

Gresham House Energy Storage Fund

Reinvesting in growth with minimal dividends

Investment companies
Renewable energy infrastructure

26 September 2025

Gresham House Energy Storage Fund (GRID) delivered strong H125 operational performance, with underlying portfolio revenues up 76.9% y-o-y to £31.7m and EBITDA rising 97.6% to £20.5m, driven by improving revenue rates and increased operational capacity, which has now reached 1,072MW. Despite this, NAV per share declined 1.5% to 107.71p, primarily due to further reductions in third-party revenue forecasts (negative 11.54p impact), which was largely offset by operational improvements and cash generation. The board has prioritised reinvestment over near-term cash distributions to shareholders, announcing minimal dividends through 2026. The focus is on funding the [three-year plan](#), which aims to double capacity to 3.5GWh by 2027–28. This strategy reflects management's confidence in the substantial value-creation potential during the company's current growth phase. At 30 June 2025, GRID's net debt stood at £111.8m. Management further highlighted its confidence in the industry outlook, including the National Energy System Operator's commitment to use more batteries in its system.

GRID's board stated that it is prioritising reinvestment during the growth phase over near-term cash returns. A token 0.11p/share dividend will be paid in November 2025 for FY24 to meet investment trust regulatory requirements, followed by a single dividend payment of at least 0.25p/share in 2026 for FY25. The board stated more meaningful dividend increases are anticipated from 2027, following completion of augmentations and new projects. The board noted the importance of future dividends being fully covered, with dividends from 2027 expected to be declared as interim payments at half-yearly intervals. The company retains flexibility to repurchase shares from excess free cash flow if shares trade at a material discount to NAV. The board will review this dividend policy at end-2026 when construction delivery is more advanced.

During the period, GRID achieved the landmark milestone of becoming the first and only gigawatt-scale operational BESS portfolio in Great Britain at 1,072MW/1,701MWh. GRID has completed 330MWh of initial augmentations, taking the portfolio's average duration to 1.6 hours, with a further 350MWh programme underway across eight projects. Revenue visibility improved markedly, with 939MW, or 88%, of its operational portfolio now having long-term revenue floor contracts, in addition to the two-year revenue tolls with Octopus Energy (see our September 2024 [note](#)). A crucial post-period [refinancing](#) was completed, unlocking growth capital, with net debt at £111.8m (18% of NAV).

GRID's strategy reflects management's confidence in the battery storage growth opportunity, with the three-year plan targeting substantial value creation through capacity expansion from 1.7GWh to 3.5GWh by 2027–28. The plan involves new project capacity growing 65% from 1.1GW to 1.8GW, increasing the whole target portfolio's average duration from 1.6 hours to c two hours. Management projects that once the portfolio reaches 1.8GW, at current merchant rates of £75k/MW/year, excess cash flows could reach c 10p/share. Third-party forecasters are anticipating 2028 merchant revenue levels of c £90k/MW/year for two-hour assets. While near-term dividend yields will be minimal, GRID's operational scale, contracted revenue base and post-period refinancing provide a foundation for the planned capacity doubling. The dividend deferral appears prudent given the growth potential and falling battery prices, which are creating opportunities for duration expansion.

Price	73.00p
Market cap	£415m
Total assets	£623m
NAV	107.7p
¹ As at H125.	
Discount to NAV	33.0%
Shares in issue	569.1m
Code/ISIN	GRID/GB00BFX3K770
Primary exchange	LSE
AIC sector	Renewable Energy Infrastructure
Financial year end	31 December
52-week high/low	82.0p
	40.7p

Fund objective

Gresham House Energy Storage Fund seeks to provide investors with an attractive and sustainable dividend over the long term, by investing in a diversified portfolio of utility-scale battery energy storage systems (BESS) located in the UK and Ireland. In addition, the company seeks to provide investors with capital growth through the reinvestment of net cash generated in excess of the target dividend.

Analysts

Milosz Papst	+44 (0)20 3077 5700
Joanne Collins	+44 (0)20 3077 5700
Harry Kilby	+44 (0)20 3077 5700
Andrew Keen	+44 (0)20 3077 5700

investmenttrusts@edisongroup.com

[Edison profile page](#)

Gresham House Energy Storage Fund is a research client of Edison Investment Research Limited

General disclaimer and copyright

This report has been commissioned by Gresham House Energy Storage Fund and prepared and issued by Edison, in consideration of a fee payable by Gresham House Energy Storage Fund. Edison Investment Research standard fees are £60,000 pa for the production and broad dissemination of a detailed note (Outlook) following by regular (typically quarterly) update notes. Fees are paid upfront in cash without recourse. Edison may seek additional fees for the provision of roadshows and related IR services for the client but does not get remunerated for any investment banking services. We never take payment in stock, options or warrants for any of our services.

