SEEIT

SDCL Energy Efficiency Income Trust plc

Interim Report

For the six months ended 30 September 2021

Contents

SDCL Energy Efficiency Income Trust Plc. (''Company" or "SEEIT'')

SDCL Energy Efficiency Income Trust plc is the first listed company of its kind to invest exclusively in the energy efficiency sector.

The Company's objective is to generate an attractive total return for investors comprising stable dividend income and capital preservation, with the opportunity for capital growth. It does so through its investment in a diversified portfolio of energy efficiency projects that deliver lower cost, cleaner and more reliable energy solutions to end users of energy. Projects that SEEIT invests in either provide decentralised on-site generation of power and heat, or reduce energy demand.

The Company's portfolio comprises assets across the UK, Europe (ex-UK), North America and Asia.

The Company's appointed Investment Manager is Sustainable Development Capital LLP.

About Sustainable Development Capital LLP ("SDCL")

Sustainable Development Capital LLP is a multinational investment management firm, which specialises in environmental infrastructure.

SDCL was established in 2007 and has a proven track record of financing and developing clean energy, energy efficiency and decentralised energy infrastructure projects in the UK, Europe (ex-UK), North America and Asia.

SDCL was launched to facilitate investment into environmental infrastructure markets. It has always focussed on investing in projects that are good for the environment, good for people and commercially sustainable.

SDCL focuses on bringing capital together with the most effective technologies to create scalable solutions to prevent pollution, minimise costs and mitigate climate change.

1. Highlights and Overview

1.1 Summary of the six-month period to 30 September 2021

Net asset value ("NAV")
at 30 September 2021 of £943.6 million, up 36% from £693.8 million at 31 March 2021

104.5p NAV per share[1]
at 30 September 2021 up 2.0% from 102.5p at 31 March 2021

4.7% Total NAV return[2]
in the six-month period and 7.1% p.a. since IPO

£23.0 million Profit before tax
in the period to 30 September 2021, up 34% (September 2020: £17.2 million)

2.81p per share Interim Dividends
declared in the period of covered by earnings per share and cash from investments

Target aggregate dividend on track to deliver 5.62p per share
for year ending 31 March 2022, in line with previous announcements on target dividend[3]

£27.2 million[4] Investment cashflows
from the portfolio during the period were in line with expectations, providing cash cover of 1.2 times for interim dividends paid during the period

Portfolio Valuation of £785 million
at 30 September 2021[5], up 42% from £553 million at 31 March 2021

New investments and commitments of £208 million
in period. Since 30 September 2021, additional investments of £41 million

Successful capital raising of £250 million
in September 2021 with proceeds used to repay approximately £70 million of revolving credit facility ("RCF") debt and to commit to new investments

Admitted to the FTSE 250
index as the Company's market capitalisation surpasses £1 billion, increasing marketability and liquidity for shareholders

1 NAV per share is presented as an alternative performance measure, see Glossary of financial Alternative Performance Measures and Note 9 for details
2 Total return is based on interim dividends paid and uplift in NAV per share. Dividends are not assumed to be re-invested
3 The target dividend stated above is based on a projection by the Investment Manager and should not be treated as a profit forecast for the Company
4 Stated on Portfolio Basis. Portfolio Basis is presented as an alternative performance measure, see Section 2.4
5 Value of the portfolio of investments, see Section 2.5 for details

1.2 Chair's Interim Statement

On behalf of the Board, I am pleased to present the Interim Results of SDCL Energy Efficiency Income Trust Plc ("SEEIT" or "The Company") for the six months to 30 September 2021.

Tony Roper
Chair of SEEIT

The period since 31 March 2021 has seen significant growth and diversification for the Company as the Investment Manager seeks to build a portfolio that delivers long term value for shareholders and society as a whole, helping to accelerate the transition to a low carbon economy.

With the successful capital raise in September, the Company achieved a £1 billion market capitalisation and is included as a constituent of the FTSE 250 index.

Investment activity and capital raising

The Company holds a single investment in a subsidiary ("SEEIT Holdco" or "Holdco") through which SEEIT's portfolio of energy efficient investments are held. SEEIT made five new investments and four follow-on investments in the period and two additional investments since the period end.

The Company started the period with approximately £126 million of cash and no RCF debt drawn. The available cash and RCF was used to acquire the Red Rochester and SOGA investments for c. £140 million and commit an initial c. £10 million out of a total of £22 million to Biotown, with the remaining cash being used to pay the fourth quarterly dividend in June for the year ended 31 March 2021 and available for general working capital purposes.

In September 2021 the Company published a new prospectus (the "September 2021 Prospectus") and a twelve-month share issuance programme and concluded a £250 million capital raise shortly thereafter. This capital raise was the largest completed by the Company to date, with strong support from both existing and new shareholders. Although the issue was upsized, it was still oversubscribed at the upsized level.

The proceeds were partially used to repay approximately £70 million of debt under the RCF held by SEEIT Holdco, and £34 million was used to acquire the remaining 35% stake in the Primary Energy portfolio in September 2021. A further c. £41 million has also been used for further investments after the period end as described further in Section 2.2.

These investments help to diversify further SEEIT's portfolio, in terms of investment stage, geography, technology and counterparty.

SEEIT increased the size of the RCF from £40 million to £145 million, in two phases, firstly in June 2021 and then in August 2021. The RCF expires in June 2024 and includes an accordion function for a further £55 million increase on an uncommitted basis. The RCF provides the Company with operational flexibility allowing it to commit to investment opportunities as they arise.

As at 30 September 2021, the group's gearing was approximately 35% of the Company's NAV on the basis of a look through consolidated debt in the group, within the Company's overall gearing limit of 65% of NAV.

The Board is pleased with the progress in the period with additional investments and commitments made to assets in essential economic sectors, all of which have limited correlation to the broader equity markets. The investments are consistent with SEEIT's targeted technologies and geographic markets and demonstrate the Investment Manager's ability to source and complete attractive investments that meet the stated policy and strategy and which are accretive to the portfolio.

Portfolio performance

The Company's investment portfolio performance remained resilient during the period, with limited financial impact from the effects of the COVID-19 pandemic. The operational assets within the portfolio provided key services to essential industries and continued to operate with minimal disruption. Overall, the pandemic to date has therefore not had a material impact on our financial performance.

The Investment Manager places a significant emphasis on monitoring and managing the investment portfolio through its asset management function, not only to protect the value of each investment but also to seek opportunities to create additional value for stakeholders.

Please see the investment Manager's Report for further details.

Shareholder engagement and Governance

The Company seeks to communicate and continue its dialogue with investors regarding its strategic objectives and how they are executed. During the period, the Company engaged via the Investment Manager with shareholders through meetings, market announcements and various written materials.

In the March 2021 Annual Report we stated that we would consult with shareholders regarding potential changes to the Company's Investment Policy in respect of increased short-term gearing limits and clarify the scope of energy efficiency investments. Following consultations with a majority of the existing shareholders, the Investment Manager and the Board agreed that certain amendments to the Company's Investment Policy would be in the best interest of the Company. The Company then sought and received shareholder approval for these amendments at the Company's August 2021 Annual General Meeting ("AGM").

The proposed amendments to gearing were designed to provide more operational flexibility by increasing the short-term gearing level for acquisitions, reflected in the increase of total gearing from 50% to 65% of NAV but maintaining a target of 35% structural gearing over the medium to long term. The additional clarifications related to the definition of users of Energy Efficiency Equipment, the role of Counterparties in Energy Efficiency projects, as well as providing for some flexibility to invest in developers, operators or managers of Energy Efficiency Projects, limited to 3% of NAV at the point of acquisition.

At the August 2021 AGM, in line with corporate governance best practice, the existing Directors offered themselves for re-election and were duly re-elected.

As noted in the recent prospectus, the Board has commenced the search for an additional director to complement the skills and experience of the existing Directors.

Environmental, Social and Governance (''ESG'')

In November 2021, the Company published its second ESG Report. This report covers the year ended 31 March 2021 and is available from the Company's website.

SEEIT is dedicated to accelerating the global transition to a low carbon economy and in the year to 31 March 2021 delivered energy solutions that saved 654,205 tonnes of CO2 emissions and produced 895,212 MWh of renewable energy, as well as saving another 90,430 MWh via demand side energy efficiency measures.

Financial performance

Profit before tax for the period ended 30 September 2021 was £23.0 million (September 2020: £17.1 million) and earnings per share were 3.3p (September 2020: 4.6p). The increase in the profit before tax is mainly because of the increase in value derived from the comparatively larger underlying investment portfolio. Earnings per share is lower than the previous period which is a function of the timing of when capital raises occurred in each of the relevant periods.

The Company's NAV at 30 September 2021 increased to £943.6 million from £693.8 million at 31 March 2021 due to new investments made and the performance of the underlying portfolio, described further in the Investment Manager's Report. The NAV per share was 104.5p (March 2020: 102.5p), the growth resulting from earnings of 3.3p per share and 1.4p per share from the NAV accretive share issuance in September 2021, less the dividends paid in the period of 2.78p per share.

The value of the Company's investment portfolio ("Portfolio Valuation")[6] was £785.0 million at 30 September 2021, up from £552.7 million at 31 March 2021 and £319.0 million at 30 September 2020, largely as a result of investments made in each period.

The Company's Ongoing Charges ratio[6] reduced to 0.99% (March 2021: 1.13%), reflecting ongoing running costs of the Company being shared across the increased size of the Company's investment portfolio.

Investment cash inflow from the portfolio during the period ended 30 September 2021 was £27.2 million (2020: £22.7 million) on a Portfolio Basis, delivering 1.2x cash cover for dividends paid during the period in line with the Company's internal expectations.

Further detail on the Company's financial performance and the alternative performance measures can be found in the Investment Manager's Report.

[6] See Glossary of financial Alternative Performance Measures ("APM")

1.2 Chair's Interim Statement
continued

Total NAV return on a per share basis[6] was 4.7% in the six-month period and 7.1% on an annualised basis since IPO.

Principal risks

Principal risks and uncertainties to SEEIT were reported in the March 2021 Annual Report and again in the September 2021 Prospectus, with the principal risks remaining unchanged during the period.

A key risk within the portfolio relates to the credit risk of contracted counterparties. SEEIT has not experienced significant credit defaults since its IPO. The Investment Manager's monitoring of key credit risks arising within the portfolio has also not raised any specific matters to address in this regard, but the Investment Manager continues to monitor any changes in the credit risk profile of the Company's counterparties.

Other key risks that may lead to financial loss include operational risks that may impact day to day operations and/or construction and global macroeconomic factors. Further details of the principal risks and uncertainties can be found in the Investment Manager's Report.

