to other debts. In such cases, the independent Valuation Agent fair values the Group's loans, taking this into account for the possible additional risk.

1. Alternative performance measure – refer to pages 37 and 38 for definitions and calculation methodology.

Investment Manager's report continued

Repayment activity

Repayments of £46.4 million were received by the Group during the period. The average IRR¹ achieved on loans that were repaid was 7.6%.

The table below sets out all investments and repayments received during the period. All capitalised interest amounts were in respect of amounts capitalised in accordance with contractual terms.

Repayments during the period²

Sector		Security	Status	Capitalised interest	Repayments
	Asset finance	Senior	Operational	—	£0.5 million
	Energy and infrastructure	Senior	Operational/ construction	—	£0.4 million
	Property	Senior/subordinated	Operational/ construction	£1.0 million	£2.3 million
	Social infrastructure	Senior/subordinated	Operational/ construction	—	£43.2 million
			Total	£1.0 million	£46.4 million

Investments and repayments post period end²

Sector		Security	Status	Investments	Repayments
	Asset finance	Senior	Operational	—	£0.2 million
	Property	Senior/subordinated	Operational	£0.1 million	—
			Total	£0.1 million	£0.2 million

1. Alternative performance measure – refer to pages 37 and 38 for definitions and calculation methodology.

2. The Company invests through its wholly owned Subsidiary. Refer to note 1 to the financial statements for further information.

Portfolio performance

The Investment Manager is focused on current market conditions and how they may impact the Group's remaining borrowers. Key areas of focus include:

- construction or development assets: increased borrowing costs (where interest costs are not fixed or hedged) and supply chain issues may lead to liquidity challenges in completing projects.
- market demand risk: increased costs could reduce demand for services. The Group's focus on high-quality, critical service assets has historically proven beneficial; and
- asset valuation: valuations have declined across many sectors, and yields have risen in both the property and social infrastructure sectors. The weighted average discount rate¹ for the portfolio has remained broadly stable.

The Investment Manager continues to closely monitor the performance of assets and maintains positive relationships with the Company's remaining borrowers.

The Investment Manager is focusing on near-term realisations and considering options to accelerate the remaining longer-dated facilities.

In some instances, the Investment Manager may propose amendments and extensions to loan facilities to reset rates, assist borrowers in completing projects or maximise returns. All extensions will align with the managed wind-down and require Board approval. Outside of these instances, the focus will be on redeeming facilities ahead of or in line with their contractual maturity.

In accordance with the Company's updated investment policy and objectives, the Company will only make new investments where the Board believes such investments are required to protect, enhance or accelerate the recovery of an existing investment.

The portfolio is primarily secured against UK assets (94%), with the remainder in the US.

1. Alternative performance measure – refer to pages 37 and 38 for definitions and calculation methodology.

Financial review

The Company generated a total loss of £2.2 million, declared dividends of 3.16¹ pence per share and delivered total NAV return² of (1.8)% for the period.



Financial performance

The Company has prepared its half-yearly report and unaudited interim condensed financial statements in accordance with IAS 34 Interim Financial Reporting.

In the period to 30 June 2026, the Company's portfolio generated interest of £7.2 million (30 June 2025: £8.2 million), which was a decrease compared to the prior period, and reflected the repayment of loans over the past twelve months.

Other income of £0.1 million (30 June 2025: £0.2 million) was generated in respect of loans prepaid in the period.

Total income was offset by net unrealised valuation losses of £7.9 million primarily in respect of performance-related downward revaluations and net realised valuation losses of £0.4 million in respect of the sale of assets in the period.

The Company has historically invested in derivatives for investment purposes and efficient portfolio management. Overall net losses on derivative financial instruments for the period were £nil million (30 June 2025: net losses of £0.2 million). Further information is given in notes 3 and 13 to the financial statements.

The Company incurred total expenses of £1.2 million (30 June 2025: £0.6 million), which include the Investment Manager's fee, other third party service provider costs and Directors' remuneration. Total expenses have increased compared to the prior period due to an increase in operating expenses during the period and the effect of the reversal of a provision for incentive fees due to the Investment Manager in the prior period. The current period also reflects a decrease in variable fees due to a reduction in NAV.

Loss for the period was £2.2 million (30 June 2025: profit of £2.5 million), with basic EPS of (1.3) pence (30 June 2025: 1.15 pence). Adjusted EPS² for the period was 1.56 pence per share, which excludes discount rate² adjustments and performance-related revaluations.

Dividends

The dividend for the period of 3.16¹ pence was paid as 1.58125 pence per share for the quarter to 31 March 2026, with a further dividend of 1.58125 pence per share for the quarter to 30 June 2026, which was declared post period end on 30 July 2026.

The total dividend was not covered by an EPS of (1.3) pence for the period and 0.49 times covered by an adjusted EPS² of 1.56 pence.

It is the Board's intention to maintain the Company's existing level of dividend of 6.325 pence per annum³ whilst the Company remains substantially invested, for as long as is practicable.

Investment valuation

The weighted average discount rate² across the portfolio at 30 June 2026 was 9.4%. The valuation of investments is sensitive to changes in discount rates² applied. A sensitivity analysis detailing the impact of a change in discount rates² is given in note 12.3.

The independent Valuation Agent carries out a fair market valuation of the Group's investments on behalf of the Board on a semi-annual basis. Any assets which may be subject to discount rate changes are valued on a quarterly basis.

The Group's investments (excluding the loans valued at net realisable value) are valued on a discounted cash flow basis after impairments, where appropriate, in line with the methodology used by the independent Valuation Agent. Refer to note 12.3 for further information.

Cash position

The Company received interest payments of £7.2 million (30 June 2025: £8.2 million) and capital repayments of £46.2 million (30 June 2025: £12.0 million) in the period, in line with expectations. The Company paid cash dividends of £5.4 million (30 June 2025: £6.8 million) and a further £2.7 million post period end. Total cash reserves at the period end were £56.6 million (30 June 2025: £15.8 million).

Post period end, the Company completed its fourth compulsory redemption of ordinary shares, returning £45.0 million to shareholders. Together with the second interim dividend of £2.7 million, these distributions reduced cash reserves to £8.9 million. Further details are provided in note 14.

1. Total dividends of 3.1625 pence per share includes a quarterly dividend of 1.58125 pence per share for the quarter to 30 June 2026, which was declared post period end.
2. Alternative performance measure – refer to pages 37 and 38 for definitions and calculation methodology.
3. This is a target only and does not constitute a profit forecast.

Statement of Directors' responsibilities

Under the terms of the DTRs of the FCA, the Directors are responsible for preparing the half-yearly report and unaudited interim condensed financial statements in accordance with applicable regulations.

The Directors confirm to the best of their knowledge that:

- the unaudited interim condensed financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting;
- the Chairman's interim statement and the Investment Manager's report constitute the Company's interim management report, which includes a fair review of the information required by DTR 4.2.7R (indication of important events during the first six months and description of principal risks and uncertainties for the remaining six months of the year);
- the unaudited interim condensed financial statements include a fair review of the information required by DTR 4.2.8R (disclosure of related parties' transactions and changes therein); and
- the half-yearly report and unaudited interim condensed financial statements for the period ended 30 June 2026 give a true and fair view of the assets, liabilities, financial position and return of the Company.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in Jersey governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

On behalf of the Board

Alex Ohlsson

Chairman

14 September 2026

Independent review report

To GCP Asset Backed Income Fund Limited

Introduction

We have reviewed the accompanying unaudited interim condensed financial statements of GCP Asset Backed Income Fund Limited (the "Company") for the six-month period ended 30 June 2026, which comprise the unaudited interim condensed statement of comprehensive income, unaudited interim condensed statement of financial position, the unaudited interim condensed statement of changes in equity, the unaudited interim condensed statement of cash flows and the notes to the unaudited interim condensed financial statements, including a summary of material accounting policies and other explanatory notes.

