

# INPP selected as preferred bidder on Sizewell C

2025-07-22

RNS Number : 0275S

International Public Partnerships

22 July 2025

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- c.£250 million total equity commitment; c.£50 million per annum to be invested over the next five years<sup>[1]</sup>.
- Adaptation of the proven RAB-based 'Tideway' model provides attractive, regulated, risk-adjusted returns.
- Enhanced investor protections insulate INPP from material and remote sector-specific and severe construction overrun risks.
- Equity commitment made alongside leading infrastructure co-investors including the Nuclear Liabilities Fund, La Caisse, as well as EDF, and Centrica.
- Financial close and revenue commencement expected in Q4 2025.

International Public Partnerships Limited ('INPP' or 'the **Company**') has committed c.£250 million to Sizewell C's regulated company in return for a c.3% shareholding. The Company intends to invest c.£50 million per annum over the next five years alongside the UK Government, the Nuclear Liabilities Fund, La Caisse (previously CDPQ), EDF, and Centrica to finance the landmark construction, development and 60-year operations of a new nuclear plant capable of producing c.3.2GW of baseload low-carbon electricity to meet 7% of the UK's forecast electricity needs (together, the '**Project**').

Sizewell C's financing was procured by the UK Government using the Regulated Asset Base ('**RAB**') model. Through a bespoke structuring of INPP's investment in the Project by the Investment Adviser, Amber Infrastructure Limited ('**Amber**'), INPP will benefit from:

1. **Predictable inflation-linked cash flows** regulated by Ofgem, underpinned by critical infrastructure;
2. **Cash yield from day one** of Sizewell C's financial close and a significant yield increase once the Project is operational;
3. **Opportunity for significant capital growth** as Sizewell C's construction milestones are achieved and the Project is operational;
4. **Attractive, fixed rate of return during construction and early operations**, expected to deliver a low-teen

IRR<sup>[2]</sup>, assumed until the late 2030s, and thereafter to be determined by the regulatory incentive mechanism similar to INPP portfolio investments such as Tideway<sup>[3]</sup>;

5. **No exposure to power price volatility** or the demand economics of power generation;
6. **Enhanced investor protections** from construction overrun risks even in severe downside scenarios and remote nuclear-specific risks.

### Investment Rationale

Since IPO in 2006, INPP's investors have benefitted from the Company's first-mover advantage in developing low-risk, core infrastructure assets suitable for income-seeking and liability-matching investors. As procurement methods in the developed markets have evolved to finance public infrastructure, so has the breadth of INPP's access to underlying sectors which finance and operate critical infrastructure in both construction and operations.

Notwithstanding the diversification of INPP's sector and geographical exposure, INPP and Amber have ensured that the risk-return profile of the underlying assets and operating businesses is consistent with the investment criteria required to produce long-term, stable, inflation-linked returns.

To do so, central to INPP's investment case is the benefit of investing comparatively early in the cycle. This is when underlying asset classes have reached sufficient maturity and are genuinely proven, yet still offer additional value before a sector becomes over-developed. Since inception, INPP is an active investor in "primary" or construction-stage assets where there is potential for investors to access higher risk-adjusted returns and capital growth, in well-managed projects with cost-control protections and other risks appropriately mitigated.

INPP's early-mover investments and long-term ownership of interests in primary social infrastructure projects in partnership with governments, NHS LIFT (Local Improvement Finance Trust) programme investments, offshore transmission ('OFTO'), digital infrastructure, and Tideway have demonstrated INPP's ability to secure the long-term support of:

- Government-backed counterparties to effectively de-risk investments;
- Reliable economic regulation to enhance and protect multi-decade underlying cash flows even in uncertain macroeconomic cycles;
- Co-shareholders and an established supply chain, together capable of implementing complex construction engineering projects at scale, supported by strong contractual protections, where relevant.

