



Infrastructure Investment Trends from a Global Perspective

VUYO NTOI | GEPF THOUGHT LEADERSHIP CONFERENCE | OCTOBER 2023



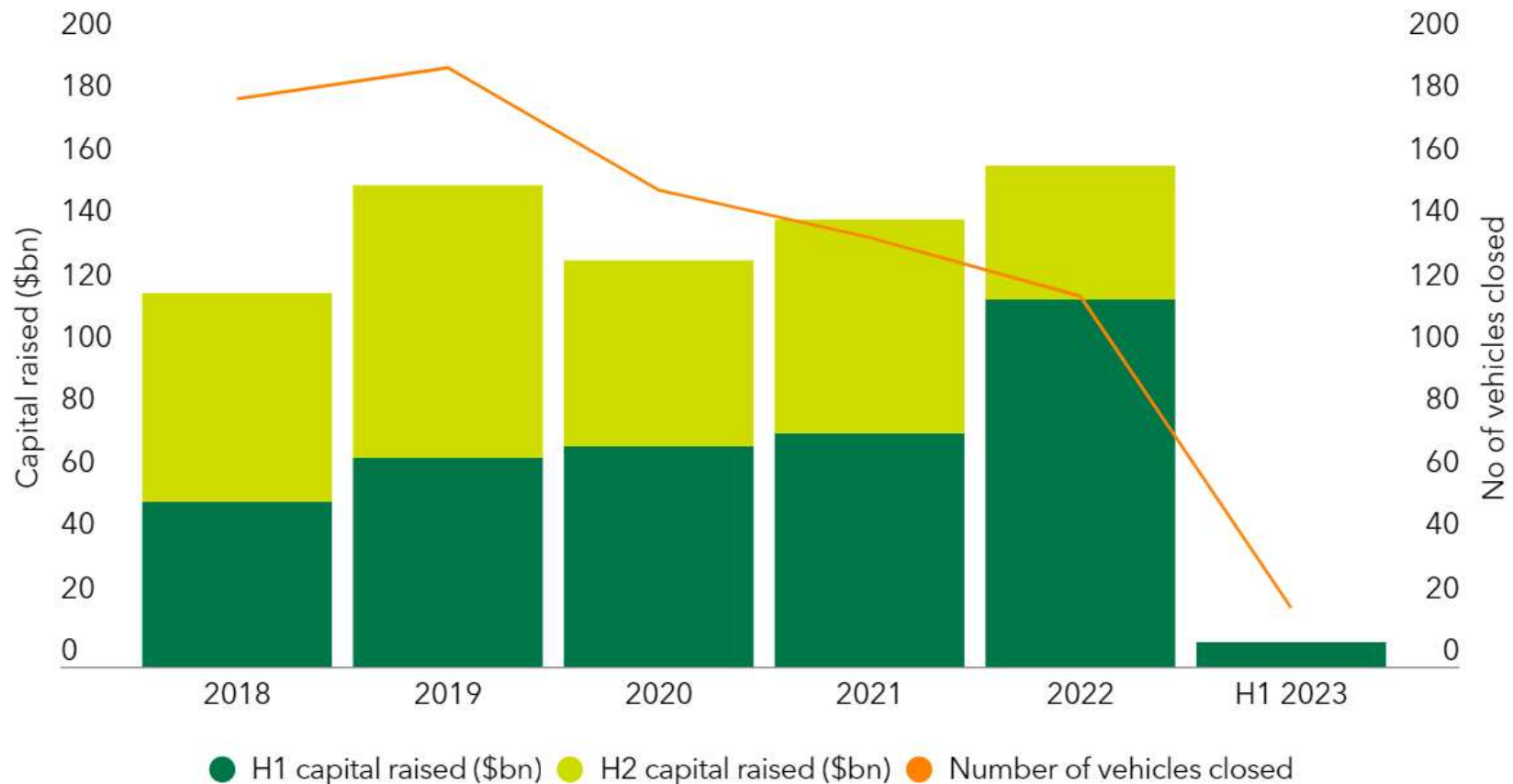
AFRICAN INFRASTRUCTURE INVESTMENT MANAGERS

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GLOBAL INFRASTRUCTURE FUNDRAISING DEVELOPMENTS

Significant slowdown in global infrastructure fundraising in H1 2023 (94% off H1 2022) largely due to denominator effects and some of the mega-raises of the recent past having been completed