Management is responsible for the preparation and fair presentation of this unaudited interim condensed financial information in accordance with International Accounting Standard 34 (IAS 34), Interim Financial Reporting as issued by the International Accounting Standards Board (IASB) and the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority (FCA). Our responsibility is to express a conclusion on this unaudited interim condensed financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' ("ISRE 2410"). A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusions

Based on our review, nothing has come to our attention that causes us to believe that the accompanying unaudited interim condensed financial information does not present fairly, in all material respects, the financial position of the Company as at 30 June 2026, and of its financial performance and its cash flows for the six month period then ended in accordance with IAS 34 as issued by the IASB, and the Disclosure Guidance and Transparency Rules of the FCA.

Use of our report

This report is made solely to the Company in accordance with the guidance contained in ISRE 2410. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company, for our work, for this report, or for the conclusions we have formed.

Grant Thornton Limited

Chartered Accountants

St Helier, Jersey, Channel Islands

Date: 14 September 2026

Unaudited interim condensed statement of comprehensive income

For the period ended 30 June 2026

	Notes	Period ended 30 June 2026 £'000	Period ended 30 June 2025 £'000
Income			
Loan interest realised	3	7,152	8,235
Net loss on financial assets at fair value through profit or loss	3	(8,305)	(5,163)
Net loss on derivative financial instruments	3	—	(186)
Net changes in fair value of financial assets at fair value through profit or loss		(1,153)	2,886
Other (loss)/income	3	(2)	60
Deposit interest income		104	145
Total (loss)/income		(1,051)	3,091
Expenses			
Directors' remuneration	13	(144)	(139)
Investment management fees	13	(403)	83
Operating expenses		(643)	(553)
Total expenses		(1,190)	(609)
Total operating (loss)/profit before finance costs		(2,241)	2,482
Finance costs			
Finance expenses		—	—
Total (loss)/profit and comprehensive (loss)/income		(2,241)	2,482
Basic and diluted earnings per share (pence)	6	(1.30)	1.15

All items in the above statement are derived from continuing operations.

The accompanying notes on pages 20 to 36 form an integral part of these financial statements.

Unaudited interim condensed statement of financial position

As at 30 June 2026

		As at 30 June 2026 £'000	(Audited) As at 31 December 2025 £'000
	Notes		
Assets			
Cash and cash equivalents	9	56,637	9,981
Derivative financial instruments		—	1
Other receivables and prepayments	8	28	43
Financial assets at fair value through profit or loss	7	64,562	118,836
Total assets		121,227	128,861
Liabilities			
Other payables and accrued expenses	10	(509)	(466)
Total liabilities		(509)	(466)
Net assets		120,718	128,395
Equity			
Share capital	11	209,842	209,842
Retained losses		(89,124)	(81,447)
Total equity		120,718	128,395
Ordinary shares in issue (excluding treasury shares)	11	171,903,104	171,903,104
NAV per ordinary share (pence per share)		70.22	74.69

The unaudited interim condensed financial statements were approved and authorised for issue by the Board of Directors on 14 September 2026 and signed on its behalf by:

Alex Ohlsson
Chairman

Philip Braun
Director

The accompanying notes on pages 20 to 36 form an integral part of these financial statements.

Unaudited interim condensed statement of changes in equity

For the period ended 30 June 2026

	Notes	Share capital £'000	Retained losses £'000	Total equity £'000
Balance at 1 January 2026		209,842	(81,447)	128,395
Total loss and comprehensive loss for the period		—	(2,241)	(2,241)
Dividends paid	5	—	(5,436)	(5,436)
Balance at 30 June 2026		209,842	(89,124)	120,718

Unaudited interim condensed statement of changes in equity

For the period ended 30 June 2025

	Notes	Share capital £'000	Retained losses £'000	Total equity £'000
Balance at 1 January 2025		243,331	(66,957)	176,374
Total profit and comprehensive income for the period		—	2,482	2,482
Dividends paid	5	—	(6,819)	(6,819)
Balance at 30 June 2025		243,331	(71,294)	172,037

The accompanying notes on pages 20 to 36 form an integral part of these financial statements.

Unaudited interim condensed statement of cash flows

For the period ended 30 June 2026

	Notes	Period ended 30 June 2026 £'000	Period ended 30 June 2025 £'000
Cash flows from operating activities			
(Loss)/profit before financing and income tax		(2,241)	2,482
Adjustments for:			
Net changes in fair value of financial assets and financial liabilities at fair value through profit or loss	3	1,153	(2,886)
Realised gains/(losses) on derivative financial instruments	3	1	(110)
Increase/(decrease) in other payables and accrued expenses		43	(1,209)
Decrease/(increase) in other receivables and prepayments	8	15	(3)
Total		(1,029)	(1,726)
Loan interest realised	3	7,152	8,235
Investment in Subsidiary		(231)	—
Capital repayments from Subsidiary	7	46,200	11,925
Net cash flow generated from operating activities		52,092	18,434
Cash flows from financing activities			
Dividends paid	5	(5,436)	(6,819)
Net cash flow used in financing activities		(5,436)	(6,819)
Net increase in cash and cash equivalents		46,656	11,615
Cash and cash equivalents at beginning of the period		9,981	4,145
Cash and cash equivalents at end of the period	9	56,637	15,760

The accompanying notes on pages 20 to 36 form an integral part of these financial statements.

Notes to the unaudited interim condensed financial statements

For the period ended 30 June 2026

1. General information

The Company is a public closed-ended investment company incorporated on 7 September 2015 and domiciled in Jersey, with registration number 119412. The Company is governed by the provisions of the Jersey Company Law and the CIF Law.

The ordinary shares of the Company are admitted to the Official List of the FCA and are traded on the LSE.

The Company makes its investments through its wholly owned Subsidiary by subscribing for the Secured Loan Notes issued by the Subsidiary. The Subsidiary subsequently on-lends the funds to borrowers.

At 30 June 2026, the Company had one wholly owned Subsidiary, GABI UK (31 December 2025: one), incorporated in England and Wales on 23 October 2015 (registration number 9838893). GABI UK had three subsidiaries (31 December 2025: three): GABI Housing (registration number 10497254) incorporated in England and Wales on 25 November 2016; GABI GS (registration number 10546087) incorporated in England and Wales on 4 January 2017; and GABI Housing 2 (registration number 14372988) incorporated in England and Wales on 23 September 2022. The Company, GABI UK, GABI Housing, GABI GS and GABI Housing 2 comprise the Group.

The registered office address for GABI UK, GABI Housing, GABI Housing 2 and GABI GS is 24 Savile Row, London W1S 2ES.

GABI GS was set up to hold shares as security for loans issued to underlying borrowers where required. Its purpose is to isolate any potential liabilities that arise from holding shares as security from the Company.

GABI Housing was set up for the sole purpose of investing in five underlying properties and the social income stream derived from these properties by letting them out to specialist housing associations.

GABI Housing 2 was set up to invest in a single, unlevered, operational rental property and benefit from the income stream derived from this asset.

Following the AGM in May 2024, the Company's investment objective changed to undertake a managed wind-down of the Company and realise all existing assets in the Group's portfolio in an orderly manner.

The assets held by the Group will be realised in an orderly manner, returning cash to shareholders principally by undertaking compulsory redemptions of ordinary shares in such volumes and at such times as the Board may, in its absolute discretion, determine, having regard to the amount of cash available for distribution and retaining sufficient working capital for ongoing operations. Notwithstanding this, returns of capital to shareholders may take any other form as the Board may, in its absolute discretion, consider appropriate. The Board will endeavour to realise the Group's investments in a manner that achieves a balance between maximising the value received from those investments and making timely returns to shareholders.

The Company may not make any new investments save that:

- investments may be made to honour commitments under existing contractual arrangements or, with the Board's prior written approval, to preserve the value of any existing investment; and
- cash held by the Company pending distribution will be held in either cash or cash equivalents for the purposes of cash management.