In considering the opportunity to invest in Sizewell C and strengthening the merits of the investment case for INPP, the Board has benefitted from both Amber's heritage in market innovation, its ability to access rare greenfield infrastructure opportunities, and its close collaboration with the UK Government since 2016 in informing the design of a procurement method for new nuclear power that would be attractive to INPP's investors.

The UK Government and Ofgem have selected the RAB model to finance Sizewell C. The licensing regime and contractual structure are adapted from Tideway, the 25km 'super sewer' sponsored by INPP and Amber in 2015, which successfully started to prevent sewerage from entering the River Thames in late 2024 and is expected to be fully operational later in 2025..

### Governance and Protections

INPP will invest in Sizewell C alongside financial investors and operators who share a strong alignment of interests and relevant experience in the sector. Thanks to the adapted RAB model, INPP's investment in Sizewell C will benefit from a UK Government Support Package ('GSP') and license arrangements granted by Ofgem which provide, *inter alia*:

- Robust protections for INPP's allowable returns in the event of cost overruns and delays to construction, even in severe downside scenarios;
- Ringfence for INPP and its co-shareholders in Sizewell C from remote nuclear-specific risks, including decommissioning risks and any liabilities in the event of low-probability, high-impact incidents;
- Liquidity facility provided under the GSP to mitigate refinancing risk;
- Like-minded and aligned co-shareholders. Amber will exercise governance for and on behalf of both the

Nuclear Liabilities Fund and INPP, noting Amber will act as manager of the Nuclear Liabilities Fund investment;

- Strong governance rights through the holding company Board directorship held by Amber and appropriate conflict of interest protections concerning the UK Government's equity shareholding and debt interests.

### Capital Allocation

Since late 2022, in common with its market peers, the Company's share price has traded at a discount to NAV. The Board continues to believe that the level at which the Company's shares are trading materially undervalues INPP. As a result, since 2023, the Board has maintained a disciplined approach to capital allocation by deleveraging through the full repayment of the Corporate Debt Facility ('CDF') and realising over £315 million from capital recycling initiatives in the 24 months to 30 June 2025.

With these cash proceeds, the Board has committed to funding a £200 million share buyback programme, expected to run until 31 March 2026. This has already returned c.£82 million to shareholders as of 21 July 2025. This target buyback programme remains unchanged.

When assessing the merits of allocating capital to strengthen shareholder value, the Board will consider reinvestment opportunities where there are significant strategic benefits and projected returns in excess of those implied by a share buyback, amongst other metrics and potential benefits for the INPP portfolio and its investors. The Board has determined that INPP's investment in Sizewell C is expected to provide INPP with the following characteristics<sup>[4]</sup>:

- A forecast return over the medium to long-term significantly above the return implied by a share buyback, including NAV accretion as the Project progresses through construction and into operations;
- Increase to the portfolio weighted average discount rate from 9.0% (31 December 2024 as reported) to 9.3% in 2030<sup>[5]</sup>, reflecting the forecast low-teen IRR during the Project's construction phase (expected to last until late 2030s);
- Increase to the Company's inflation-linked returns, from 0.7% (31 December 2024 as reported) to 0.8% in 2030<sup>[6]</sup>; and,
- Reliable cash distributions that increase the length of time the Company is forecast to cover its progressive dividend policy from the current 20 years to 25 years in 2030<sup>[7]</sup>;
- Increase to the weighted average life of the fund by four years at the time of full capital deployment in 2030<sup>[8]</sup>;
- A positive environmental and social benefit with a growing number of equivalent homes powered by low-carbon energy or receiving low-carbon electricity through transmission from 3.7 million (31 December 2024 as reported) to 9.7 million in 2030.

To prudently manage the Company's capital allocation, the target commitment of approximately £50 million per annum to 2030 will be funded by semi-annual cash payments of approximately £25 million principally using cash proceeds from the ongoing divestment of lower-returning assets which the Company currently owns.

The initial c.£30 million commitment in Q4 2025 will be funded using the proceeds from the £49 million realisation of part of INPP's UK schools portfolio, with letters of credit under the Company's CDF supporting the Company's equity commitment at signing.