The resilience of the portfolio's performance during the COVID-19 pandemic is supported by the investment strategy of targeting investments that supply energy services over the long term through contracts across a diversified range of counterparties, geographies, sectors and technologies. As a result there has not been a material impact on SEEIT directly caused by the pandemic. Nonetheless, the Investment Manager continues to work closely with project level management teams, key subcontractors and co-shareholders to actively monitor the performance of all the projects in the Company's portfolio in light of the COVID-19 pandemic.

Outlook

SEEIT's target markets are expected to continue to grow. Market drivers include increasing levels of focus on decarbonisation targets in the public and private sector globally, the need for energy security and resilience and relatively high and increasingly volatile energy prices. This continues to drive demand for on-site generation, distribution and demand side reduction solutions that can result in cheaper, cleaner and more reliable energy.

In Europe, we expect that government policies such as the European Commission's Renovation Wave – involving energy efficiency measures in some 35 million buildings across Europe in the coming decade – will help to accelerate the market and translate into project investment opportunities for SEEIT over the medium to long term. In the short term, the Investment Manager's pipeline consists of existing operating projects from an already significant installed base, as well as new projects often sourced organically as follow-on opportunities based on SEEIT's existing portfolio. In the UK, we expect the market to be stimulated by progressive government policies on decarbonisation, not just in the public sector but also in the private sector, as illustrated by new Treasury requirements for UK firms to publish plans for decarbonisation by 2050.

The United States is one of the largest and most dynamic markets for investment in clean energy and energy efficiency and has gained further momentum in the first year of the Biden administration which has put clean energy and infrastructure at the forefront of its climate policies. The most ambitious targets for decarbonisation often come from private companies seeking to achieve decarbonisation or "net zero carbon" by a stated date, which is often decades ahead of national government policies. Where this can be delivered profitably though energy efficiency measures, it drives demand for projects in which SEEIT wishes to invest. Meanwhile at regional government level, cities are taking the lead – over 1,000 cities, many of them in the United States, signed up to the "Cities Race to Zero" involving a goal of reaching net zero emissions by 2050 and cutting their fair share of global emissions in half by 2030.

The Investment Manager continues to focus on improvements to the existing portfolio to maximise value, as well as seeking new investment opportunities that can deliver attractive risk-adjusted returns for investors. We believe that the Investment Manager can deploy the remaining available cash from the recent capital raise in a timely manner based on our current identified pipeline of new investments, which includes follow-on opportunities within the existing portfolio as well as newly sourced opportunities, a number of which result from bilateral relationships.

I would like to thank all our shareholders for their continued support of the Company which remains well placed to deliver upon our stated investment objectives.

Tony Roper
Chair

10 December 2021

[6] See Glossary of financial Alternative Performance Measures ("APM")

2. Investment Manager's Report

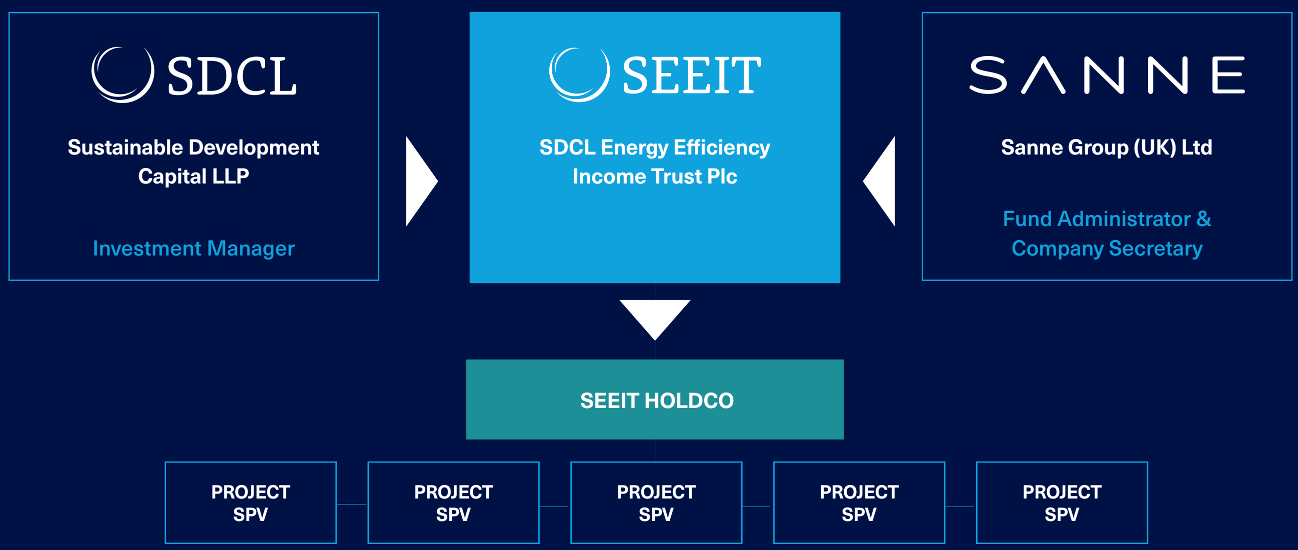
The Company's structure

The Company has been established in the UK as an investment trust to provide an efficient manner by which shareholders can access investment into energy efficiency infrastructure investments.

The Company has an independent Board of Directors, has no employees and has appointed Sustainable Development Capital LLP ("SDCL" or "Investment Manager") to manage the investments on its behalf.

For the Company to achieve its investment objective, it makes its investments via its sole direct subsidiary and main investment vehicle, SEEIT Holdco Limited ("Holdco").

The Investment Manager controls the actions of Holdco and its direct and indirect subsidiaries with the aim of assisting the Company to achieve its stated objective through making new investments via Holdco that are funded by the Company and managing the existing investments that Holdco has directly or indirectly invested in.



2.1 Market Outlook and Strategy

Market review and outlook

The marketplace in which SEEIT invests continues to grow, driven by existing commercial and, increasingly, political efforts, to reduce the inefficiencies that result in the significant financial and carbon costs associated with traditional energy supply, distribution and use.

Energy efficiency and decentralised energy generation play a crucial and growing role in balancing supply and demand in the global energy economy. This growth is set to continue as many governments and companies transition away from traditional forms of energy and resource use towards a 45-55% targeted reduction in carbon emissions by 2030 and "net zero" by 2050 – targets associated with limiting global temperature rise to 1.5C above pre-industrial levels, above which the worst effects of climate change are feared or expected to occur.

There is increasing awareness of the role that energy efficiency can play in decarbonisation and, through reducing wastage of resources, in improving productivity at national and regional levels and increasing profitability at corporate levels. In addition, relatively high and increasingly volatile energy markets and disruptions caused by grid failures during 2021 have accelerated the priority given to energy efficiency and decentralised energy solutions.

Energy efficiency is one of the largest and lowest cost sources of greenhouse gas emission reductions. The International Energy Agency ("IEA") states that energy efficiency represents more than 40% of the emissions abatement needed by 2040 in its "Sustainable Development Scenario". There is increasing evidence that governments are recognising and acting on this. The Glasgow Climate Pact agreed by all countries at COP26, the UN climate change conference in November 2021, for the first time called for the rapid scaling up of energy efficiency measures. Related announcements at the conference included the commitment by over 130 countries to cut methane emissions by 30% by 2030, by countries, cities and manufacturers to phase out diesel and petrol cars and an internationally collaborative phase down of the use of coal. According to the IEA, whilst many governments' economic relief and stimulus packages were still being formulated over the last year, approximately US$114 billion of public spending in the energy sector was being allocated to measures considered as "clean energy stimulus". Nearly 60 per cent. of this funding was being allocated to energy efficiency related measures, with the largest share of support aimed at improving the energy efficiency of industrial processes and existing buildings (through renovations).[7]

The "race to zero" is also evident in the corporate and financial world. While an increasing number of leading global companies have stated commitments to achieve "net zero", which is expected to increase the demand for energy efficiency solutions and therefore investment opportunities for SEEIT, the financial community and investors are increasingly supportive and demanding of change, which in turn is expected to support such corporate commitments. An example is the Glasgow Financial Alliance for Net Zero, a global coalition of leading financial institutions (including Sustainable Development Capital LLP) representing some 40% of global financial assets – equivalent to approximately US$130 trillion – which aligns them to accelerate the transition to a net zero carbon economy.

The impact on SEEIT of the overall outlook can be expected to be positive on the existing portfolio as well as the future pipeline prospects. The Investment Manager has established a portfolio that has several organic opportunities to grow and that should benefit from the positive outlook, including the electrification of cars in the UK and LED lighting in USA and Europe. This positive backdrop may also lead to an acceleration of further collaboration with clients as they continue to look for economic and environmental benefits.

Investment Strategy

SEEIT's diverse portfolio comprises investments that seek to deliver cheaper, cleaner and more reliable energy solutions to end users in the built environment, in industry and in transport. The underlying projects involve the supply of cleaner and more efficient energy, connecting supply with demand in the most efficient way through green energy distribution and with green fuels, or helping to manage or reduce the demand for energy at the point of use. The Investment Manager believes that it is important to maintain flexibility in terms of which technologies to use in order both to address client needs and to secure appropriate returns on investment. This also makes it possible for SEEIT to invest in different markets and sub-sectors, ensuring a suitably wide investable universe for SEEIT.

[7] Energy Efficiency 2020, IEA, as at December 2020: https://www.iea.org/reports/energy-efficiency-2020/tracking-policy-responsesto-the-crisis

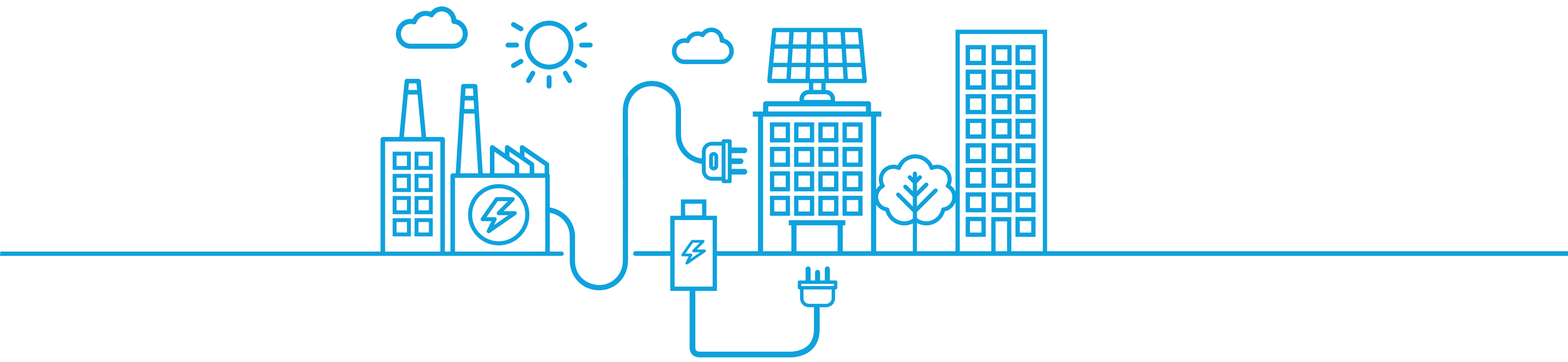
SEEIT defines an Energy Efficiency Project as a project, the objective of which is to achieve one or more of the following criteria:

- Reduce energy consumed and/or related Greenhouse Gas ("GHG") emissions arising from the existing and/or future supply, transmission, distribution or consumption of energy;
- Reduce Scope 1 or Scope 2 GHG emissions: as defined by the GHG Protocol;
- Increase the supply of renewable energy generated on the premises of a Counterparty; or generated at a site directly associated with the premises of a Counterparty; and
- reduce emissions and energy consumption in non-domestic sectors.