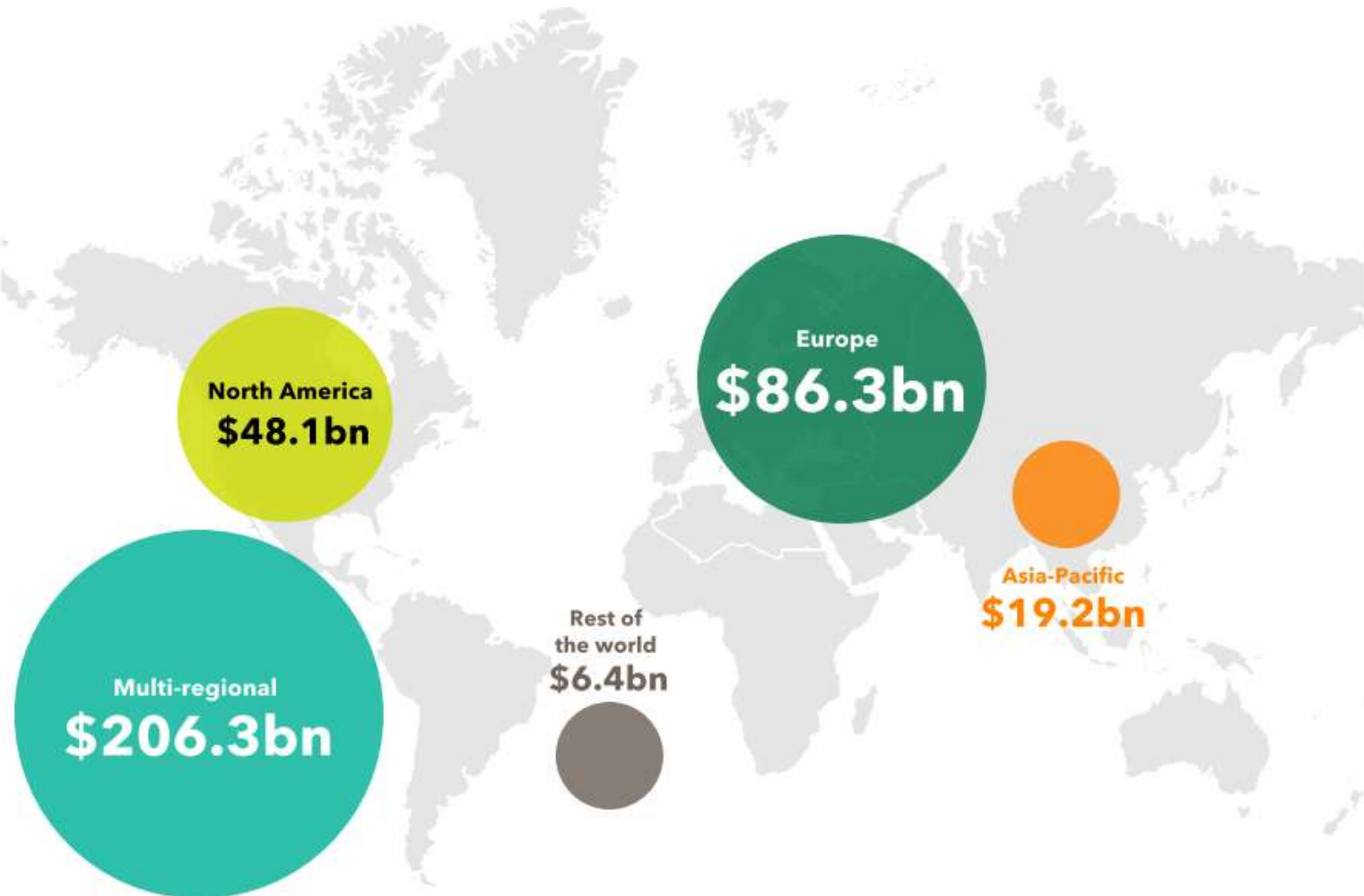
Year-on-year fundraising



Source: Infrastructure Investor, 2023

GLOBAL INFRASTRUCTURE FUNDRAISES CURRENTLY IN MARKET

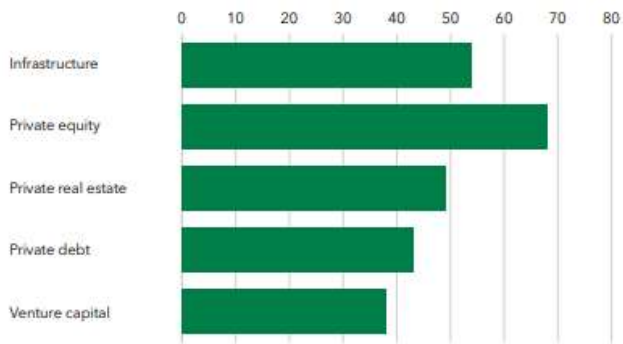
A large number of mandates still in market notwithstanding the changes in the market as at the end of July 2023 (\$1.1 billion targeted for Sub-Saharan Africa)