Financial close and revenue commencement is expected in Q4 2025.

### Portfolio Composition

All else being equal, once INPP has fully committed capital to Sizewell C by 2030, the Project will represent c.10% of the Company's portfolio by NAV once the Sizewell C stake is fully invested (as at 31 December 2030).

Whilst the commitment to Sizewell C will increase INPP's current geographical exposure to the UK, the majority of revenues generated by investments in the UK, Sizewell C included, have a low correlation to GDP, do not expose INPP to demand-based risk and are not materially influenced by any changes in consumer confidence owing to the critical nature of the infrastructure businesses under INPP's ownership.

**Mike Gerrard, Chair, International Public Partnerships, said:** "Sizewell C represents a compelling opportunity for INPP's investors to benefit from attractive risk-adjusted returns by backing a regulated utility highly comparable to projects and businesses in which the Company is already invested. The Board routinely assesses the relative merits of allocating capital to new investments, and we have a high degree of conviction in the long-term value this transaction will deliver for shareholders, alongside our unchanged commitment to a £200 million share buyback to proactively manage the Company's trading discount."

**Jamie Hossain, Senior Investment Director, Amber Infrastructure, said:** "The global markets in which INPP invests continue to require long-term investors to fill the funding gap for new critical infrastructure. We have worked extensively with the UK Government to structure a regulated investment in Sizewell C that fits INPP's established investment criteria. Sizewell C marks a coming of age for the "Tideway model". As INPP's portfolio matures, we continue to originate the next generation of potential investments that maintain the Company's commitment to shareholders to generate a blend of stable, long-term, inflation-linked returns and potential for capital appreciation."

## Project Overview

Sizewell C is a landmark infrastructure investment critical to strengthening the UK's energy security and meeting net zero targets. Once operational, Sizewell C is forecast to power the equivalent of approximately six million UK homes and enable the UK to produce home-grown, stable, and emissions-free baseload electricity for future generations. The Project will bolster the UK's nuclear energy ecosystem, attracting and training world-class talent with the expectation of creating 10,000 new jobs at peak construction, thousands more in the nationwide supply chain, and 1,500 new apprenticeships.

As part of the UK Government's Net Zero 2050 objectives, the UK has committed to deploying new nuclear capacity by 2050.

Sizewell C is the first nuclear project to be procured under the RAB model. However, its design, construction, operations and financing adopt mature and proven approaches from nuclear power in the UK and globally, including:

- **Mature, Standardised Design:** over 80% of Sizewell C's design for infrastructure built above ground level is fully replicated from Hinkley Point C<sup>[9]</sup>. Sizewell C will also benefit from "as built" design, meaning the construction pathway benefits from a high degree of certainty;
- **Proven Technology:** Sizewell C will use the most common reactor type in the world which accounts for two thirds of the nuclear reactors currently operable;
- **Established Pre-Qualified Supply Chain:** in replicating designs and borrowing lessons learned from Hinkley Point C, Sizewell C benefits from supply chain knowhow, knowledge sharing, and a highly-skilled workforce in nuclear and civil engineering pre-qualified to begin construction;
- **Outstanding Management Team:** Sizewell C is led by an experienced executive management team and non-executive board, including Chair of the Board, John-Holland Kaye - former CEO of Heathrow Airport and non-Executive Director on Tideway; Julia Pyke, who has led Sizewell C's development and has deep expertise in structuring major construction projects, and Nigel Cann who brings over four decades of experience in the nuclear industry in large-scale project management.

## Analyst & Investor Engagement

The Investment Adviser will host an online presentation for sell-side research analysts today, 22 July 2025, at 11:00am. Analysts wishing to join the presentation are asked to register their details by contacting FTI Consulting ([INPP.SC@fticonsulting.com](mailto:INPP.SC@fticonsulting.com)).