The full Investment Policy is available on the SEEIT website.

The Investment Manager believes that given the scale of the market opportunity in energy efficiency, driven by long term fundamentals and the potential for accelerated growth with international policy support, there is an opportunity for SEEIT to continue to grow further through return enhancing investments, active asset management by the Investment Manager and selective new investments. New investments add to the diversification of the portfolio, create the opportunity for investment outperformance and establish new client and counterparty relationships. The Investment Manager seeks to deliver the best available energy services to existing clients and to provide additional innovative and differentiated services over the long term.

At the same time as building and expanding on SEEIT's existing portfolio, the Investment Manager has been focussed on asset management, ensuring that the best teams and resources are available both at the level of the portfolio investments and within the Investment Manager itself. The Investment Manager benefits from one of the most experienced and largest investment teams focused on energy efficiency, based in London, New York, Dublin, Singapore and Hong Kong. The Investment Manager's energy efficiency investment management team continues to grow and now consists of over 45 professionals. SEEIT's portfolio investments now involve more than 300 employees, working on-site at project level, plus a large number of sub-contractors and partners.



2.1 Market Outlook and Strategy
continued

Approach to portfolio composition

The Company focuses on investments that provide effective and reliable energy solutions that typically fit into one or more of three key categories:

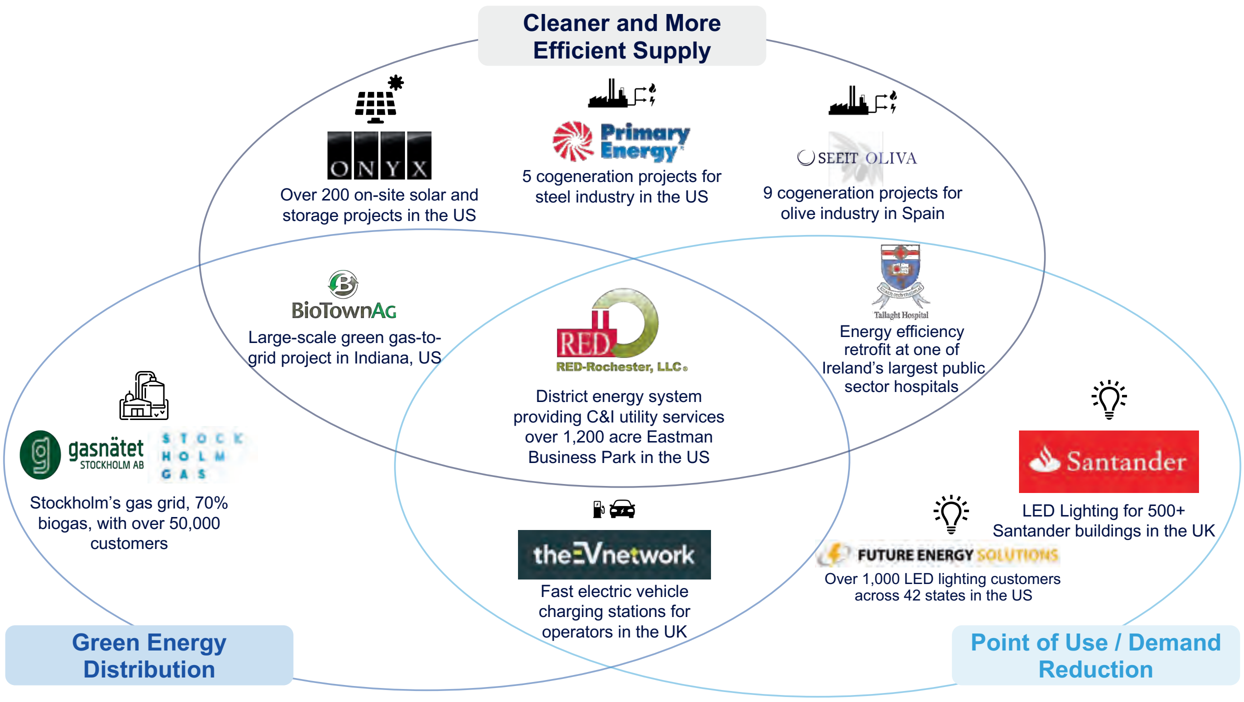
- **Cleaner and more efficient supply,** such as in Onyx (on-site solar), Primary Energy (on-site cogeneration for the steel industry) and Oliva Spanish Cogeneration (on-site cogeneration for olive industry)
- **Green energy distribution,** such as Värtan Gas (Stockholm's gas grid) and EVN (fast EV charging)
- **Point of use / demand reduction,** such as Santander UK Lighting (LED lighting) and EVN (fast EV charging)

The below summarises some of SEEIT's key investments and how they fit into the areas of focus for the underlying portfolio.

The Company invests with the objective of assembling a portfolio of energy efficiency projects, diversified by:

Investment stage: whilst the Company invests predominantly in operational energy efficiency and distributed generation projects, the Company may under certain circumstances invest in projects that are in construction or in their development phase;

Equipment/Service providers: the Company diversifies its exposure to equipment manufacturers, engineers and other service providers through investing in different energy efficiency technologies and contracting with a wide range of counterparties;



Geography: the existing portfolio comprises projects located in the UK, Europe (ex-UK), Asia Pacific and the USA. In addition, the Company is actively pursuing further investments in these jurisdictions and, selectively, other OECD countries that provide attractive risk-adjusted returns; and

Counterparty: the Company provides services to a range of counterparties in both the private and public sectors, across many industries. The majority of the portfolio by value derives revenues from investment grade or equivalent counterparties, and in some instances adopts significant diversification in the number of counterparties, such as in the case of Värtan Gas's 50,000+ individual customers.

SEEIT's portfolio has grown significantly since IPO as demonstrated by a gross asset value ("GAV") of c. £100 million at IPO to c. £950 million at 30 September 2021. In executing SEEIT's investment strategy, the Investment Manager has invested in a portfolio of assets that provides broad diversification by counterparty, sector, technology and geography and which provide predominantly predictable, long-term contracted income streams.

The majority of the portfolio's revenues are contracted – revenues derived from these contracts have availability characteristics, are regulated or have pre-determined sources, while the remainder are underpinned by debt-like characteristics or benefit from a clear and sustainable route to market. The Company continues to seek to minimise exposure to unmitigated demand or energy market price risks.

SEEIT now has a portfolio of 44 investments[10] that deliver cost effective, reliable and low carbon energy solutions to tens of thousands of contracted clients internationally. The portfolio is being constructed carefully to secure income from operational assets to cover dividend targets, both for the current financial year and for long term progressive dividend growth over future years. In addition to income, the Investment Manager also seeks capital growth by selectively targeting late-stage development and construction phase investments. Such investments have been selected on the basis that the Investment Manager is confident that they can become operational in an appropriate timescale with acceptable risk parameters, so that they support SEEIT's target total return and target annual dividend.

Pipeline

The Investment Manager believes that a range of technologies will be required to achieve carbon emission reductions over time and that it is therefore important to maintain flexibility in terms of which technologies to employ to address client needs and to secure required returns on investment. The Investment Manager will continue to seek to build a balanced portfolio for the Company and, particularly, to further diversify in terms of technologies that are compatible with a pathway towards decarbonisation. Beyond combined heat and power, solar, storage and district energy, the Investment Manager is evaluating investments in renewable heat, micro grids, cooling, low carbon fuel for transport (including green gases as well as electricity).

An important feature of SEEIT's portfolio is the rights to invest in additional pipeline opportunities from several of its existing project investments, often at pre-agreed rates of return. This has created an organic source of investment opportunities which the Investment Manager has a high degree of familiarity. These complement the pipeline of potential new portfolio investments identified through long-standing relationships with developers, financial intermediaries and counterparties.

The Investment Manager's pipeline is characterised by a balance between smaller and medium sized bilateral or privately negotiated investment opportunities and larger, potentially more competitive opportunities where the Investment Manager has a competitive or a relationship advantage. The Investment Manager remains highly selective, focused on where it can add value, prepared to seek relative value by investing internationally and focussed on the Company's investment objectives in exercise of pricing discipline.

[10] As at 10 December 2021

2.2 Activity in the Period

Investment Activity since 31 March 2021

SEEIT started the period with a portfolio value of £552 million and approximately £126 million of cash. Since then SEEIT invested £208 million in five new investments and four follow on investments during the period to 30 September 2021 and raised a further £250 million through a capital raising. A further c. £41 million has been invested since 30 September 2021.

The investments made by the Investment Manager during and following the six months ended 30 September 2021 fit well within the Company's investment criteria, by reducing energy consumption or related greenhouse gas emissions arising from supply, transmission, distribution and consumption. In doing so, the Company has been able to secure predictable long-term revenue and the opportunity for capital growth from these investments.

The Company's investment in Red Rochester was secured through a private negotiation. It is a large scale operational multi-utility district energy project, which benefits from diversification by industry and technology and offers the opportunity for significant growth through measures that can deliver further decarbonisation. The Biotown project was operational at the point of investment and provides the Company exposure to the growing marketplace for biogas, decarbonising the gas grid in the United States, as well as the opportunity for attractive total returns through a combination of income and growth from the upgrade of the facility and improvements in energy efficiency. Both Red Rochester and Biotown are good examples of the breadth of our recent investments and are described in more detail below.