Accuracy of content: All information used in the publication of this report has been compiled from publicly available sources that are believed to be reliable, however we do not guarantee the accuracy or completeness of this report and have not sought for this information to be independently verified. Opinions contained in this report represent those of the research department of Edison at the time of publication. Forward-looking information or statements in this report contain information that is based on assumptions, forecasts of future results, estimates of amounts not yet determinable, and therefore involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of their subject matter to be materially different from current expectations.

Exclusion of Liability: To the fullest extent allowed by law, Edison shall not be liable for any direct, indirect or consequential losses, loss of profits, damages, costs or expenses incurred or suffered by you arising out or in connection with the access to, use of or reliance on any information contained on this note.

No personalised advice: The information that we provide should not be construed in any manner whatsoever as, personalised advice. Also, the information provided by us should not be construed by any subscriber or prospective subscriber as Edison's solicitation to effect, or attempt to effect, any transaction in a security. The securities described in the report may not be eligible for sale in all jurisdictions or to certain categories of investors.

Investment in securities mentioned: Edison has a restrictive policy relating to personal dealing and conflicts of interest. Edison Group does not conduct any investment business and, accordingly, does not itself hold any positions in the securities mentioned in this report. However, the respective directors, officers, employees and contractors of Edison may have a position in any or related securities mentioned in this report, subject to Edison's policies on personal dealing and conflicts of interest.

Copyright 2025 Edison Investment Research Limited (Edison).

Australia

Edison Investment Research Pty Ltd (Edison AU) is the Australian subsidiary of Edison. Edison AU is a Corporate Authorised Representative (1252501) of Crown Wealth Group Pty Ltd who holds an Australian Financial Services Licence (Number: 494274). This research is issued in Australia by Edison AU and any access to it, is intended only for "wholesale clients" within the meaning of the Corporations Act 2001 of Australia. Any advice given by Edison AU is general advice only and does not take into account your personal circumstances, needs or objectives. You should, before acting on this advice, consider the appropriateness of the advice, having regard to your objectives, financial situation and needs. If our advice relates to the acquisition, or possible acquisition, of a particular financial product you should read any relevant Product Disclosure Statement or like instrument.

New Zealand

The research in this document is intended for New Zealand resident professional financial advisers or brokers (for use in their roles as financial advisers or brokers) and habitual investors who are "wholesale clients" for the purpose of the Financial Advisers Act 2008 (FAA) (as described in sections 5(c) (1)(a), (b) and (c) of the FAA). This is not a solicitation or inducement to buy, sell, subscribe, or underwrite any securities mentioned or in the topic of this document. For the purpose of the FAA, the content of this report is of a general nature, is intended as a source of general information only and is not intended to constitute a recommendation or opinion in relation to acquiring or disposing (including refraining from acquiring or disposing) of securities. The distribution of this document is not a "personalised service" and, to the extent that it contains any financial advice, is intended only as a "class service" provided by Edison within the meaning of the FAA (i.e. without taking into account the particular financial situation or goals of any person). As such, it should not be relied upon in making an investment decision.

United Kingdom

This document is prepared and provided by Edison for information purposes only and should not be construed as an offer or solicitation for investment in any securities mentioned or in the topic of this document. A marketing communication under FCA Rules, this document has not been prepared in accordance with the legal requirements designed to promote the independence of investment research and is not subject to any prohibition on dealing ahead of the dissemination of investment research.

This Communication is being distributed in the United Kingdom and is directed only at (i) persons having professional experience in matters relating to investments, i.e. investment professionals within the meaning of Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "FPO") (ii) high net-worth companies, unincorporated associations or other bodies within the meaning of Article 49 of the FPO and (iii) persons to whom it is otherwise lawful to distribute it. The investment or investment activity to which this document relates is available only to such persons. It is not intended that this document be distributed or passed on, directly or indirectly, to any other class of persons and in any event and under no circumstances should persons of any other description rely on or act upon the contents of this document.

This Communication is being supplied to you solely for your information and may not be reproduced by, further distributed to or published in whole or in part by, any other person.

United States

Edison relies upon the "publishers' exclusion" from the definition of investment adviser under Section 202(a)(11) of the Investment Advisers Act of 1940 and corresponding state securities laws. This report is a bona fide publication of general and regular circulation offering impersonal investment-related advice, not tailored to a specific investment portfolio or the needs of current and/or prospective subscribers. As such, Edison does not offer or provide personal advice and the research provided is for informational purposes only. No mention of a particular security in this report constitutes a recommendation to buy, sell or hold that or any security, or that any particular security, portfolio of securities, transaction or investment strategy is suitable for any specific person.