KEY THEMES FOR INVESTOR ALLOCATIONS

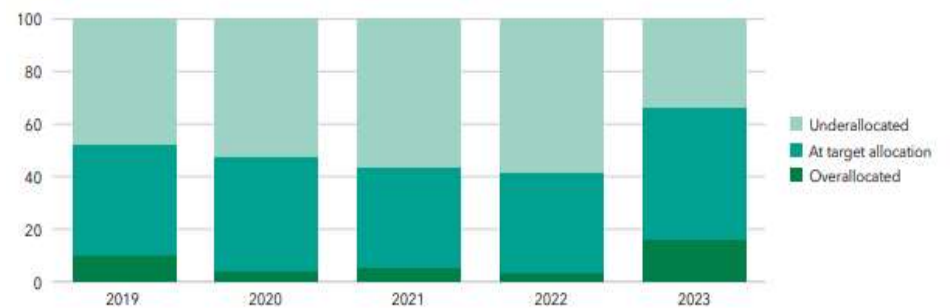
1 Infrastructure is mainstreaming

% of investors with sector allocations in their portfolio



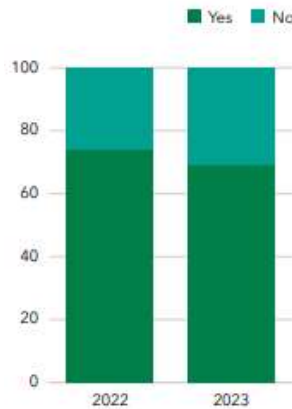
2 Denominator effect impacting allocations

Allocations to infrastructure compared to target allocation



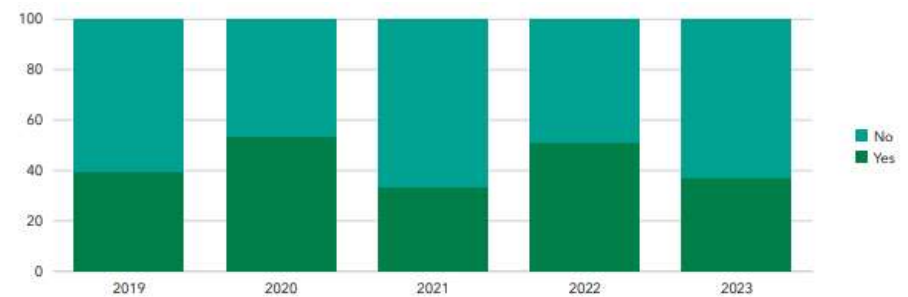
3 ESG is important – but not an absolute in allocation decisions

Do investors believe adopting a strong ESG policy leads to better long term returns in private markets portfolios



4 Co-investments remain challenging to execute – but an important differentiator

Do investors plan to participate in co-investment opportunities in next 12-months?

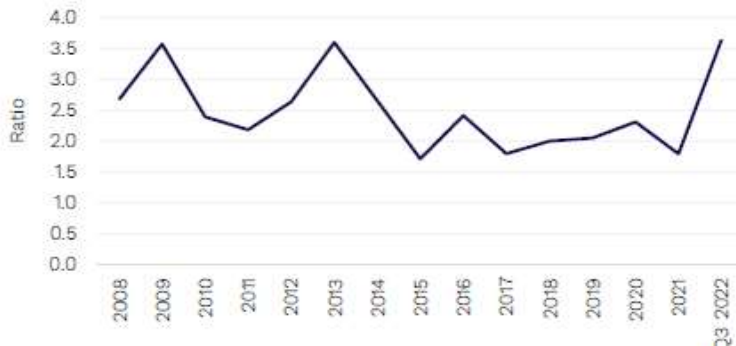


THERE IS A LOT OF COMPETITION FOR DEALS & CAPITAL

Proportion of dry powder & the amounts of capital currently in fundraising at record highs

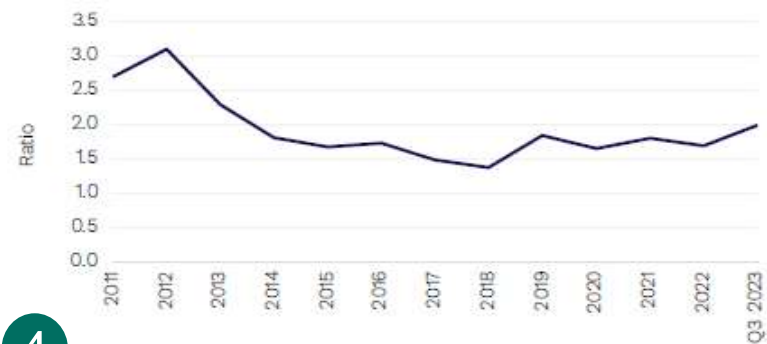
1 Unlisted infrastructure dry powder materially up