Any amounts received by the Company during the managed wind-down of the Group's assets will be held by the Company as cash on deposit and/or as cash equivalents, prior to returns being made in cash to shareholders (net of provisions for the Company's costs and expenses).

2. Material accounting policies

The material accounting policies applied in the preparation of these unaudited interim condensed financial statements are set out below. In the current period, the Company has applied amendments to IFRS Accounting Standards. These include annual improvements to IFRS Accounting Standards, changes in standards, legislative and regulatory amendments, changes in disclosure and presentation requirements. The adoption of these has had no material impact on these or prior years' financial statements and the accounting policies used by the Company followed in these condensed unaudited interim financial statements are consistent with the 2025 annual report.

2.1 Basis of preparation

The unaudited interim condensed financial statements for the period ended 30 June 2026 have been prepared in accordance with IAS 34 Interim Financial Reporting.

The unaudited interim condensed financial statements do not include all financial information required for full annual financial statements and therefore do not constitute statutory accounts as defined in the Jersey Company Law. They should be read in conjunction with the Company's annual report and financial statements for the year ended 31 December 2025, which were prepared in accordance with IFRS Accounting Standards issued by the IASB and interpretations issued by the IFRIC as approved by the IASC (which remain in effect) and audited by the Independent Auditor, who issued an unqualified audit opinion.

The accounting policies adopted in these unaudited interim condensed financial statements are the same as those applied in the annual report and financial statements for the year ended 31 December 2025.

The financial information for the period ended 30 June 2026 has been reviewed by the Independent Auditor, in accordance with International Standard on Review Engagements 2410, Review of Interim Financial Information performed by the Independent Auditor, and was approved for issue on 14 September 2026.

The financial risk management objectives include (but are not limited to) market risk, interest rate risk, credit risk, currency risk and liquidity risk. Refer to pages 80 to 85 of the Company's 2025 annual report and financial statements for further information. The Board considers these risks unchanged.

In accordance with the investment entities exemption contained in IFRS 10 Consolidated Financial Statements, the Directors have determined that the Company continues to meet the definition of an investment entity and as a result the Company is not required to prepare consolidated financial statements. The Company's investment in its Subsidiary is measured at fair value and treated as a financial asset through profit or loss in the statement of financial position (refer to note 2.2(b)).

New standards, amendments and interpretations adopted during the period

In the reporting period under review, the Company has applied amendments to IFRS, issued by the IASB. These include annual improvements to IFRS, changes in standards, legislative and regulatory amendments, changes in disclosures and presentation requirements.

Classification and measurement of financial instruments (amendments to IFRS 7 and IFRS 9)

The adoption of the changes to accounting standards has had no material impact on these or prior periods' financial statements.

Presentation and disclosure in financial statements (IFRS 18)

The new IFRS that will apply for reporting periods beginning 1 January 2027 is the presentation and disclosure in financial statements (introduction of IFRS 18).

Under current IFRS accounting standards, companies use different formats to present their results, making it difficult for investors to compare financial performance across companies. IFRS 18 promotes a more structured income statement. In particular, it introduces a newly defined 'operating profit' subtotal and a requirement for all income and expense to be allocated between three new distinct categories based on a company's main business activities.

The Directors are still assessing the impact of IFRS 18, but do not anticipate that its adoption will have a material impact on the financial statements.

Other than those detailed above, there are no new IFRS or IFRIC interpretations that are issued but not effective that are expected to have a material impact on the Company's financial statements.

Notes to the unaudited interim condensed financial statements continued

For the period ended 30 June 2026

2. Material accounting policies

continued

2.1 Basis of preparation continued

Functional and presentation currency

The primary objective of the Company is to generate returns in Pound Sterling, its capital-raising currency.

The Company's performance is evaluated in Pound Sterling. Therefore, the Directors consider Pound Sterling the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions.

The unaudited interim condensed financial statements are presented in Pound Sterling and all values have been rounded to the nearest thousand pounds (£'000), except where otherwise indicated.

Going concern

The Directors have assessed the Company's ability to continue as a going concern, having considered the liquidity of the Group's investment portfolio and the Company's financial position in respect of its level of cash as well as its forecasted future cash flows.

After making enquiries of the Investment Manager on the maturity profile of the investment portfolio and the forecast cash flows, and having reassessed the principal risks in light of the Company's investment objective and strategy to undertake a managed wind-down of the Company and realise all existing assets in the Company's portfolio in an orderly manner, the Directors are satisfied that the Company has adequate resources to continue in operational existence for a period of at least twelve months from the date on which the half-yearly report and unaudited interim condensed financial statements are approved.

Based on the above assessment, the Directors have concluded that the financial statements of the Company should continue to be prepared on a going concern basis and the financial statements have been prepared accordingly.

2.2 Significant accounting estimates and judgements

The preparation of unaudited interim condensed financial statements, in accordance with IFRS Accounting Standards, requires the Directors to make estimates and judgements that affect the reported amounts recognised in the unaudited interim condensed financial statements. However, uncertainty about these assumptions and judgements could result in outcomes that require a material adjustment to the carrying amount of the asset or liability in the future.

There are no changes in estimates reported in prior financial statements that require disclosure in these financial statements.

(a) Critical accounting estimates and assumptions

Fair value of instruments not quoted in an active market

The Company's investments are made by subscribing for the Secured Loan Notes issued by the Subsidiary. The Subsidiary's assets consist of investments held by the Subsidiary, which represent secured loan facilities issued to the Project Companies. The Subsidiary's assets are not quoted in an active market and, therefore, the fair value is determined using a discounted cash flow methodology where applicable (excluding the loans held at net realisable value which are not valued on a discounted cash flow basis) adjusted as appropriate for market, credit and liquidity risk factors (refer to note 12 for further information).

This requires assumptions to be made regarding future cash flows and the discount rates¹ applied to these cash flows. The Subsidiary's investments are valued by an independent Valuation Agent on a semi-annual basis, the outputs of which are reviewed and challenged by the Board.

The models used by the independent Valuation Agent use observable data to the extent that is practicable. However, areas such as credit risk (both own and counterparty), volatilities (including inflation) and correlations require estimates to be made. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

The determination of what constitutes 'observable' requires significant judgement by the Company. The Company considers observable data to be market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

The investment in the Subsidiary is held at fair value through profit or loss, with income distributions and interest payments from the Subsidiary included as part of the fair value movement calculation, together with any unrealised movement in the fair value of the holding in the Subsidiary.

The value of the investment in the Subsidiary is based on the aggregate of the NAV of the Subsidiary and the fair value of the Secured Loan Notes issued by the Subsidiary. Refer to note 7 for further details.

1. Alternative performance measure – refer to pages 37 and 38 for definitions and calculation methodology.

The valuation assets held at net realisable value

At 30 June 2026, loans representing 51.4% (31 December 2025: 34.5%) of the portfolio by value were held at net realisable value ("NRV").

Further information is given in note 12.3.

(b) Critical judgements

Assessment as investment entity

The Directors have concluded that the Company continues to meet the definition of an investment entity.

Entities that meet the definition of an investment entity within IFRS 10 Consolidated Financial Statements are required to measure their subsidiaries at fair value through profit or loss rather than consolidate. The criteria which define an investment entity are as follows:

- an entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- an entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- an entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

The Directors have concluded that the Company continues to meet the characteristics of an investment entity in that it:

- raises funds from investors through the issue of equity, has more than one investor and its investors are not related parties, other than those disclosed in note 13;
- invests in a portfolio of investments held by the Subsidiary for the purpose of generating risk-adjusted returns through regular distributions and modest capital appreciation; and
- the Company's investments are held at fair value through profit or loss with the performance of its portfolio evaluated on a fair value basis.