### *Institutional Investor Presentation*

Another presentation for institutional investors will be held on 24 July 2025 at 10:00am. Institutional investors wishing to join the presentation are asked to register their details by contacting Deutsche Numis or FTI Consulting ([INPP.SC@fticonsulting.com](mailto:INPP.SC@fticonsulting.com)).

### *Retail Investor Presentation*

There will also be a presentation for retail investors which will be hosted via the Investor Meet Company platform

at 11:30am on 24 July 2025.

The presentation is open to all existing and potential shareholders. Investors who already follow INPP on the Investor Meet Company platform will automatically be invited to the meeting. Questions can be submitted pre-event via your Investor Meet Company dashboard up until 23 July 2025, 09:00am BST, or at any time during the live presentation.

Investors can sign up to Investor Meet Company for free and add to meet INTERNATIONAL PUBLIC PARTNERSHIPS LD via: <https://www.investormeetcompany.com/international-public-partnerships-lid/register-investor>.

The three presentations referred above are not open to the media or their third-party representatives, who are invited to liaise with FTI Consulting for any questions.

**ENDS.**

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**About International Public Partnerships:**

INPP is a listed infrastructure investment company that invests in global public infrastructure projects and businesses, which meets societal and environmental needs, both now, and into the future.

INPP is a responsible, long-term investor in over 140 infrastructure projects and businesses. The portfolio consists of utility and transmission, transport, education, health, justice and digital infrastructure projects and businesses, in the UK, Europe, Australia, New Zealand and North America. INPP seeks to provide its shareholders with both a long-term yield and capital growth.

Amber Infrastructure Group ('Amber') is the Investment Adviser to INPP and in this capacity is responsible for investment origination, asset management and fund management of the Company.

Amber is part of Boyd Watterson Global Asset Management Group LLC, a global diversified infrastructure, real estate and fixed income business with over \$36 billion in assets under management and over 300 employees with offices in eight US cities and presence in twelve countries.

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Note: Future profit projections and dividends cannot be guaranteed. Projections are based on current estimates and may vary in the future. There can be no assurance that these targets will be met or that the Company will make any distributions at all.

[1]) Represents the indicative average annual investment by INPP over the next five years. Equity injections are expected to occur semi-annually, with annual deployment ranging between approximately £30 million and £60 million.

[2]) Consistent with the regulatory determination afforded under the Economic License.

[3]) The fixed regulated return applies during construction and for up to four years post construction completion (ramp-up phase).

[4]) *All portfolio information as at 31 December 2030 that follows reflects the INPP portfolio as at December 2024, projected forward to 31 December 2030 once the investment in SZC is fully deployed. Assuming all other factors remain constant, the update from the previously reported position is the addition of INPP's investment in SZC. The Company remains committed to its previously announced share buyback*

programme. This, along with near-term capital deployment such as SZC, is expected to be supported by selective asset realisations.

[5]) Weighted average of the discount rates used to determine all of the Company's investments.

[6]) Calculated by running a 'plus 1.0%' inflation sensitivity for each investment and solving each investment's discount rate to return the original valuation. The inflation-linked return is the increase in the weighted average discount rate.

[7]) Following this investment, the Company expects to support its progressive dividend growth policy through portfolio cash flows and continue delivering its share buyback programme, subject to market conditions and capital allocation priorities. The projected cash receipts from the Company's portfolio are such that even if no further investments are made, the Company currently expects to be able to continue to meet its existing progressive dividend policy for at least the next 20 years (increasing to at least 25 years following the investment in SZC, all else being equal). This includes the 2025 and 2026 dividend targets and 2.5% annual dividend growth thereafter.

<sup>8</sup> The investment into Sizewell C is expected to increase the weighted average life of the portfolio by four years following full capital deployment in 2030. Without this investment, the weighted average life of the portfolio would be expected to decrease from 38 to 34 years as at 31 December 2030.

<sup>9</sup> Regardless of the benefits of the replication strategy, INPP's investment case is underpinned by the protections provided under the Government Support Package which safeguards investor returns.

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