Project	Investment/Commitment Date	Type	Location	Commitment
SOGA	April 2021	New	Singapore & Vietnam	c. £2.4 million
RED	April 2021 (completion in May 2021)	New	USA	c. £139 million
Tallaght Hospital	May 2021	New	Ireland	c. £6 million[8]
Biotown	July 2021	New	USA	c. £22 million[9]
Lycra	September 2021	New	Singapore	c. £3 million[10]
Primary Energy (five projects)	September 2021	Follow on	USA	c. £34 million
EVN	Various in period	Follow on	UK	c. £8 million
Onyx Construction portfolio	Various in period	Follow on	USA	c. £8 million
Spark US Energy Efficiency II	Various in period	Follow on	USA	c. £4.5 million

Investment activity since period end

Project	Investment Date	Type	Location	Commitment
Sustainable Living Innovations	October 2021	New	USA	c. £4 million
FES Lighting	November 2021	New	USA	c. £16 million
Onyx Construction portfolio	Various in period	Follow on	USA	c. £13 million
Spark US Energy Efficiency II	Various in period	Follow on	USA	c. £6 million
Biotown	Various in period	Follow on	USA	c. £2 million

8 A total commitment of £6 million of which £1.2 million had been deployed by 30 September 2021
9 A total commitment of £22 million of which £11.3 million had been deployed by 30 September 2021
10 A total commitment of £3 million which £0.3 million had been deployed by 30 September 2021

At the end of the period and following the last fund-raising, the Company completed on pre-agreed terms the acquisition of the 35% of Primary Energy that it did not yet own. The Company is now the sole owner of Primary Energy and its portfolio. As such, the Investment Manager is now in an improved position to identify and implement accretive measures, taking a longer-term view with offtakers on new initiatives, leveraging the industrial knowledge of the management team on the ground to deliver projects locally and further afield. The improved performance of both the steel industry in the United States and the specific clients that Primary Energy is supplying was a factor in the decision to complete the investment, alongside the quality and performance of the project assets themselves. Decarbonisation of industry, particularly in the production of steel, cement, chemicals and plastics is crucial to efforts to reduce greenhouse gas emissions consistent with targets to limit the rise in global temperatures to 1.5C. Primary Energy's energy recycling processes are some of the best examples of solutions to the decarbonisation of industry.

The Company also made a series of smaller investments during the period. The Company's investment in the Lycra cooling efficiency project was the first of its kind delivered in conjunction with the Investment Manager's involvement with the Kigali Cooling Efficiency Program, a philanthropic collaboration launched in 2017 to support the Kigali Amendment of the Montreal Protocol and the transition to efficient, clean cooling solutions. Improving the efficiency of refrigeration and air conditioning represents one the largest and cheapest sources of a reduction in greenhouse gas emissions globally. The Company's investment in SOGA expanded the Company's investment platform in Singapore into rooftop solar in Vietnam. The Company's investment in SLI involved funding energy efficiency measures in a new apartment building in Seattle, which is expected to be the greenest apartment building in Seattle and certified as the first Net Zero Energy multifamily high-rise building in the world[14]. The Company's investment in the Tallaght Hospital retrofit project in Ireland was an important opportunity to invest in decarbonisation of healthcare, one the largest and most important users of energy.

Shortly after the end of the period, the Company's investment in FES Lighting provided exposure to a diverse operational portfolio of energy efficient lighting projects in the United States, as well as upside through the combination of a 50% ownership position in the lighting company developing the solutions in the United States and, through an affiliate, exposure to a large pipeline of energy efficient lighting projects in Europe. The Company also continues to provide investment via existing arrangements that it has established with the UK's EVN, Spark US Energy Efficiency and Onyx Renewables.

SEEIT Oliva site – Linares drying facility

[14] This is a shorter term investment that the Investment Manager may seek to replicate with the same developer on similar projects

2.2 Activity in the Period
continued

Further information on the investments in Red Rochester and Biotown:

Red Rochester	
Geography:	US
Stage:	Operational
Technology:	Multiple

RED Rochester – Piping and Cooling tower

The Company completed the c. £140 million investment in RED-Rochester, LLC ("RED"), a commercial district energy system that provides exclusive utility services to commercial and industrial customers within the 1,200-acre Eastman Business Park, in May 2021. The Eastman Business Park's origins date back to 1891 when Kodak started manufacturing film and paper in four newly constructed buildings and is now host to a diversified base of commercial and industrial businesses including manufacturing, chemicals, pharmaceuticals and food and beverages.

RED is one of North America's largest district energy systems with 117 MW of steam turbine generators plus boilers, chillers and other equipment. As the exclusive provider of utility services to the park, RED offers 16 on-site services including electricity, steam, chilled water, wastewater, compressed air, nitrogen, lake water treatment, industrial water distribution and high purity water distribution. This "plug-and-play" set of utility services is a key attraction of the park, providing simple integration for new customers and allowing existing customers to expand their operations as well as servicing a growing set of new customers.

RED has over 100 commercial and industrial customers, typically contracted on a 20-year fixed-term basis with automatic five- or ten-year renewals, linked to their tenancy on the Eastman Business Park. The contracts provide stable and predictable cash flows with a relatively fixed cost base and substantial mitigation against volatility in demand. Some two thirds of the value of RED's offtake contracts are derived from investment grade or equivalent counterparties.

Since 2016, RED has delivered 40+ additional energy efficiency projects across its operations that have resulted in annual savings of over US$4 million and carbon savings of over 50%. Additionally, the Investment Manager has identified a further pipeline of energy efficiency initiatives that it believes can deliver additional cost and carbon savings.

Since the investment was made the Investment Manager has worked closely with RED personnel and other stakeholders to develop a comprehensive 100-day plan, which includes initiatives relating to ESG, marketing, operations and capex investments, all of which will be implemented to support the growth of the Park as well being a base for investment in the wider Rochester region.

Biotown	
Geography:	US
Stage:	Operational and Construction
Technology:	CHP (green gas)

BioTownAG

Biotown – expansion and upgrade of the site

In July 2021, SEEIT committed US$31 million of senior and mezzanine debt to an operational anaerobic digestion ("AD") project owned by Biotown Ag.

Approx. US$20 million has been invested to date, the remaining is expected to be invested in the next 6 to 9 months.

SEEIT's funding is being used to finance a project expansion to substantially increase capacity and install a commercially proven gas upgrading facility.

The existing AD project has been successfully operating since 2012 and currently converts into renewable power over 300 million gallons per year of beef and dairy manure and food waste that would otherwise have been land applied. The project revenues are primarily derived from long term PPAs for power as well as Low Carbon Fuel Standard Certificates ("LCFS").

The investment in Biotown has strong energy efficiency characteristics as the funding is being used for (i) expansion and (ii) upgrade – both of which have an efficiency purpose:

i. The heat from the CHP system is mostly used to heat up current AD tanks to keep the temperature at a constant 100-102 degrees. One of the benefits of the expansion is that it will result in a more efficient use of the waste heat coming off the system. This is one of the contributory factors to the very low Carbon Intensity score which drives the number of LCFS credits created by the project

ii. The upgrade enables the conversion from biogas to Renewable Natural Gas ("RNG") for injection into the grid – which has a higher energy density and grid injection ensures that energy captured in the biogas is used efficiently.

The project reduces GHG emissions arising from the existing supply and consumption of energy, while increasing the supply of onsite renewable energy. It will make a significant contribution towards methane and phosphorous emissions reductions in the state of Indiana and will save approximately 175,000 MT of CO_2e per annum, equivalent to the GHG emissions of c. 38,000 passenger vehicles.

This investment was SEEIT's first investment in green gas production and SEEIT benefits by partnering with experienced investors, contractors and operators with successful track records in the development, construction and operations of AD and RNG projects. The expansion will be carried out by DVO and Clarke Energy, both experienced operators in this sector, who will also be responsible for operations and maintenance of the project.

2.2 Activity in the Period
continued

Asset Management Activity since 31 March 2021

The Company's portfolio continued to perform in line with expectations overall during the period. The Investment Manager remained focussed on asset management and taking active steps to mitigate specific risks and protect and enhance value.

In Spain, the Investment Manager continued to support the Oliva Spanish Cogeneration management team with the process of in-sourcing of fuel procurement, delivering upside through savings realised in procurement.

The rising cost of the EU Emissions Trading Scheme ("EU-ETS") is affecting the financial performance of five of the nine projects within Oliva Spanish Cogeneration, where the cost of EU-ETS is significantly above budget. The Investment Manager has worked with the management team to monitor the impact and implemented an ongoing hedging strategy to mitigate the downside risk of further rises in EU-ETS costs. The Investment Manager similarly monitors other energy and commodity markets and, while it generally seeks to avoid unmitigated exposure over the medium to long term in its portfolio, it is considering whether additional hedging strategies are appropriate to cover any short term volatility.

In Sweden, the Investment Manager achieved a refinancing of the project level debt in Värtan Gas, taking advantage of attractive project financing rates lower than the previous financing that was in place when SEEIT made its investment in Värtan Gas in October 2020, and continued to work closely with the management team on the ground to identify and evaluate accretive projects.

Following the investment in RED Rochester, the Investment Manager implemented a 100-day plan, to ensure an efficient transition to new long term ownership and to identify value accretive initiatives. With regards to Onyx, the Investment Manager introduced new opportunities for solar and storage development from its relationship network as well as the Company's portfolio, while working with Onyx management to enhance processes and team building. With regards to the investment in EVN, the Investment Manager worked alongside the team to secure contracts with BP Pulse and ESB during 2021 which has initiated the construction of the first sites.

Further to becoming a 100% shareholder in the portfolio of Primary Energy projects, the Investment Manager and the management team of Primary Energy are developing value enhancing projects as well as local investments that are aligned with the long-term objectives of the Company. Some non-recurring outages impacted performance in 2021, although immediate repair works minimised impact. The Investment Manager is assessing value-add opportunities including new capex measures to reduce outages and improve efficiency and profitability of the assets over the medium to long term.

Although the Huntsman Energy Centre in the UK is nearing completion, it has been subject to further construction delays as a result of minor technical issues and some delays in ordering final equipment that are significant to the project but no longer have a material impact on the Company's overall portfolio. The revised target is to reach full operations in 2022 and all parties involved remain fully committed to achieving this.

A combination of COVID-19 impacting decision making by offtakers, supply chain issues associated with the pandemic and construction cost escalation have impacted the rate of developing the construction-ready solar sites at Onyx in the short term, although the pipeline of new investment opportunities sourced by the team remains healthy. Operational assets in Onyx performed to budget and the Investment Manager is actively supporting progress of the development pipeline, seeking to realise synergies between Onyx and the wider SEEIT portfolio and introducing both new greenfield and brownfield opportunities.

In general, the Investment Manager's investment and asset management teams continued to identify risk mitigation and value enhancement opportunities. Risk mitigation included reviewing systemic risk factors such as commodity and carbon prices, seeking to ensure that natural or contractual mitigation to commodity price fluctuations were effective and identifying areas in which hedging might be appropriate now or in the future. Operational risk improvements include the commencement of a formal review of cyber security measures at key assets as well as some of the Company's key service providers.