Accordingly, the Company's Subsidiary is not consolidated, but rather the investment in the Subsidiary is accounted for at fair value through profit or loss. The value of the investment in the Subsidiary is based on the aggregate of the NAV of the Subsidiary and the value of the Secured Loan Notes issued by the Subsidiary.

(c) Segmental information

The Directors view the operations of the Company as one operating segment, being the investment portfolio of asset backed loans held through the Subsidiary, which is a registered UK company. All significant operating decisions made by the Board, as the chief operating decision maker, are based on the analysis of the Subsidiary's investments as one segment. The financial results from this segment are equivalent to the financial results of the Company as a whole, which are evaluated regularly by the Directors.

Notes to the unaudited interim condensed financial statements continued

For the period ended 30 June 2026

3. Operating income

The table below analyses the operating income derived from the Company's financial assets and financial liabilities at fair value through profit or loss:

	Period ended 30 June 2026 £'000	Period ended 30 June 2025 £'000
Loan interest realised	7,152	8,235
Unrealised (loss)/gain on financial assets at fair value through profit or loss: ¹		
Debt – Secured Loan Notes up to £1,000,000,000	(8,169)	(5,347)
Equity – representing one ordinary share in the Subsidiary	234	184
Realised loss on financial assets at fair value through profit or loss:		
Debt – Secured Loan Notes up to £1,000,000,000	(370)	—
Net loss on financial assets at fair value through profit or loss	(8,305)	(5,163)
(Loss)/gain on derivative financial instruments:		
Unrealised loss on forward foreign exchange contracts	(1)	(76)
Realised gain on forward foreign exchange contracts	6	—
Realised loss on forward foreign exchange contracts	(5)	(110)
Net loss on derivative financial instruments	—	(186)
Net changes in fair value of financial assets and financial liabilities at fair value through profit or loss	(1,153)	2,886

The table below analyses other income earned by the Company by type:

	Period ended 30 June 2026 £'000	Period ended 30 June 2025 £'000
Sundry income	—	58
Unrealised (losses)/gains on foreign exchange	(2)	2
Total	(2)	60

4. Taxation

Profits arising in the Company for the period ended 30 June 2026 are subject to tax at the standard rate of 0% (30 June 2025: 0%) in accordance with the Income Tax (Jersey) Law 1961, as amended.

1. Refer to note 7 for further information.

5. Dividends

Quarter ended	Dividend	Pence per share	Period ended 30 June 2026 £'000	Period ended 30 June 2025 £'000
Current period dividends				
30 June 2026/2025	Second interim dividend ¹	1.58125/1.58125	—	—
31 March 2026/2025	First interim dividend	1.58125/1.58125	2,718	3,409
Total		3.16250/3.16250	2,718	3,409
Prior period dividends				
31 December 2025/2024	Fourth interim dividend	1.58125/1.58125	2,718	3,410
Total		1.58125/1.58125	2,718	3,410
Dividends in the statement of changes in equity			5,436	6,819
Dividends in the statement of cash flows			5,436	6,819

On 17 July 2026, the Company declared a second interim dividend for 2026 of 1.58125 pence per redeemable ordinary share amounting to £2.7 million, which was paid on 14 August 2026 to redeemable ordinary shareholders on the register at the close of business on 31 July 2026.

It is the Board's current intention to maintain the Company's existing level of dividend of 6.325² pence per ordinary share per annum whilst the Company remains substantially invested, for as long as is practicable.

6. Earnings per share

Basic EPS is calculated by dividing profit for the period attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares in issue during the period, excluding shares held in treasury. Diluted EPS is calculated by dividing the profit attributable to ordinary shareholders by the diluted weighted average number of ordinary shares, excluding shares held in treasury.

Period ended 30 June 2026	(Loss)/ earnings £'000	Weighted average number of ordinary shares	Pence per share
Basic EPS	(2,241)	171,903,104	(1.30)
Diluted EPS	(2,241)	171,903,104	(1.30)
Adjusted EPS ³	2,674	171,903,104	1.56

Period ended 30 June 2025	Earnings £'000	Weighted average number of ordinary shares	Pence per share
Basic EPS	2,482	215,606,413	1.15
Diluted EPS	2,482	215,606,413	1.15
Adjusted EPS ³	11,017	215,606,413	5.11

1. The second interim dividend was declared after the period end and is therefore not accrued for in the unaudited interim condensed financial statements.
2. This is a target only and does not constitute a profit forecast.
3. Alternative performance measure – refer to pages 37 and 38 for definitions and calculation methodology.

Notes to the unaudited interim condensed financial statements continued

For the period ended 30 June 2026

7. Financial assets at fair value through profit or loss: investment in Subsidiary

The Company's financial assets at fair value through profit or loss comprise its investment in the Subsidiary, which represents amounts advanced to finance the Group's investment portfolio in the form of Secured Loan Notes and equity. The Company's investment in the Subsidiary comprised:

	30 June 2026 £'000	(Audited) 31 December 2025 £'000
Debt – Secured Loan Notes up to £1,000,000,000		
Opening balance	115,830	170,807
Investment in Subsidiary	231	11,628
Capital repayment from Subsidiary	(46,200)	(53,754)
Realised loss on financial assets at fair value through profit or loss	(370)	(3,148)
Unrealised loss on financial assets at fair value through profit or loss:		
Unrealised valuation loss	(1,232)	(13,552)
Unrealised foreign exchange (loss)/gain	(55)	1,218
Other unrealised movements on investments	(6,882) ¹	2,631 ¹
Total unrealised loss on financial assets at fair value through profit or loss	(8,169)	(9,703)
Total	61,322	115,830

	Period ended 30 June 2026 £'000	(Audited) 31 December 2025 £'000
Equity – representing one ordinary share in the Subsidiary		
Opening balance – Investment in equity of the Subsidiary	3,006	3,087
Unrealised gain/(loss) on investment in the Subsidiary	234	(81)
Total	3,240	3,006
Financial assets at fair value through profit or loss	64,562	118,836

The above represents a 100% interest in the Subsidiary at 30 June 2026 (31 December 2025: 100%).

8. Other receivables and prepayments

	Period ended 30 June 2026 £'000	(Audited) 31 December 2025 £'000
Prepayments	28	43
Total	28	43

1. Attributable to the timing of the debt service payments and principal indexation of £nil (31 December 2025: £0.1 million) applied to certain loans.

9. Cash and cash equivalents

	30 June 2026 £'000	(Audited) 31 December 2025 £'000
Cash and cash equivalents	56,637	9,981
Total	56,637	9,981

10. Other payables and accrued expenses

	30 June 2026 £'000	(Audited) 31 December 2025 £'000
Accruals	313	224
Investment management fees	196	242
Total	509	466

11. Authorised and issued share capital

	30 June 2026		(Audited) 31 December 2025	
	Number of shares	£'000	Number of shares	£'000
Share capital				
Ordinary shares issued at no par value and fully paid				
Shares in issue at beginning of the period/year	171,903,104	209,842	215,606,413	243,331
Shares redeemed in the period/year	—	—	(43,703,309)	(33,489)
Total shares in issue	171,903,104	209,842	171,903,104	209,842
Total ordinary share capital excluding treasury shares	171,903,104	209,842	171,903,104	209,842

In May 2024, the Company adopted revised Articles in order to permit the redemption of some or all of the ordinary shares at the sole discretion of the Directors and authorised the issue of one deferred share. The Company's share capital is represented by no par value ordinary shares and one deferred share.

The ordinary shares carry the right to dividends out of the profits available for distribution as determined by the Board and participation in the profits or assets of the Company, on a winding-up of the Company or a return of capital. Each holder of an ordinary share is entitled to attend meetings of shareholders and, on a poll, to one vote for each share held.

The deferred share does not carry the right to dividends out of the profits available for distribution as determined by the Board or participation in the profits or assets of the Company, on a winding-up of the Company or a return of capital, unless there are no ordinary shares in issue, in which case the deferred share will carry such rights.

