FP Foresight Global Real Infrastructure Fund (Lux)
Fund Commentary

Foresight

31 October 2024

The Fund invests in developed market "real infrastructure" companies that own or operate critical infrastructure assets which ensure the smooth functioning of economies, and that provide a net social or environmental benefit. The Manager takes an active approach to investing in infrastructure companies with high quality, predictable and often inflation linked cash flows from strong counterparties. The Fund seeks to grow, over any 5-year period, by more than 3% per annum above the rate of UK inflation (as measured by the UK Consumer Prices Index).

(4.37)%	(20.83)%	€21.79m
Monthly Performance	Total Return Since Inception*	Fund Size as at 31/10/2024

Class A Acc (EUR). Past performance is not a reliable indicator of future results. Target yield is not guaranteed. *The fund's inception date is 29 October 2021.

Market Update

- The US economy delivered 2.8% annualised GDP growth in the third quarter of 2024 supported by resilient consumer spending. Inflation continues to show signs of moderation in the US, with CPI falling to 2.4% in September from 2.5% in August, but remains buoyed by lingering services pressures. In Europe, GDP surprised to the upside at 0.4% for the quarter, and inflation fell to 1.7% in September, supporting the ECB's decision to cut interest rates by 25bps during the month.
- Political developments added to market volatility this month, with key events in both the UK and US. In the UK, budget discussions prompted renewed focus on fiscal policy, while the US election cycle brought additional market fluctuations as investors assessed potential policy changes. These factors, alongside economic indicators, continue to shape market sentiment as we progress through the quarter.

Portfolio News

- Cordiant Digital Infrastructure (CORD), a UK-based investor in digital infrastructure, has announced agreements to acquire a 47.5% stake in the combined entity of Belgian data centre provider DCU Invest NV and the data centre business of Proximus Group. The total equity consideration for this stake is €92.3m, and the acquisition involves CORD partnering with TINC NV and another Cordiant-managed fund. TINC will retain a 47.5% stake and Friso Haringsma (CEO of DCU) will hold the remaining 5%. The combined group will consist of 13 data centres, with pro forma revenues of €40.3m and EBITDA of €15.1m in 2023, with potential for further capacity expansion with the existing asset base. This acquisition provides Cordiant with a strong position in Belgium's data centre market, further enhancing its portfolio diversification. By leveraging its expertise in data centres, CORD aims to capitalise on synergies and economies of scale with TINC, ultimately driving improved performance and reinforcing its leadership in the digital infrastructure space across Europe.
- Assura (AGR), owner of primary healthcare real estate in the UK, has successfully completed the sale of 12 assets, generating £25m in cash proceeds. This sale will allow for a partial repayment of the Group's revolving credit facility. The company is actively negotiating additional asset disposals worth approximately £110m and has identified a further pipeline of 27 assets, valued at around £90m, with preliminary work on their potential disposal already underway. The disposal strategy plays a critical role in achieving the company's financial goals following the £500m private hospital portfolio acquisition, particularly in reducing its leverage ratio. This disciplined approach to deleveraging strengthens the company's balance sheet and positions it for greater financial flexibility and long-term growth.

- Equinix (EQIX), a global owner and operator of data centres, has recently announced a JV partnership with GIC and CPP Investments that will raise over $15bn in debt and equity capital to deploy in hyperscale data centres. Under the terms of the agreement, Equinix will own a 25% equity interest, with the balance evenly split between the remaining two partners. This JV is expected to add more than 1.5GW of new capacity for hyperscale customers, and provide attractive returns in the range of 8-12% (~17% levered returns). This JV highlights the growing demand for critical infrastructure, such as data centers, driven by the increasing consumption from individuals and hyperscalers. While the project's returns exceed Equinix's cost of capital, a rapid rise in capital expenditure could lead to dilution during the build phase, making JV structures the most effective approach to meet market demand while managing costs.
- Cellnex (CLNX), a Spanish-listed operator of mobile phone towers, recently announced that management is considering advancing its dividend distribution plan by one year, with the first payout expected in 2025. In March, CLNX outlined its commitment to distributing a minimum of €3bn between 2026 and 2030, with an initial payout of at least €500m in 2026. Following several years of aggressive M&A activity, the company has undertaken a strategic divestment process aimed at reducing debt such as with its Austrian and Irish assets. The decision to accelerate its dividend policy by one year is a clear signal that CLNX is now in a much stronger financial position. This move reinforces the company's confidence in its ability to generate sustainable cash flow and its commitment to long-term growth.

Portfolio Changes

- No significant portfolio changes during the month.