Portfolio Counterparties

SEEIT's portfolio principally comprises projects with private and public sector credit counterparties. At 30 September 2021, SEEIT's counterparty credit exposure has over 60% by value[11] in projects with revenues associated with investment grade or equivalent counterparties[12].

[11] Based upon 30 September 2021 Portfolio Valuation
[12] Investment grade or equivalent counterparties may be the contracting counterparty, or in certain circumstances a parent or a member of the same group of companies as the contracting counterparty

Generally, the Investment Manager seeks to ensure that the majority of revenues from projects that the Company invests in are associated with investment grade or equivalent counterparties. However, the portfolio mix may change over time, because of decisions taken by the Investment Manager in selecting new investment opportunities, or as a result of changes in the credit standing of existing counterparties. As such, in making investment decisions, the Investment Manager considers a number of factors that are relevant to predictability or security of revenues, as well as risk mitigation techniques including those described below.

Credit risk mitigation

SEEIT seeks to invest in projects that provide critical and essential services to counterparties with low and mitigated credit risk and the Investment Manager recognises the importance of credit risk mitigation to protect value for shareholders and help SEEIT to achieve its investment objectives.

Key mitigants to counterparty credit risk include:

- Investing in a well-diversified portfolio that spreads the credit risk across counterparties, geographies and sectors
- Investing in projects related to buildings or services that play an important role in their economy or community and/or that have a value that may endure beyond their existing owner, e.g. datacentres, industrial or agricultural facilities, such as Oliva Spanish Cogeneration
- Identifying investments with a strategic importance that extends beyond the use of the existing counterparty, e.g. providing emissions management services via Primary Energy projects
- Diversification of credit risk where there is no single counterparty in an investment, e.g. Värtan Gas which has over 50,000 customers in Stockholm and Spark US Energy Efficiency I investment with 250 underlying counterparties across more than 30 states in the USA
- Ownership or security over project assets that have substantial value or a security package from counterparties involving satisfactory obligations for them to make payments
- Negotiated credit protections such as parent company guarantees, cash collateral and financial guarantees

New investments in the underlying portfolio supports the approach to credit risk mitigation through majority exposure to investment grade counterparties, notably in Biotown and RED. In the case of RED, there is further significant diversification to the credit exposure as there are over 100 customers of which approx. 65% provide revenues associated with investment grade counterparties.

Fundraising

In September 2021, the Company published a new prospectus and implemented a new share issuance programme for 12 months. The September 2021 placing targeted £175 million with the ability to upscale to £250 million. The issue was oversubscribed and the Company decided to scale up to the cap of £250 million.

Proceeds from the fund-raising were used to support the Company's organic and inorganic pipeline and to repay debt. Since the new issue in September 2021, a substantial proportion of the capital raised has been invested. The remainder of c. £100 million cash is available for investment in existing and new opportunities that the Investment Manager has identified, as well as to maintain an appropriate level of liquidity.

FTSE 250

The inclusion of the Company in the FTSE 250 index in September 2021 is a significant milestone for the Company. The increase in scale is beneficial for shareholders as it improves marketability and liquidity, as well as delivering economies of scale in running the Company.

Financing

Active steps were taken to improve the capital efficiency with which the Company can operate, both at holding company level and certain project companies.

In the period the Company renewed and increased the RCF that it holds through its wholly owned subsidiary, SEEIT Holdco, from £40 million to £145 million. The RCF expires in June 2024 with options to extend for a further two years and includes an accordion function for a further £55 million increase on an uncommitted basis. The larger RCF provides the Company with additional capacity and flexibility for identified pipeline projects as well as various organic opportunities arising from the existing portfolio. The RCF is provided by Investec, ING, Intesa Sanpaolo and HSBC.

2.2 Activity in the Period
continued

Within the investment portfolio, the Investment Manager implemented a refinancing of the project debt in Värtan Gas, taking advantage of attractive terms available to enhance long-term returns. In September 2021 the Investment Manager used competitively priced debt to help finance the acquisition of the remainder of Primary Energy that it did not yet own, supporting capital efficiency.

The amendments in the period to the Company's Investment Policy that related to gearing were designed to provide more operational flexibility by increasing the short-term gearing level for investments, reflected in the increase of total gearing from 50% to 65% of NAV but maintaining a target of 35% structural gearing over the medium to long term. As at 30 September 2021 the group's overall gearing, measured on a consolidated and look through basis to include project level debt, was 35%[17]- all of which related to project level debt. This included the refinancings undertaken in the period as described above, and with the exception of the debt in Värtan Gas, all of the project level debt amortises over the medium term.

Foreign Exchange

The Investment Manager continued to implement its successful foreign exchange hedging strategy, designed to ensure that the Company's NAV and income in sterling is mitigated against volatility in foreign exchange movements. The net impact in the period from foreign exchange movements remained substantially below 1% p.a. of NAV.

Distributions

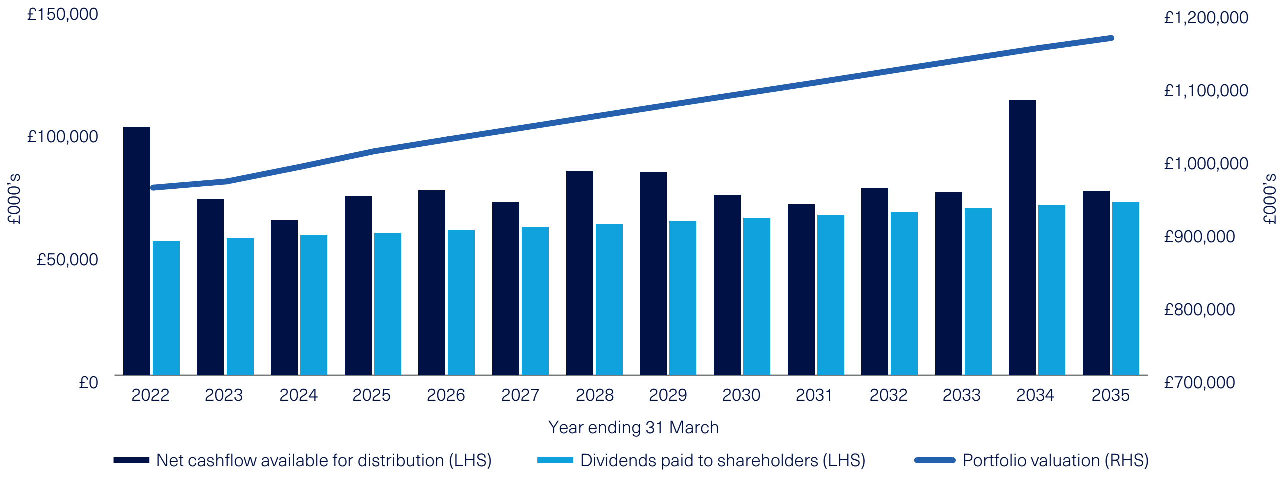
In June 2021, the Company paid a fourth quarterly interim dividend of 1.375 pence per share in respect of the year ended 31 March 2021. This brought the aggregate dividends paid to 5.5 pence per share for the year ended 31 March 2021.

A first quarterly interim dividend of 1.405 pence per share in respect of the year ending 31 March 2021 was paid in September 2021. After the end of the period, in November 2021 the Company declared a second quarterly interim dividend of 1.405p per share in respect of the year ending 31 March 2021. The Company remains on track to deliver the target aggregate dividend of 5.62p per share for the year ending March 2022.

Long term cash flow visibility

The chart[13] below illustrates the projected cash flows of the underlying portfolio and how the portfolio valuation may be expected to evolve over time. This is based on the Investment Manager's projections used for the 30 September 2021 valuation and represents a target but is not a profit forecast. It is this type of projection that the Directors review and discuss with the Investment Manager when declaring a dividend to shareholders and in setting target dividend guidance.

The key assumptions of the chart above include 1) an initial portfolio value of c. £950 million at March 2022 based on



[17] Consisting of debt in Primary Energy (£160 million), ,Red Rochester (£60 million), Värtan Gas (£58 million), Onyx (£51 million) and Citi Riverdale (£2 million)

[13] Note: The chart above is for illustrative purposes only, assuming a 14 year weighted average portfolio term and does not represent a forecast. There can be no assurance that these cash flows will be met. The hypothetical cash flows do not take into account any unforeseen costs, expenses or other factors which may affect the portfolio assets and therefore the impact on the cash flows to the Company. As such, the graph above should not, in any way, be construed as forecasting the actual cash flows or actual returns from the portfolio

the assumptions used for the September 2021 valuation and no further equity issued, 2) excess distributable cashflows, including proceeds from Värtan Gas refinancing in FY 2022, assumed to be re-invested at return of 7.5% p.a. plus modest structural gearing projected to enhance capital value over time, 3) no additional operational upsides, economies, efficiencies, downsides or unbudgeted costs and 4) target dividend of 5.62p for year to March 2022 and progressive dividend growth thereafter.

Principal risks and uncertainties

The principal risks and uncertainties faced by the Company remain largely unchanged from those described in the March 2021 Annual Report and the September 2021 Prospectus, including the mitigants identified by the Company and the Investment Manager. No new key risks have been identified during the period or because of investment activity after the period. The Investment Manager remains alert to the uncertainties created by the Covid-19 pandemic, volatility in global financial and energy markets, geopolitical events and macroeconomic issues such as inflation.

The Company and the Investment Manager consider these risks on a regular basis and detailed reviews are held to consider the risks and mitigants available to the Company, including assessment such as the review of stress testing that considers the potential impact on the Company and its ability to achieve its investment objective.

Although some risks may be faced directly by the Company, most of the risks are faced indirectly through the investments held by Holdco. The Investment Manager's risk assessments therefore review the impact at the underlying investment level and thereafter assess the impact this may have on the stated objective of the Company. These assessments are both quantitative and qualitative and may for example include financial performance risk, reputational risk, climate risk and market risk.

The key risks are summarised below.

Counterparty credit risk

The key credit risks arising within the portfolio relate to applicable off-take counterparties. There are no specific material credit events or impairments to highlight in this respect for the period and there have been no significant events or impairments since the Company's IPO in December 2018.

The Investment Manager monitors the credit standing of its key counterparties closely and credit analysis forms an important part of its decision making. When making a new investment, counterparty credit quality and the credit standing of the asset that energy services are being delivered to are key considerations. As a practical example of the approach to assessing counterparty credit, a combination of these factors featured in the decision to increase the Company's stake in Primary Energy given the improved performance of both the steel industry in the United States and the specific clients that Primary Energy is supplying.