The holder of a deferred share is entitled to attend meetings of shareholders but not to vote at any such meetings, unless there are no ordinary shares in issue, in which case the holder of the deferred share will carry the right to vote.

Notes to the unaudited interim condensed financial statements continued

For the period ended 30 June 2026

12. Financial instruments

The table below sets out the classifications of the carrying amounts of the Company's financial assets and financial liabilities into categories of financial instruments.

	30 June 2026 £'000	(Audited) 31 December 2025 £'000
Financial assets		
Cash and cash equivalents	56,637	9,981
Total financial assets at amortised cost ¹	56,637	9,981
Derivative financial instruments	—	1
Financial assets at fair value through profit or loss	64,562	118,836
Total financial assets at fair value through profit or loss	64,562	118,837
Total financial assets	121,199	128,818
Financial liabilities		
Other payables and accrued expenses	(509)	(466)
Total financial liabilities at amortised cost ¹	(509)	(466)
Total financial liabilities	(509)	(466)

12.1 Derivative financial instruments

Derivative financial instruments comprise forward foreign exchange contracts entered into for the purpose of hedging the Company's exposure to foreign currency-denominated investments held by the Subsidiary. No such investments were held at 30 June 2026 (31 December 2025: one Euro-denominated investment). The derivatives represent nil% of the portfolio by value at the period end (31 December 2025: 0.7%).

The tables below set out the forward foreign exchange contracts held by the Company:

30 June 2026	Maturity	Principal amount	Hedged amount	Fair value £'000	
				Financial assets	Financial liabilities
Contract EUR/GBP	—	—	—	—	—
Total	—	—	—	—	—

31 December 2025 (audited)	Maturity	Principal amount	Hedged amount	Fair value £'000	
				Financial assets	Financial liabilities
Contract EUR/GBP	6 January 2026	(£787,011)	€901,915	1	—
Total		(£787,011)	€901,915	1	—

1. The carrying value of the financial assets and liabilities stated at amortised cost approximates their fair value.

12.2 Capital management

At period end, the Company's capital is represented by share capital comprising issued ordinary share capital, as detailed in note 11.

The Company may borrow up to 25% of its NAV at any such time borrowings are drawn down.

12.3 Fair value of financial assets

Valuation of financial instruments

The Company measures fair value using the following fair value hierarchy that reflects the significance of inputs used to make the measurements. Categorisation within the hierarchy has been determined on the basis of the lowest level of input that is significant to the fair value measurement of the relevant assets as follows:

- Level 1: valued using quoted prices unadjusted in active markets for identical assets or liabilities;
- Level 2: valued by reference to valuation techniques using observable inputs for the asset or liability other than quoted prices included in Level 1; and
- Level 3: valued by reference to valuation techniques using inputs that are not based on observable market data for the asset or liability.

An investment is always categorised as Level 1, 2 or 3 in its entirety. In certain cases, the fair value measurement for an investment may use a number of different inputs that fall into different levels of the fair value hierarchy. In such cases, an investment level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement requires judgement and is specific to the investment.

The independent Valuation Agent has carried out semi-annual fair valuations of the financial assets of the Subsidiary. The same discount rates¹, determined by the independent Valuation Agent, are applied to the future cash flows of the Secured Loan Notes to determine the fair value of the assets of the Company.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

The tables below set out fair value measurements of financial instruments at the period/year end by the level of the fair value hierarchy into which the fair value measurement is categorised. The amounts are based on the value recognised in the unaudited interim condensed statement of financial position. All fair value measurements are recurring.

	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
30 June 2026				
Financial assets at fair value through profit or loss	—	—	64,562	64,562
Total	—	—	64,562	64,562

	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
31 December 2025 (audited)				
Financial assets at fair value through profit or loss	—	—	118,836	118,836
Derivative financial instruments (assets)	—	1	—	1
Total	—	1	118,836	118,837

The derivative financial instruments are classified as Level 2 as observable market data is used for valuation and pricing.

The Directors have classified the financial instruments relating to 'Investment in Subsidiary' as Level 3 due to the limited number of comparable and observable market transactions in this sector. The primary input for Level 3 at year end is the discount rates¹ for these investments (excluding the loans held at net realisable value which are not valued on a discounted cash flow basis; refer to note 2.1 for further information); discount rates¹ are considered to be primarily modelled rather than market observed. The secured loan facilities that the Subsidiary has invested in are also classified as Level 3.

1. Alternative performance measure – refer to pages 37 and 38 for definitions and calculation methodology.

Notes to the unaudited interim condensed financial statements continued

For the period ended 30 June 2026

12. Financial instruments continued

12.3 Fair value of financial assets continued

Valuation of financial instruments continued

The following table shows a reconciliation of all movements in the fair value of financial instruments categorised within Level 3 between the beginning and end of the period/year:

	30 June 2026 £'000	(Audited) 31 December 2025 £'000
Opening fair value of financial instruments at fair value through profit or loss	118,836	173,894
Investment in Subsidiary	231	11,628
Capital repayments from Subsidiary	(46,200)	(53,754)
Realised loss on financial assets at fair value through profit or loss:		
Debt – Secured Loan Notes up to £1,000,000,000	(370)	(3,148)
Unrealised (loss)/gain on financial assets at fair value through profit or loss ¹ :		
Debt – Secured Loan Notes up to £1,000,000,000	(8,169)	(9,703)
Equity – representing one ordinary share in the Subsidiary	234	(81)
Closing fair value of financial instruments at fair value through profit or loss	64,562	118,836

For the Company's financial instruments categorised as Level 3, changing the discount rate² used to value the underlying instruments alters the fair value. In determining the discount rate² for calculating the fair value of financial assets at fair value through profit or loss, reference is made to Pound Sterling interest rates, movements of comparable credit markets and observable yields on comparable instruments. Hence, movements in these factors would give rise to changes in the discount rate². A change in the discount rate² used to value Level 3 investments would have the effect on the valuation as shown in the table above.

The fair value of the investment in the Subsidiary is based on the aggregate of the NAV of the Subsidiary and the value of the Secured Loan Notes issued by the Subsidiary. At 30 June 2026, the NAV of the Subsidiary was as follows:

	30 June 2026 £'000	(Audited) 31 December 2025 £'000
GABI UK ¹	3,240	3,006

1. Refer to note 7 for further information.

2. Alternative performance measure – refer to pages 37 and 38 for definitions and calculation methodology.

The key driver of the NAV of the Subsidiary is the valuation of its portfolio of secured loan facilities issued to the Project Companies.

The Secured Loan Notes issued by the Subsidiary that the Company has subscribed for are valued on a discounted cash flow basis (excluding the loans held at net realisable value) in line with the methodology used by the independent Valuation Agent, applying the following discount rates¹:

	Fair value ² £'000	Valuation technique	Key unobservable inputs	Discount rate ³
Financial assets at fair value through profit or loss – 30 June 2026	29,797⁴	Discounted cash flow	Discount rate	9.4%
Financial assets at fair value through profit or loss – 30 June 2026	31,525⁵	Net realisable value	Expected cash flow	—
Total	61,322			
Financial assets at fair value through profit or loss – 31 December 2025 (audited)	75,892 ⁴	Discounted cash flow	Discount rate	9.3%
Financial assets at fair value through profit or loss – 31 December 2025 (audited)	39,938 ⁵	Net realisable value	Expected cash flow	—
Total	115,830			

The investments in Project Companies held by the Subsidiary (excluding the loans held at net realisable value) are valued on a discounted cash flow basis, in line with the methodology used by the independent Valuation Agent. At the period end, discount rates¹ used in the valuation of financial assets ranged from 7–14% (31 December 2025: 7–13%).