For further information about the Fund, contact:

Tom McGillycuddy
Fund Sales – Foresight Capital Management
tmcgillycuddy@foresightgroup.eu
+44 (0)7385 506 400

Matt Morris
Fund Sales – Foresight Capital Management
mmorris@foresightgroup.eu
+44 (0)7792 842 316

Nick Brown
Fund Sales – Foresight Capital Management
nbrown@foresightgroup.eu
+44 (0)20 3911 1323

Charlie Evans
Fund Sales – Foresight Capital Management
cevans@foresightgroup.eu
+44 (0)20 3667 8116

Important Marketing Notice

For the following additional information on the Foresight SICAV Fund, please refer to the Fund's product page available here.

- A summary of investor rights in connection with your investment; and
- Further information about the sustainability-related aspects of the sub-fund.

The decision to invest in the Fund should take into account all the characteristics or objectives of the Fund as described in its prospectus. Either Foresight Group LLP or FundRock Management Company S.A. may terminate arrangements for marketing under the denotification process in the new Cross-border Distribution Directive (Directive EU) 2019/1160.

Important Notice

The issue or circulation of this factsheet pursuant to this disclaimer is for investors in the Channel Islands only, being those residents in the Bailiwick of Guernsey and/or the Bailiwick of Jersey.

Guernsey: Neither the Guernsey Financial Services Commission nor the States of Guernsey take any responsibility for the financial soundness of the Company or for the correctness of any of the statements made or opinions expressed with regard to it in the factsheet or otherwise. If you are in any doubt about the contents of the factsheet you should consult your accountant, legal or professional adviser or financial adviser. It should be remembered that the price of securities and the income from them can go down as well as up. The promotion of shares in the Company by Foresight Group Promoter LLP (FCA reference: 806061) may only be offered or sold in or from within the Bailiwick of Guernsey to persons licensed under the Protection of Investors (Bailiwick of Guernsey) Law, 2020, the Banking Supervision (Bailiwick of Guernsey) Law, 2020, the Insurance Business (Bailiwick of Guernsey) Law, 2002, as amended or the Regulation of Fiduciaries, Administration Businesses and Company Directors, etc. (Bailiwick of Guernsey) Law, 2020. Foresight Group Promoter LLP has provided written notice to the Guernsey Financial Services Commission of the date from which it intends to carry out the promotional activity noted above.

Jersey: This factsheet is a financial service advertisement for the purposes of the Financial Services (Advertising) (Jersey) Order 2008, as amended from time to time. This factsheet does not constitute a prospectus or admission document relating to the FP Foresight Global Real Infrastructure (Lux) Fund and should not be relied on by any person for any purpose. It is not required to, and does not, contain all the information which would be required in a prospectus. This document may not be used for, nor does it constitute or form part of any offer or invitation to purchase or subscribe for or to make any commitments for or in respect of any investment in any securities in the FP Foresight Global Real Infrastructure (Lux) Fund.

Isle of Man: The Company is an unregulated collective investment scheme for the purposes of Isle of Man law. Accordingly, the promotion in the Isle of Man of the Fund or the issue or distribution of promotional material in relation to the Fund is restricted by Section 3(1) of the Collective Investment Schemes Act 2008 and, pursuant to Section 3(2) of that Act, may only be issued or promoted in the Isle of Man to certain categories of licence holder under the Financial Services Act 2008, an authorised insurer within the meaning of section 8 of the Insurance Act 2008, or to a person whose ordinary business involves the acquisition or disposal of property of the same kind as the property, or a substantial part of the property, to which the Company relates. The Fund is not subject to approval in the Isle of Man and investors are not protected by any statutory compensation arrangements in the event of the Fund's failure. The Isle of Man Financial Services Authority does not vouch for the financial soundness of the Fund or the correctness of any statements made or opinions expressed with regard to it in this Prospectus. Furthermore, pursuant to Regulation 5 of the Collective Investment Schemes (Promotion of Schemes other than Authorised and Recognised Schemes ((Exemptions) Regulations 2010, the Fund may also be promoted in the Isle of Man by an appropriate licence holder (namely the holder of a licence under Section 7 of the Financial Services Act 2008 which allows it to undertake Class 2 or Class 3 regulated activities) to, amongst others, a person who is not a retail investor.

This document does not constitute an offer to sell, or the solicitation of an offer to subscribe for or buy new shares in any jurisdiction in which such offer or solicitation is unlawful. We recommend investors seek professional advice before deciding to invest. Investors must read the Funds' Prospectus ("Prospectus") and Key Investor Information Document ("KIID") before making an investment decision. The opportunity described in this document may not be suitable for all investors. Attention should be paid to the risk factors set out in the Prospectus. Foresight Group does not offer investment or tax advice. Personal opinions may change and should not be seen as advice or a recommendation. There are a number of other risks connected to an investment in the Funds, including (but not limited to) counterparty risk, liquidity risk and volatility risk. These risks are explained in the Prospectus. The Funds focus on certain infrastructure and real estate sectors only and will have less diverse portfolios than the average OEIC. We respect your privacy and are committed to protecting your personal data. If you would like to find out more about the measures we take in processing your personal information, please refer to our privacy policy, which can be found at http://www.foresightgroup.eu/privacy-cookies.