Ratio of dry powder to annual capital called (2008 – 2022)



2 Capital raising targeting 2023 closes is c.2x (record) 2022 amounts raised

Ratio of aggregate capital targeted by unlisted infrastructure funds vs prior year capital raised (2011-2022)



3 Infrastructure deal activity is bouncing back

Annual aggregate infrastructure deal value by region (USDbn) 2006 - 2022



4 Record amounts being targeted with focus on core / core+

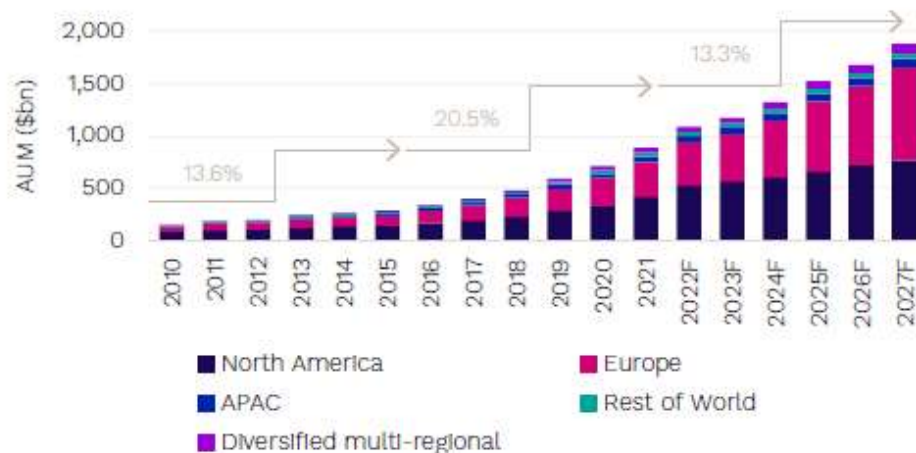
Unlisted infrastructure funds in market (by primary strategy) 2011 - 2022



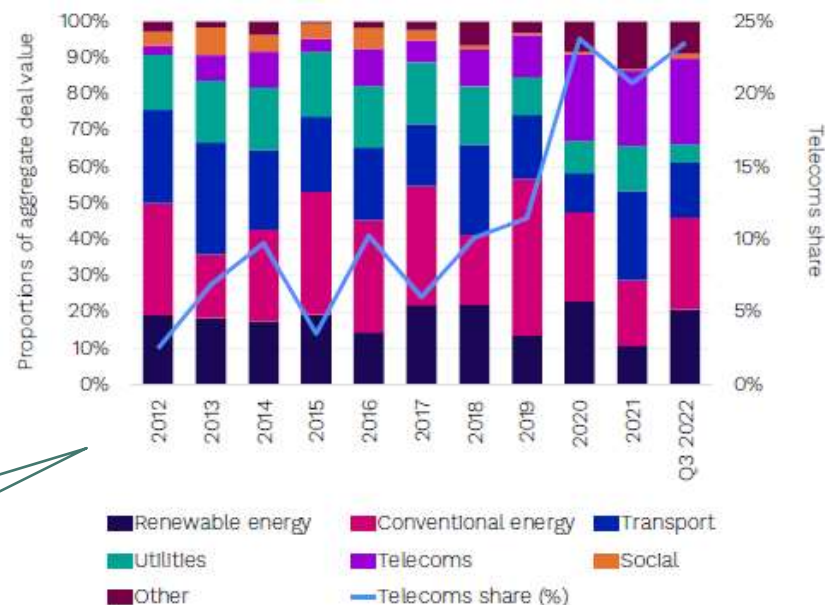
SECTOR EXPECTED TO GROW FURTHER

Infrastructure AUM has grown at 20.5% CAGR in last 5 years and is expected to be 2nd fastest growing private capital sector over next 5 years

Infrastructure AUM 2010 – 2027F (by primary region focus)



Proportion of aggregate infrastructure deal value by sector, 2012-Q3 2022



Digital infrastructure is now mainstream - Telecoms % of deals more than doubled in last 5 years

Source: Preqin Global Report 2023: Infrastructure



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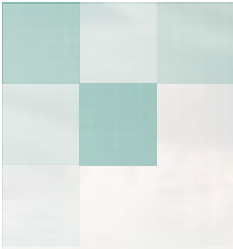
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Thank you



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