The Directors reviewed the valuation report provided by the independent Valuation Agent which includes reference to the inputs used in the valuation of investments and the appropriateness of their classification in the fair value hierarchy. In particular, the Directors are satisfied that the significant inputs that determine the discount rate¹ adopted by the independent Valuation Agent are pursuant to the independent Valuation Agent's engagement letter. Should the valuation approach change, causing an investment to meet the characteristics of a different level of the fair value hierarchy, it will be reclassified accordingly.

The tables below show how changes in discount rates¹ affect changes in the valuation of financial assets through profit or loss. The range of discount rate¹ changes has been determined with reference to historic discount rate¹ changes made by the independent Valuation Agent.

30 June 2026					
Change in discount rates¹	(2.00%)	(1.00%)	0.00%	1.00%	2.00%
Value of financial assets at fair value through profit or loss (£'000) ^{6,7}	66,539	65,485	64,562	63,479	63,027
Change in value of financial assets at fair value (£'000)	1,977	923	—	(813)	(1,535)
31 December 2025 (audited)					
Change in discount rates¹	(2.00%)	(1.00%)	0.00%	1.00%	2.00%
Value of financial assets at fair value through profit or loss (£'000) ^{6,7}	129,335	123,831	118,836	114,292	110,148
Change in value of financial assets at fair value (£'000)	10,500	4,995	—	(4,544)	(8,688)

1. Alternative performance measure – refer to pages 37 and 38 for definitions and calculation methodology.

2. Excluding the NAV of the Subsidiary.

3. Weighted average discount rate¹.

4. Balance excludes the fair value of the loans held at net realisable value.

5. Fair value of the loans held at net realisable value which are not valued on a discounted cash flow basis.

6. Including the NAV of the Subsidiary.

7. Includes the fair value of the loans held at net realisable value which are not valued on a discounted cash flow basis; see note 12.3 for further details.

Notes to the unaudited interim condensed financial statements continued

For the period ended 30 June 2026

12. Financial instruments continued

12.4 Liquidity risk

Liquidity risk is the risk that the Company may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous. The Company is a closed-ended investment company and therefore assets do not need to be liquidated to meet redemptions, and sufficient liquidity is maintained to meet obligations as they fall due.

The Company ensures it maintains adequate reserves by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. In the period ended 30 June 2026, investments made by the Group were funded by Company cash reserves and amounts received from repayments.

The tables below analyse the Company's assets and liabilities in relevant maturity groupings based on the remaining period from 30 June 2026 to the contractual maturity date. The Directors have elected to present both assets and liabilities in the liquidity disclosure below to illustrate the net liquidity exposure of the Company.

All cash flows in the tables below are presented on an undiscounted basis.

	Less than one month £'000	One to three months £'000	Three to twelve months £'000	Greater than twelve months and not later than five years £'000	More than five years £'000	Total £'000
30 June 2026						
Financial assets						
Cash and cash equivalents	56,637	—	—	—	—	56,637
Other receivables and prepayments	—	3	25	—	—	28
Financial assets at fair value through profit or loss	—	5,554	18,694	40,479	52,588	117,315
Total financial assets	56,637	5,557	18,719	40,479	52,588	173,980
Financial liabilities						
Other payables and accrued expenses	(1)	(196)	(312)	—	—	(509)
Total financial liabilities	(1)	(196)	(312)	—	—	(509)
Net exposure	56,636	5,361	18,407	40,479	52,588	173,471
	Less than one month £'000	One to three months £'000	Three to twelve months £'000	Greater than twelve months and not later than five years £'000	More than five years £'000	Total £'000
31 December 2025 (audited)						
Financial assets						
Cash and cash equivalents	9,981	—	—	—	—	9,981
Other receivables and prepayments	—	7	36	—	—	43
Financial assets at fair value through profit or loss	13,821	15,713	32,055	45,201	95,042	201,832
Total financial assets	23,802	15,720	32,091	45,201	95,042	211,856
Financial liabilities						
Derivative financial instruments	—	—	—	—	—	—
Other payables and accrued expenses	(2)	(242)	(222)	—	—	(466)
Total financial liabilities	(2)	(242)	(222)	—	—	(466)
Net exposure	23,800	15,478	31,869	45,201	95,042	211,390

12.5 Interest rate risk

Interest rate risk arises from the effects of fluctuations in the prevailing level of market interest rates on the fair value of financial assets, future cash flows and borrowings.

Interest rate risk has the following effect:

Fair value of financial assets

Interest rates are one of the factors which the independent Valuation Agent takes into account when valuing the financial assets. Interest rate risk is incorporated by the independent Valuation Agent to the discount rate¹ applied to the financial assets at fair value through profit or loss.

Future cash flows

The Company has historically invested, via its Subsidiary, in a diversified portfolio of investments which have been secured against, or comprised, contracted, predictable medium to long-term cash flows and/or physical assets. The Group's investments have predominantly taken the form of medium to long-term fixed or floating rate loans which are secured against cash flows and/or physical assets which are predominantly UK based.

Interest rate hedging may be carried out to provide protection against falling interest rates in relation to assets that do not have a minimum fixed rate of return acceptable to the Company in line with its investment policy and strategy. The Company has not entered into an interest rate hedging agreement during the year, or in the prior year.

Other financial assets and liabilities

Bank deposits, payables and accrued expenses are exposed to and affected by fluctuations in interest rates. However, the impact of interest rate risk on these assets and liabilities is not considered material.

12.6 Credit risk

Credit risk is the risk that the counterparty to a financial instrument will fail to discharge an obligation or commitment it has entered into with the Company. Assets classified at fair value through profit or loss do not have a published credit rating; however, the Investment Manager monitors the financial position and performance of the Group's borrowers on a regular basis to ensure credit risk is appropriately managed.

The Company is exposed to differing levels of credit risk across its assets. Per the statement of financial position, the Company's total exposure to credit risk is £121.2 million (31 December 2025: £128.9 million) represented through its investments, receivables, financial derivatives and cash.

Total cash reserves at the period end were £56.6 million (31 December 2025: £10.0 million). The cash is held at a number of banks that carry a minimum rating of A-2, P-2 or F2 from Standard and Poor's, Moody's and Fitch, respectively, to spread credit risk.

The Group's financial assets at fair value through profit or loss comprise debt and equity securities in the Subsidiary and, therefore, the credit risk of the Company's investments is highly dependent on the performance of the Subsidiary's investment portfolio, which is valued on a semi-annual basis by the independent Valuation Agent. Investments which may be subject to discount rate¹ changes are valued on a quarterly basis. The independent Valuation Agent takes into account the credit risk associated with these investments in their valuation by considering information provided by the Investment Manager on the performance of each underlying loan, including either early or late payments of capital and interest, varying relevant loan facility covenants on the financial, business (commercial) and legal position of each borrower and the expected realisation of assets, disposal of equity interests and/or refinancing of the loan.

The Company's investments are illiquid instruments and have contractual cash flows which are reassessed by the Investment Manager with each borrower for expected recoverability. After an investment is made, the forecasted cash flows are regularly updated by the Investment Manager with information provided by the borrower for review by the independent Valuation Agent in order to monitor ongoing financial performance.

Any changes in the fair value of the investment portfolio are recognised through profit or loss. Such movements may incorporate a change to fair value resulting from the receipt or expected non-receipt of interest or principal payments, timing changes of cash flows at the date of valuation, and changes to the discount rate¹. Discount rate¹ sensitivity analysis is disclosed in note 12.3.

1. Alternative performance measure – refer to pages 37 and 38 for definitions and calculation methodology.

Notes to the unaudited interim condensed financial statements continued

For the period ended 30 June 2026

12. Financial instruments continued

12.6 Credit risk continued

Credit risk assessment

At 30 June 2026, loans totalling 46% (31 December 2025: loans totalling 38%) of the fair value of the portfolio had missed interest and/or principal payments. These loans will continue to be monitored by the Investment Manager with regular reporting to the Board.