Global macroeconomic risks

It is anticipated that as national governments look to fund economic recovery and recovery packages because of the impact of the COVID-19 pandemic, corporate and other taxes may be subject to significant increases in the short to medium term which may affect the income generated from investments in the future which will adversely affect the overall portfolio valuation.

Rising corporation tax rates in the UK does not affect the current portfolio due to sufficient availability of group relief provisions that allows taxable profits to be offset by taxable losses. The Investment Manager notes the recent announcements by a large selection of governments to support a minimum global tax rate as well as a pending announcement on a potential increase in federal tax rates in the USA which has the potential to have a material adverse effect on future cash flows in underlying investments. It is however too early to estimate the ultimate impact. The sensitivities in Section 2.5 provide further information on the exposure to corporation tax rates.

Whilst the impact on the Company's financial performance of rising interest rates cannot be universally quantified at this stage, the Investment Manager is evaluating the possible changes and assessing methods to mitigate any downside risk that may emerge. To date this has not impacted the Company.

The Company's investment portfolio has some exposure to changes in inflation rates (see Section 2.5 for sensitivity analysis). Over the course of the last approximately 12 months, the Investment Manager has made investments that has increased the portfolio's correlation to long-term inflation, such that as at 30 September 2021, approximately 50% of the portfolio by value has revenues that are partly or wholly correlated with inflation.

2.2 Activity in the Period
continued

Operational risk

Operational risk inevitably varies by investment, but risks will inherently tend to be higher within development/ construction projects, than with stable operating assets, which benefit from established operation and maintenance regimes, high levels of automation and contingency plans and procedures.

To date there have been no material issues affecting the supply chain because of the impact of Brexit or the Covid-19 pandemic that have adversely affected the value of the Company's portfolio. Nonetheless, it is evident that some supply chain related delays and construction cost increases have occurred during the period and may continue. The Investment Manager monitors the risk of financial loss arising from operational disruption on a regular basis and works closely with management teams at investment level to ensure that contingency plans are in place to avoid material disruptions and to protect the value of the Company's investments, particularly where there is exposure to development or construction phase investments.

Environmental, Social and Governance (''ESG'')

The Company published its second ESG report in November 2021. The ESG Report is available on the Company's website at https://www.seeitplc.com/esg/.

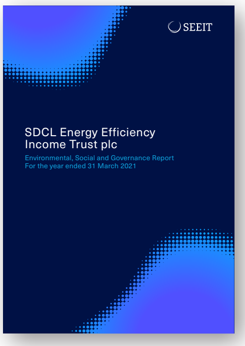
The Investment Manager continues to invest in developing and improving the systems and processes to ensure compliance and leadership in ESG at Company and portfolio level.

In particular, the Company has begun to implement the disclosure recommendations of the Task Force on Climate-related Financial Disclosures ("TCFD") established by the Financial Stability Board with the expectation that all TCFD recommendations will be fully implemented in due course, including the incorporation of more detailed physical risk assessments across the portfolio to develop further climate related scenario analysis.

The Investment Manager's asset management team, with support from the ESG team, is updating reporting tools and databases in order to further develop ESG actions plans for the individual assets to ensure continuous improvement of ESG practices. This is expected to be rolled out during 2022.

Although the Sustainable Financial Disclosure Regulation (SFDR), an EU regulation, does not apply directly to SEEIT, the Investment Manager recognises that its EU shareholders will need to have regards to SFDR requirements. An effect of the regulation is that fund managers have disclosure obligations related to whether a fund has 'environmental or social characteristics' that are subject to Article 8, referred to as 'light green', or sustainable investment objectives that are subject to Article 9, referred to as 'deep green'. The Investment Manager has confirmed that the Company meets the requirements of an Article 9 fund and will incorporate the disclosure requirements of SFDR accordingly.

The Investment Manager has continued to advocate for energy in the context of climate change mitigation, the energy transition and a greener and more productive economy. For example, the Investment Manager was represented at the 26th United Nations Conference of the Parties ("COP") held in the UK in November 2021 and emphasised the role that energy efficiency can play in decarbonisation, where it represents more than 40% of the answer to stated climate and carbon emission reduction targets. During COP26, the Investment Manager brought together elected and appointed representatives from the United States, Scottish and European regional governments for a day-long side event for cities, states, and regions on solutions around heating and cooling, water, buildings and energy, transportation, environmental justice, and just transition. Also, at COP26, the Investment Manager announced its commitment to the Glasgow Financial Alliance for Net Zero (GFANZ), a global coalition for leading financial institutions representing some 40% of global financial assets – equivalent to approximately US$130 trillion – which aligns them to accelerate the transition to a net zero carbon economy.



2.3 Investment Portfolio

Project	Phase	Customer	Industry	Technology	Overview
Ireland					
Tallaght Hospital	Construction	Tallaght Hospital	Healthcare: Hospital	CHP, HVAC, BMS and other EE solutions	Energy efficient measures for one of Ireland's largest hospitals, resulting in more efficient generation of power on site as well as overall reduction in consumption of power on-site
Spain					
Oliva Spanish Cogeneration (includes nine projects)	Operational	Spanish energy market and olive processing plants	Industrial: Food production	CHP, biomass and olive processing plants	On site and efficient generation of heat and power to support the process of recycling waste from olive oil production for energy production as well as secondary olive oil products
Sweden					
Värtan Gas (consisting of Gasnätet and Stockholm Gas)	Operational	54,000+ customers	Utility: Biogas and natural gas supply	Biogas and natural gas pipeline	Gas supply and distribution to buildings across Stockholm, with high levels of system efficiency
United States					
Onyx (includes five projects)	Operational, construction and development pipeline	70+ off takers across 200+ assets	Public and private sector	Solar and energy storage	Onsite solar and battery energy storage providing efficient renewable power for public and private sector customers
Primary Energy (includes five projects)	Operational	Cleveland-Cliffs and US Steel	Industrial: Steel production	CHP, Steam turbines, and pulverized coal injection plant	Recycling of waste gases from steel processing as well as other fuel sources to produce onsite energy to the customer sites which is more efficient and cleaner than the grid
Spark US Energy Efficiency I	Operational, construction and development pipeline	Various	Commercial: Various	Lighting and energy efficiency measures	Multi technology energy efficiency measures in buildings for small and medium-sized companies, resulting in decrease in consumption of energy on site
Spark US Energy Efficiency II	Operational, construction and development pipeline	Various	Commercial: Various	Lighting and energy efficiency measures	Multi technology energy efficiency measures in buildings for small and medium-sized companies, resulting in decrease in consumption of energy on site
RED Rochester	Operational	100+ companies	Industrial: various	Multiple energy and utility services	Onsite and efficient power and heat generation and distribution, as well as energy, water and waste management for industrial and commercial companies located within a large commercial and industrial business park
Biotown	Operational and expansion construction	NIPSCO, a public utility	Utility: Biogas and green gas supply	Biogas fired energy generation	Conversion of agricultural and food waste into biogas for energy generation and green gas supply
Northeastern US CHP	Operational	Various (8)	Commercial: Various	CHP	Onsite and efficient generation of power and heat for the public and private sector customers
United Kingdom					
Moy Park Biomass	Operational	Moy Park	Industrial: Food Production	Biomass boilers	On site and efficient generation of renewable heat
Santander UK Lighting	Operational	Santander plc	Commercial: Banking	Lighting and energy efficiency measures	Energy efficient measures for buildings including more efficient lighting, resulting in decrease in consumption of energy across the customer's site
Huntsman Energy Centre	Construction	Huntsman	Industrial: Polyurethane manufacture	Steam raising boilers	Recycling and reduction of waste gases from chemical manufacturing to produce onsite and efficient energy to the site

2.3 Investment Portfolio
continued

Project	Phase	Customer	Industry	Technology	Overview
United Kingdom					
Citi Riverdale CCHP	Operational	Citigroup	Data centres: Banking	Combined Cooling, Heat and Power (CCHP)	Onsite and efficient combined cooling and power for a data centre
Moy Park Lighting	Operational	Moy Park	Industrial: Food Production	LED lighting	Efficient lighting, resulting in decrease in consumption of energy across the customer's estate
GET Solutions	Operational	Holiday Inn and Crowne Plaza hotels	Travel: Hotels	CHP	Onsite and efficient generation of heat and power
St Barts CCHP	Operational	St Bartholomew's Hospital	Healthcare: Hospital	Combined Cooling, Heat and Power (CCHP)	Onsite and efficient power, heating and cooling for England's oldest hospital
Supermarket Solar UK	Operational, construction and development	Tesco plc	Commercial: Retail	Rooftop solar	Onsite solar projects providing efficient renewable power to the customer's sites
EVN	Construction	Charge point operators (e.g. BP Chargemaster, Gridserve, ESB Energy)	EV Infrastructure	Electric vehicle charging stations	Rapid and ultra-fast EV charging stations, providing enhanced system efficiency compared to petrol or diesel
Kingspan Holywell Solutions	Operational	Kingspan	Industrial: Manufacturing	Lighting and energy efficiency measures	Energy efficient measures for building materials manufacturing site, resulting in decrease in consumption of energy on the customer site
SmartEnergy	Operational	Various	Industrial: Various	CHP, HVAC, BMS and other EE solutions	Energy efficient measures for small and medium-sized businesses, resulting in a decrease in consumption of energy on customer sites
Singapore					
SEEIPL (includes three projects)	Operational	Various	Industrial: Various	Chillers and compressors	Energy efficient chillers and compressors, resulting in decrease in consumption of energy on customer sites
Lycra	Construction	The LYCRA Company	Industrial: Manufacturing	Chillers	Energy efficient chillers, resulting in decrease in consumption of energy on customer sites
SOGA (located in Vietnam)	Operational	Various	Industrial: Manufacturing	Rooftop solar	Onsite solar projects providing efficient renewable power to the customer sites

Projects acquired after 30 September 2021

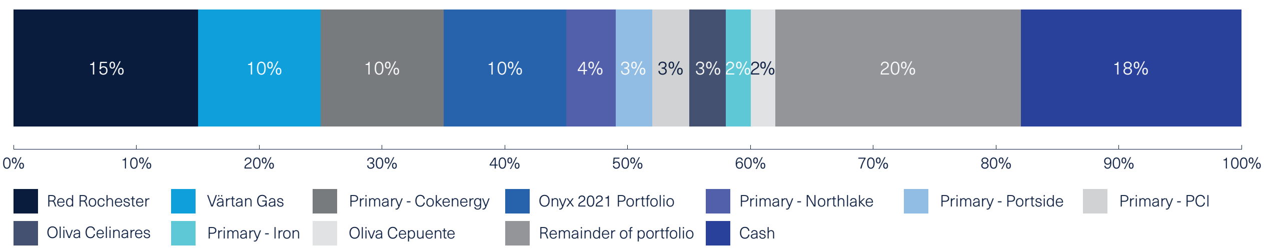
Project	Phase	Customer	Industry	Technology	Overview
United States					
SLI	Construction	Sustainable Living Innovations	Residential	Direct energy efficiency systems, solar and control systems	Direct energy efficiency systems, solar and control systems in the building, which collectively support the Net Zero Energy designation of 303 Battery Street building in Seattle, US
FES Lighting	Operational, development pipeline	Various	Commercial: Various	Lighting	Energy efficiency though lighting retrofits for a range of mainly small and medium sized companies, resulting in decrease in energy consumption on site

