

HSBC ASSET MANAGEMENT GLOBAL INFRASTRUCTURE DEBT STRATEGY REACHES USD612M AT FUND FINAL CLOSE

4 February 2025 – HSBC Asset Management (HSBC AM) today announces the final closing of the first vintage of its Global Infrastructure Debt Fund, having raised USD 612m across the strategy.

The fund focuses on the lower mid-market infrastructure debt segment, which is dominated by small club and bilateral transactions. The strategy aims to offer investors senior positioning in the capital stack, alongside potentially attractive pricing, favourable covenants and security structures. Despite launching a first vintage fund in a challenging fundraising environment, HSBC AM leveraged its extensive experience in infrastructure and credit investing to secure commitments from institutional investors globally.

The strategy has closed eight investments to date, three of which have been fully repaid, and has delivered returns at the top end of its target Gross IRR (internal rate of return) range of 10-12%. This has been achieved through the creation of a portfolio of privately negotiated loans, primarily senior secured, across sectors with defensive characteristics in developed jurisdictions.

Dimitrios Papatheodorou, Head of High Yield Investments at HSBC AM said: *“Successfully delivering on this strategy has been made possible through a tight-knit team of professionals with direct hands-on experience in negotiating, structuring, and executing often bespoke transactions that can deliver value to our investors. Our approach benefits from a wide network of time-tested relations with Equity Sponsors and Advisers around the world, that drives deal flow, resulting in a robust investment pipeline.”*

“The interest we have seen in the strategy represents a clear vote of confidence from investors in the fund's performance and returns to date. This compelling strategy represents a notable and successful milestone in the growth of HSBC AM's infrastructure debt offering.”

This final close builds on HSBC AM's established record in this space, with HSBC AM's infrastructure debt team having raised USD 4.3bn in assets under management (AUM) since 2018. HSBC AM's wider Alternatives business has combined AUM and advice of USD 77.1bn as of 30 September 2024. With a team of 318 staff, including more than 125 investment professionals, it offers a range of alternative investment solutions spanning private markets, hedge funds, real assets, venture capital, and flexible capital solutions.

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Notes to editors

Notes to investors

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The value of investments and any income from them can go down as well as up and investors may not get back the amount originally invested. Where overseas investments are held the rate of currency exchange may also cause the value of such investments to fluctuate. Investments in emerging markets are by their nature higher risk and potentially more volatile than those inherent in some established markets.

HSBC Asset Management

HSBC Asset Management should be referred to either in full or as HSBC AM to avoid confusion with any other financial services firms.

HSBC Asset Management, the investment management business of the HSBC Group, invests on behalf of HSBC's worldwide customer base of retail and private clients, intermediaries, corporates and institutions through both segregated accounts and pooled funds. HSBC Asset Management connects HSBC's clients with investment opportunities around the world through an international network of offices in 22 countries and territories, delivering global capabilities with local market insight. As at 30 September 2024, HSBC Asset Management managed assets totaling US\$765bn on behalf of its clients.

For more information see <http://www.global.assetmanagement.hsbc.com/>

HSBC Asset Management is the brand name for the asset management businesses of HSBC Holdings plc.

HSBC Holdings plc

HSBC Holdings plc, the parent company of HSBC, is headquartered in London. HSBC serves customers worldwide from offices in 60 countries and territories. With assets of US\$3,099bn at 30 September 2024, HSBC is one of the world's largest banking and financial services organizations.

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