The concentration of credit risk within the Group's investment portfolio is mitigated by its exposure to a range of borrowers across loans, multiple assets, sectors and strategies. Since the Company's IPO in 2015, the Investment Manager has pursued an investment strategy that, amongst other things, has sought to diversify risk across various sectors and borrowers.

Following the approval by shareholders of all resolutions put to the AGM and EGM held in May 2024, which resulted in a change in the Company's objective to undertake a managed wind-down of the Company and realise all existing assets in the portfolio in an orderly manner, the size and value of the Company's portfolio will reduce as investments are realised and concentrated in fewer holdings, and the mix of loans and underlying asset exposure will be affected accordingly. This may adversely affect the overall performance of the Company's portfolio as it is exposed to a portfolio with lower diversification.

13. Related party disclosures

As defined by IAS 24 Related Party Disclosures, parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the party in making financial or operational decisions. Subsidiary companies are also determined to be related parties as they are members of the same group of companies.

Directors

The Directors of the Company are considered to be the key management personnel of the Company. Directors' remuneration for the period (including reimbursement of Company-related expenses) totalled £144,000 (30 June 2025: £139,000). At 30 June 2026, liabilities in respect of these services amounted to £51,000 (31 December 2025: £51,000).

At 30 June 2026, the Directors of the Company held directly or indirectly, and together with their family members, 33,427 ordinary shares in the Company (31 December 2025: 33,427 ordinary shares).

Alex Ohlsson is the group chairman (previously managing partner) of Carey Olsen, the Company's Jersey legal advisers. Carey Olsen maintains procedures to ensure that the Chairman has no involvement in the provision of legal services to the Company. Additionally, the Company maintains procedures to ensure that the Chairman takes no part in any decision to engage the services of Carey Olsen. During the period, the aggregate sum of £nil was paid to Carey Olsen (30 June 2025: £nil) in respect of legal work.

Investment Manager

The Company is party to an investment management agreement with the Investment Manager, which was most recently amended and restated in December 2020. A side letter to the existing investment management agreement was approved by shareholders at the Company's EGM in May 2024. Pursuant to the terms of the side letter, the Company has appointed the Investment Manager to implement a realisation plan that has been agreed with the Board. This plan sets out, among other things, the options and base case plan to realise each loan, the delegated authorities under which the Investment Manager shall work to implement the revised investment objective and policy, and the approach to the realisation of any residual positions at the target date of 31 December 2027, or any other such date that may be agreed between the Company and the Investment Manager from time to time, including the process for realisation and how the Investment Manager shall assess the merits of realisation against other options that may be available to the Company at such a time.

As a result of the responsibilities delegated under this investment management agreement, the Company considers the Investment Manager to be a related party by virtue of being 'key management personnel'. Under the terms of the investment management agreement, the notice period of the termination of the Investment Manager by the Company is twelve months.

For its services to the Company, the Investment Manager receives an investment management fee, which is calculated and paid quarterly in arrears at an annual rate of 0.75% per annum of the prevailing NAV of the Company, minus the value of the cash holdings of the Company pro rata for the period for which such cash holdings have been held. This fee is calculated and paid quarterly in arrears. Prior to 20 May 2024, the annual rate was 0.90% per annum. The Investment Manager also receives an annual fee of £25,000 in relation to its role as the Company's AIFM which is increased on an annual basis in accordance with the rate of the RPI.

During the period, the Company incurred £420,000 (30 June 2025: £622,000) in respect of the services outlined above: £403,000 (30 June 2025: £605,000) in respect of investment management services and £17,000 (30 June 2025: £17,000) in respect of AIFM services provided by the Investment Manager. At 30 June 2026, liabilities in respect of these services amounted to £196,000 (31 December 2025: £242,000). In the comparative period, the investment management services fee of £605,000 was offset by the reversal of the incentive fee of £688,000, resulting in a net credit of £83,000 recognised in profit or loss.

In accordance with the terms of the side letter approved by the Board, the Investment Manager is entitled to an incentive fee equal to 20% of the value of any Excess Proceeds. 'Excess Proceeds' means, in respect of any realisation, the value of such realisation (if any) that is in excess of the value that would, on the date of such realisation, be required to deliver an IRR¹ equal to 12% per annum, calculated using the XIRR function in Excel, and based on:

- a) a negative value equal to the 'Adjusted Portfolio Valuation Amount' on 31 December 2023;
- b) the negative values and dates of any cash advances made by the Company or the Group by way of a utilisation or drawdown under a loan or loans since 31 December 2023; and
- c) the positive values and dates of all realisations relating to the loans since 31 December 2025 received by the Company or the Group relating to loans at 31 December 2023.

The 'Adjusted Portfolio Valuation Amount' on 31 December 2023 was £321,214,023. The 'Adjusted Portfolio Valuation Amount' reflects an implied market capitalisation at 31 December 2023 based on an assumed share price of 82.5 pence and reflecting non-investment balance sheet items at 31 December 2023. The Board and the Investment Manager agreed an assumed share price of 82.5 pence for the purposes of this calculation to reflect shareholders' views on the value of the Company received during the strategic review.

The incentive fee is an IRR-based fee reflecting portfolio cash flows and, whilst the Investment Manager's right to an incentive fee is assessed on each realisation, no incentive fee shall be payable to the Investment Manager until a 12% compound annual return has been achieved on the 'Adjusted Portfolio Valuation Amount' through realisations.

The incentive fee replaced the arrangement fee whereby, prior to May 2024, the Investment Manager, at its discretion, was entitled to an arrangement fee of up to 1% of the value of each investment made by the Company. The cost of any such fee was typically covered by the borrowers, and not the Company.

During the period, the Investment Manager received £nil (30 June 2025: £nil) from arrangement fees which had been met by borrowers and £nil (30 June 2025: £nil) from arrangement fees which had been met by the Company. To the extent any arrangement fee negotiated by the Investment Manager with a borrower exceeds 1%, the benefit of any such excess is paid to the Company. For the period to 30 June 2026, the Company received £nil (30 June 2025: £nil).

A number of the Directors and employees of the Investment Manager also sit on the board of the Subsidiary.

At 30 June 2026, the key management personnel of the Investment Manager held directly or indirectly, and together with their family members, 367,158 ordinary shares in the Company (31 December 2025: 317,361 ordinary shares).

The Directors and/or shareholders of the Investment Manager, and their family members, directly or indirectly own an equity interest in the Subsidiary's student accommodation investments. These investments are valued by the independent Valuation Agent in line with the rest of the portfolio and were approved by the Board at the time of acquisition.

1. Alternative performance measure – refer to pages 37 and 38 for definitions and calculation methodology.

Notes to the unaudited interim condensed financial statements continued

For the period ended 30 June 2026

13. Related party disclosures continued

Subsidiary

At 30 June 2026, the Company owned a 100% (31 December 2025: 100%) controlling stake in the Subsidiary. The Subsidiary is considered to be a related party by virtue of being part of the same group. The Company indirectly owns 100% of GABI Housing Limited, GABI GS Limited and GABI Housing 2 Limited; for further information on the Group, refer to note 1.

The following tables disclose the transactions and balances between the Company and the Subsidiary.

	30 June 2026 £'000	(Audited) 31 December 2025 £'000
Transactions		
Intercompany income received		
Early repayment fee income	—	360
Sundry income	—	58
Unrealised (losses)/gains on foreign exchange	(2)	4
Loan note interest realised	7,152	13,446
Total	7,150	13,868

	30 June 2026 £'000	(Audited) 31 December 2025 £'000
Balances		
Intercompany balances receivable	—	—
Principal value of intercompany holdings with financial assets at fair value through profit or loss	104,821	154,495

14. Subsequent events after the report date

On 17 July 2026, the Company declared a second interim dividend of 1.58125 pence per ordinary share amounting to £2.7 million, which was paid on 14 August 2026 to ordinary shareholders on the register at the close of business on 31 July 2026.