Portfolio diversification

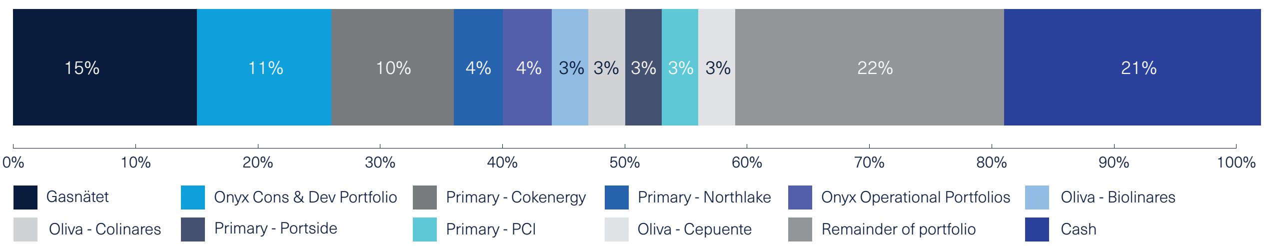
The information presented below summarises the portfolio of the Company across different metrics. The portfolio is based on the gross asset value basis as at 30 September 2021 (and 31 March 2021 for comparison) and includes the Portfolio Valuation and cash at each relevant date.

Portfolio diversification by project

As at 30 September 2021

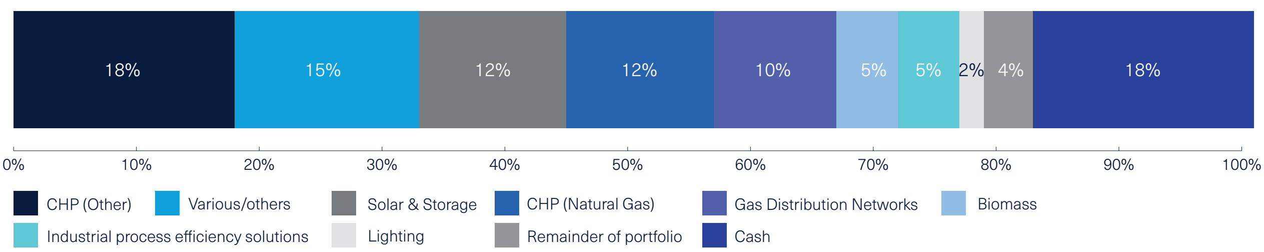


As at 31 March 2021

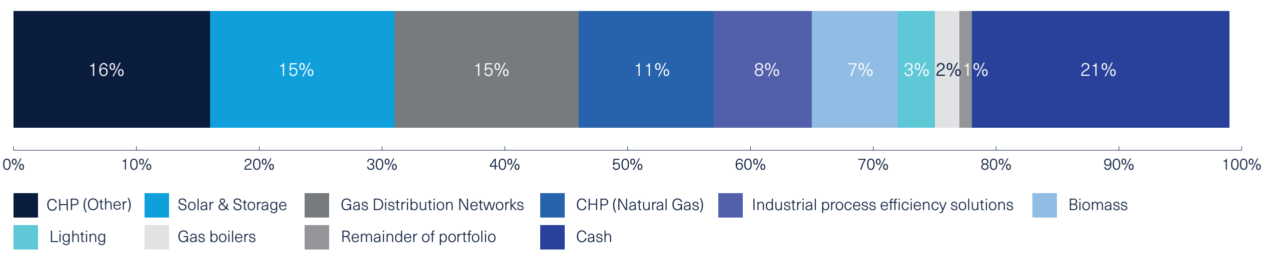


Portfolio diversification by technology

As at 30 September 2021



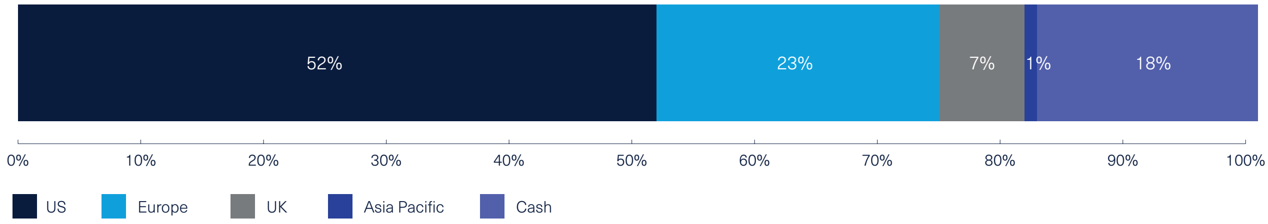
As at 31 March 2021



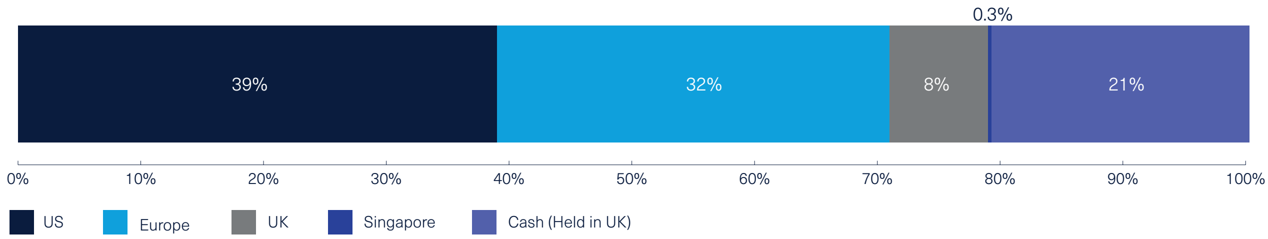
2.3 Investment Portfolio
continued

Portfolio diversification by geography

As at 30 September 2021

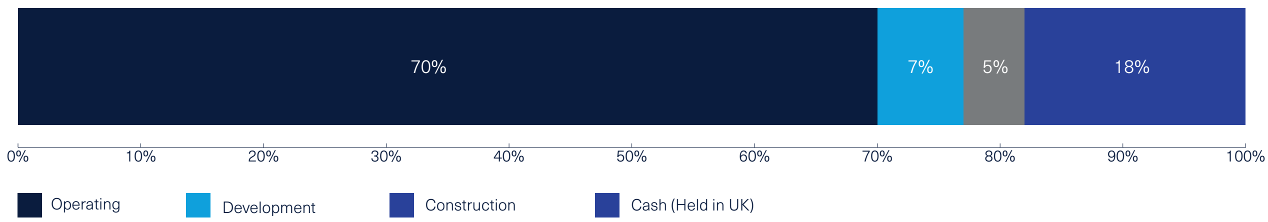


As at 31 March 2021

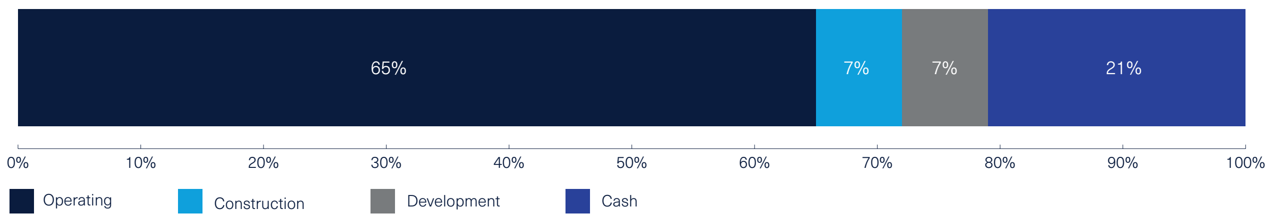


Portfolio diversification by investment stage

As at 30 September 2021



As at 31 March 2021



2.4 Financial Review

Financial information

As described in detail in the March 2021 Annual Report, the Company carries investments at fair value as it meets the conditions of being an Investment Entity in accordance with IFRS 10. As the Company has assessed new investments during the period and continued to meet the conditions, this report is prepared on a consistent basis to previous whereby the IFRS 10 Investment Entity exemption is applied to the financial statements.

To provide shareholders with more transparency into the Company's capacity for investment, ability to make distributions, operating costs and gearing levels, results have been reported in the pro forma tables below on a non-statutory "Portfolio Basis", as it has been done in previous years, to include the impact if SEEIT Holdco Limited ("Holdco") were to be consolidated by the Company on a line-by-line basis.

The Directors consider the non-statutory Portfolio Basis to be a more helpful basis for users of the accounts to understand the performance and position of the Company. This is because key balances such as cash and debt balances carried in Holdco and all expenses incurred in Holdco, including debt financing costs, are shown in full rather than being netted off.

The impact of including Holdco is shown in the Holdco reallocation column in the Income Statement and Balance Sheet which reconciles back to the statutory financial statements ("IFRS") and constitutes a reallocation between line items rather than affecting NAV and Earnings. In the Cash Flow statement the Holdco reallocation column simply represents the net difference between the Portfolio Basis and IFRS for movements that may occur only in Holdco or only in the Company.

NAV per share and Earnings per share are the same under the Portfolio Basis and the IFRS basis.

Summary Financial Statements

Portfolio Basis Summary Income Statement

	6 Month period to 30 September 2021			6 Month period to 30 September 2020		
£'000	Portfolio Basis	Holdco reallocation	IFRS (Company)	Portfolio Basis	Holdco reallocation	IFRS (Company)
Total income	28,673	(1,645)	27,028	20,413	(1,054)	19,359
Expenses & Finance Costs	(5,624)	1,645	(3,979)	(3,242)	1,054	(2,188)
Profit/(loss) before Tax	**23,049**	**–**	**23,049**	**17,171**	**–**	**17,171**
Earnings	**23,049**	**–**	**23,049**	**17,171**	**–**	**17,171**
Earnings per share (pence)	**3.3**	**–**	**3.3**	**4.6**	**–**	**4.6**

On the Portfolio Basis, Total Income of £28,673k (September 2020: £20,413k) represents the return from the portfolio recognised as income comprising dividends, interest, foreign exchange movements and valuation movements. Further detail on the valuation movements is given in Section 2.5.