On 31 July 2026, the Company effected its fourth compulsory redemption, pursuant to the announcement made on 22 July 2026. A total of 65,560,523 ordinary shares, representing approximately 38.14% of the issued ordinary share capital, were redeemed on a pro rata basis at a price of 68.63875 pence per share, resulting in the return of capital of £45.0 million to shareholders.

The Group received one repayment post period end totalling £0.2 million and advanced £0.1 million to an existing asset consistent with the Company's strategy of supporting portfolio value where it is expected to deliver the best outcome for shareholders over the realisation period.

15. Ultimate controlling party

It is the view of the Board that there is no ultimate controlling party.

Alternative performance measures (“APMs”)

The Board and the Investment Manager assess the Company's performance using a variety of measures that are not defined under IFRS Accounting Standards and are therefore classed as APMs. Where possible, reconciliations to IFRS Accounting Standards are presented from the APMs to the most appropriate measure prepared in accordance with IFRS.

All items listed below are IFRS Accounting Standards financial statement line items unless otherwise stated. APMs should be read in conjunction with the unaudited interim condensed statement of comprehensive income, the unaudited interim condensed statement of changes in equity, the unaudited interim condensed statement of financial position and the unaudited interim condensed statement of cash flows, which are presented in the financial statements section of this report. The APMs below may not be directly comparable with measures used by other companies.

Adjusted earnings/EPS

In respect of a period, EPS has been adjusted to remove the impact of fair valuation movements of investments in the period arising from: (i) discount rate¹ adjustments; and (ii) upward or downward revaluations associated with the performance of investments.

	Period ended 30 June 2026 £'000	Period ended 30 June 2026 (pence per share)	Period ended 30 June 2025 £'000	Period ended 30 June 2025 (pence per share)
Adjusted EPS				
Basic and diluted (loss)/earnings	(2,241)	(1.30)	2,482	1.15
Increase to weighted average discount rates ¹	—	—	—	—
Adjustment for realised losses	370	0.22	—	—
Other downward revaluations associated with the performance of investments	4,545	2.64	8,535	3.96
Adjusted EPS	2,674	1.56	11,017	5.11

Average NAV

The average NAV of the Company over the reporting period.

	NAV per share (pence)	Period ended 30 June 2026 £'000	NAV per share (pence)	Period ended 30 June 2025 £'000
NAV				
31 March 2026/2025	73.89	127,019	81.27	175,228
30 June 2026/2025	70.22	120,718	79.79	172,037
Average NAV	72.06	123,869	80.53	173,633

1. Refer to relevant APM on page 38 for further information.

Alternative performance measures (“APMs”) continued

Discount/average discount

The amount, expressed as a percentage, that the Company's shares trade below the prevailing NAV per share. This metric is shown at a point in time or as an average over the stated period.

Dividend cover ratio

Ratio of earnings to dividends calculated as dividends per share divided by EPS or adjusted EPS.

	Period ended 30 June 2026 £'000	Period ended 30 June 2025 £'000
Total (loss)/profit and comprehensive (loss)/income (£'000)	(2,241)	2,482
Weighted average number of shares	171,903,104	215,606,413
Basic EPS (p)	(1.30)	1.15
Adjusted EPS ¹ (p)	1.56	5.11
Dividends (p)	3.16 ²	3.16
Dividend cover ratio (basic)	(0.41)	0.36
Dividend cover ratio (adjusted)	0.49	1.62

IRR

IRR is the interest rate at which the net present value of all the cash flows (both positive and negative) from a project or investment equals zero. The IRR is used to evaluate the attractiveness of a project or investment.

Total NAV return

A measure of the performance of a company's shares over time. It combines NAV movements and dividends to show the total return to shareholders expressed as a percentage. It assumes that dividends are reinvested in the shares at the time the shares are quoted ex-dividend.

This is a standard performance metric across the investment industry and allows comparability across the sector.

Source: Investment Manager

Weighted average annualised yield

The weighted average yield on the investment portfolio calculated based on the yield of each investment weighted by the principal balance outstanding on such investment, expressed as a percentage.

The yield forms a component of investment cash flows used for the valuation of financial assets at fair value through profit or loss under IFRS 9.

Weighted average discount rate/discount rate

A rate of return used in valuation to convert a series of future anticipated cash flows to present value under a discounted cash flow approach. This approach is used for the valuation of financial assets at fair value through profit or loss under IFRS 9.

The average rate is calculated with reference to the relative size of each investment and excludes loans valued at net realisable value.

1. Refer to relevant APM on page 37 for further information.

2. Total dividends of 3.1625 pence per share includes a quarterly dividend of 1.58125 pence per share for the quarter to 30 June 2026, which was declared post period end.

Glossary

Adjusted EPS Refer to APMs on pages 37 and 38	EGM Extraordinary General Meeting	IPO Initial public offering
AGM The Annual General Meeting of the Company	EPS Earnings per share	IRR Internal rate of return Refer to APMs on pages 37 and 38
AIC The Association of Investment Companies	FCA Financial Conduct Authority	Jersey Company Law The Companies (Jersey) Law 1991, as amended
AIC Code AIC Code of Corporate Governance	GABI GS GABI GS Limited	KPI Key performance indicator
AIFM Alternative Investment Fund Manager	GABI Housing GABI Housing Limited	LSE London Stock Exchange
APM Alternative performance measure	GABI Housing 2 GABI Housing 2 Limited	Market capitalisation Value of a company traded on the LSE, calculated as total number of shares multiplied by closing share price
Articles The articles of association of the Company	GABI UK and/or the Subsidiary GCP Asset Backed Income (UK) Limited	NAV Net asset value
Borrower Owner of a Project Company to which the Group advances loans	Group The Company, GABI UK, GABI GS, GABI Housing and GABI Housing 2	Project Company A special purpose vehicle which owns and operates an asset
Carey Olsen Carey Olsen Jersey LLP	HY26 Six months ended 30 June 2026	RBSI The Royal Bank of Scotland International Limited
CIF Law Collective Investment Funds (Jersey) Law 1988	HY25 Six months ended 30 June 2025	RPI Retail price index
Company GCP Asset Backed Income Fund Limited	HY24 Six months ended 30 June 2024	Secured Loan Notes Loan notes issued to the Company
CPI Consumer price index	IAS International Accounting Standards	Total NAV return Refer to APMs on pages 37 and 38
Discount Refer to APMs on pages 37 and 38	IASB International Accounting Standards Board	Weighted average annualised yield Refer to APMs on pages 37 and 38
Discount rate Refer to APMs on pages 37 and 38	IASC International Accounting Standards Committee	Weighted average discount rate Refer to APMs on pages 37 and 38
Dividend cover ratio Refer to APMs on pages 37 and 38	IFRIC International Financial Reporting Interpretations Committee	
DTRs Disclosure Guidance and Transparency Rules of the FCA	IFRS Accounting Standards International Financial Reporting Standards Accounting Standards as issued by the IASB	

Corporate information

The Company

GCP Asset Backed Income
Fund Limited

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Directors and/or the Board

Alex Ohlsson (Chairman)
Marykay Fuller
Philip Braun

Administrator, secretary and registered office of the Company

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Jersey JE1 1ET

Investment Manager, AIFM and security trustee

Gravis Capital Management Ltd
24 Savile Row
London W1S 2ES

Principal banker and lender

Royal Bank of Scotland
International Limited
71 Bank Street
St Helier
Jersey JE4 8PJ

Public relations

Burson Buchanan Limited
107 Cheapside
London EC2V 6DN

Registrar

MUFG Corporate Markets
(Jersey) Limited
IFC 5
St Helier
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Valuation Agent

Forvis Mazars LLP
30 Old Bailey
London EC4M 7AU

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ASSET
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GCP Asset Backed Income Fund Limited

IFC 5

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Jersey JE1 1ST

Company number: 119412