The increase in Total Income in the six months to 30 September 2021 as compared to the six months to 30 September 2020 reflects the increase in the size of the portfolio and therefore the absolute returns generated from the underlying portfolio of investments.

On an IFRS basis, both Total Income and Expenses & Finance Costs are lower than on the Portfolio Basis, as costs incurred by the Holdco are netted off against Total Income under IFRS. On an IFRS basis total income of £27,028k (September 2020: £19,359k) comprises income received by the Company and valuation movements in its investment.

On a Portfolio Basis Profit before tax of £23,049k (September 2020: £17,171k) included net foreign exchange losses incurred by Holdco of £155k (September 2020: £675k gain) comprising a £17,015k loss on hedging offset by gains of £16,860k on revaluing of non-GBP investments at 30 September 2021. See Foreign Exchange Hedging section below.

2.4 Financial Review
continued

Total fees accruing to the Investment Manager were £3,168k (September 2020: £1,550k) for the period, comprising the 0.9% p.a. management fee for net assets up to £750 million and 0.8% p.a. for assets exceeding £750 million.

In the period, the Company and Holdco incurred £150k (September 2020: £375k) of acquisition costs on unsuccessful bids and bids in progress (mainly legal, technical and tax due diligence).

Neither the Investment Manager nor any of its affiliates receives other fees from the Company's portfolio of investments.

On both the Portfolio Basis and IFRS basis, Earnings were up 34% to £23,049k (September 2020: £17,171k) and Earnings per share were 3.3p (September 2020: 4.6p), covering the 2.81p dividends declared for this period. The prior year was higher mainly due to timing of capital raises, the prior year had a comparatively and proportionally lower capital base (average shares in issue) which resulted in a higher earnings per share.

Portfolio Basis Balance Sheet

	30 September 2021			31 March 2021		
£'000	Portfolio Basis	Holdco reallocation	IFRS (Company)	Portfolio Basis	Holdco reallocation	IFRS (Company)
Investments at fair value	785,034	15,605	800,639	552,672	19,902	572,574
Working capital	(7,399)	6,641	(758)	14,933	(15,761)	(828)
Debt	–	–	–	–	–	–
Net cash	165,961	(22,246)	143,715	126,200	(4,141)	122,059
Net assets attributable to Ordinary Shares	**943,596**	**–**	**943,596**	**693,805**	**–**	**693,805**
NAV per share (pence)	**104.5**	**–**	**104.5**	**102.5**	**–**	**102.5**

On a Portfolio Basis, Investments at fair value are £785,034k (March 2021: £552,672k), representing the Portfolio Valuation. Further detail on the movement in Investments at fair value is given in Section 2.5.

On a Portfolio Basis, net cash at 30 September 2021 was £165,961k (March 2021: £126,200k); mainly reflecting cash from equity capital raised net of cash used for investments and the repayment in full of the outstanding amounts under the RCF. The RCF of c. £70 million was repaid before the end of the period and no debt was outstanding under the RCF as at 30 September 2021.

An analysis of net cash movement is shown in the cash flow analysis below.

On an IFRS basis, Investments at fair value were £800,639k (March 2021: £572,574k), reflecting the Portfolio Basis Investments at fair value, cash held by Holdco and working capital in Holdco.

Net assets grew by £249,791k in the period. The Company raised £245,565k after share issue costs during the period and generated earnings of £23,049k in the period. Dividends paid in the period total £18,823k.

NAV per share was 104.5p (March 2021: 102.5p). NAV per share has increased by 2.0p since 31 March 2021, reflecting the earnings per share in the period of 3.3p and the NAV accretive share issue of 1.4p in September 2021 less the aggregate 2.78p interim dividends per share paid in June 2021 and September 2021.

Portfolio Basis Cash Flow Statement

£'000	30 September 2021 Portfolio Basis	30 September 2021 Holdco	30 September 2021 IFRS (Company)	30 September 2020 Portfolio Basis	30 September 2020 Holdco	30 September 2020 IFRS (Company)
Cash from investments	27,167	(3,666)	23,501	22,729	(5,469)	17,260
Operating and finance costs outflow	(4,899)	627	(4,272)	(2,752)	721	(2,031)
Net cash inflow before capital movements	**22,268**	**(3,039)**	**19,229**	**19,977**	**(4,748)**	**15,229**
Cost of new investments including acquisition costs	(212,958)	(11,582)	(224,540)	(2,349)	(63,154)	(65,503)
Share capital raised net of costs	245,790	–	245,790	107,500	–	107,500
Movement in borrowings	–	–	–	(64,490)	64,490	–
Movement in capitalised debt costs and FX hedging	3,484	(3,484)	–	(99)	1,719	1,620
Dividends paid	(18,823)	–	(18,823)	(13,869)	–	(13,869)
Movement in the period	39,761	(18,105)	21,656	46,669	(1,693)	44,977
Net cash at start of the period	126,200	(4,141)	122,059	70,763	(2,584)	68,179
Net cash at end of the period	**165,961**	**(22,246)**	**143,715**	**117,432**	**(4,277)**	**113,156**

Cash inflows from the portfolio on a Portfolio Basis were £27,167k (September 2020: £22,729), in line with expectations. The increase in cash inflows period on period reflects the increase in the size of portfolio.

The cost of new investments by the SEEIT group on a Portfolio Basis was £212,958k (September 2020: £2,349k), reflecting cash investments during the period inclusive of transaction costs. £154 million was invested in new investments of RED-Rochester (c. £139 million), Bio Town (c. £11 million of the total commitment of c. £22 million), SOGA of c. £2.4 million and Tallaght Hospital (c. £1.2 million of the total commitment of c. £6 million).

In addition, during the period a further £55 million was invested as follow-on in existing investments, including in the construction portfolio of Onyx (c. £8 million), Primary Energy portfolio of c. £34 million, EVN of c. £8 million and Spark US Energy Efficiency II of c. £4.5 million.

On an IFRS basis, cost of new investment of £224,540k (September 2020: £65,503k) reflect funding extended by the Company to Holdco in the period for the repayment of drawings under the RCF and for the initial investment into Tallaght Hospital in Ireland, RED-Rochester and Biotown in USA and Lycra in Singapore, plus further investment into Onyx, Primary Energy and EVN. On a Portfolio Basis, costs of new investments of £212,958k (September 2020: £2,349k) reflects funding for the new investments and acquisition costs by Holdco into the underlying investment portfolio, using a combination of the funding provided by the Company and the RCF.

Net cash flow before capital movements in the year on a Portfolio Basis was £22,268k (September 2020: £19,977k) and covers dividends paid of £18,823k in the period (2020: 13,869k) by 1.2 times.

Dividends paid in the period of £18,823k was the fourth quarterly interim dividend payment in respect of the year ended 31 March 2021 of £9,310k and a first quarterly interim dividend for the year ending 31 March 2022 of £9,513k.

2.4 Financial Review
continued

Share capital raised (net of costs) totalled £245,789k (September 2020: £107,500k) reflecting the net proceeds of the 226,244k shares issued at 110.5 pence per share in September 2021 under the share issuance programme.

Hedging and debt arrangement for the Company is undertaken by Holdco and therefore the Company had no cash flows for this on an IFRS basis. Holdco enters into forward sales to hedge foreign exchange exposure in line with the Company's hedging policy set out below (see 'Foreign Exchange Hedging' below). On a Portfolio Basis, there was a net cash inflow of £4,692k on foreign exchange hedging and capitalised debt costs in the period.

Ongoing Charges

Ongoing charges, in accordance with AIC guidance, are defined as annualised ongoing charges (i.e. excluding acquisition costs and other non-recurring items) divided by the average published undiluted net asset value in the period (i.e. average of opening and closing net asset value in the period). On this basis the Ongoing Charges ratio is 0.99% (March 2021: 1.13%) on an annualised basis. The Ongoing Charges percentage has been calculated on the Portfolio Basis to take into consideration the expenses of the Company and Holdco.

As expected, the Ongoing Charges ratio has reduced year on year, benefitting from the growth in the net assets meaning the fixed (ongoing) costs of the Company is spread across a larger base.

Group Drawings and Gearing Levels

The revolving credit facility ("RCF") was renewed and increased over two phases in June 2021 and August 2021 to a new total available amount of £145 million with a further £55 million available through an uncommitted accordion. The new expiry date of the facility is 30 June 2024 and extension options up to a further two years are available.

At the end of the period no RCF has been drawn and £145 million is available to meet future pipeline requirements.

The Investment Manager periodically considers refinancing options aligned to the pipeline of potential transactions and in the interest of efficient capital management and foreign exchange hedging.

Foreign Exchange Hedging

The Company applies foreign exchange hedging through currency hedges entered into by Holdco. The objective of the Company's hedging strategy is to protect the value of both near-term income and capital elements of the portfolio from a material impact on NAV arising from movements in foreign exchange rates, and to provide stability and predictability of Sterling cash flows.

This is achieved on an income basis by hedging forecast investment income from non-Sterling investments for up to 24 months through foreign exchange forward sales. On a capital basis, this is achieved by hedging a significant portion of the portfolio value through rolling foreign exchange forward sales. The Investment Manager also seeks to utilise corporate debt facilities in the local currency to reduce foreign exchange exposure.

As part of the Company's hedging strategy the Investment Manager will regularly review non-Sterling exposure in the portfolio and adjust the levels of hedging accordingly and in doing so will also consider the cost benefit of hedging activity.

Net foreign exchange losses in the period ended 30 September 2021 of £155k had a negligible impact on the NAV and reflects the net effect of an increase in portfolio value through the strengthening of Sterling over the period, offset by hedging losses.

Going concern

In the period to 30 September 2021 and up to the date of this report, the outbreak of the COVID-19 pandemic has slowed down somewhat compared to a year ago. However, the pandemic still has a negative impact on the global economy and therefore the uncertainties and additional risks for the Company raised in prior periods remain under review. The Directors of the Company and the Investment Manager continue to follow government guidelines in relation to the COVID-19 pandemic in all the jurisdictions where its investments operate to ensure best practices are followed. There has not been a material impact to the Company, to its investment in Holdco and to its indirect subsidiaries to carry out its operations and receive the expected return from its investments, therefore the Directors are confident that there should not be a material financial impact on the performance of the Company in the future if subsequent lockdowns or similar restrictions are introduced. The Directors do not believe there is a significant risk to the Company from the COVID-19 pandemic but along with the Investment Manager, continues to monitor the portfolio for material impact from the COVID-19 pandemic.

The Company, through its investment in Holdco, benefits from a portfolio of investments that have a range of long-term contracts with a diversified set of counterparties across multiple sectors and jurisdictions. A key risk facing the Company is that counterparties to the investments may not be able to make their contractual payments. The Company has prepared, and the Directors have reviewed a cash flow forecast covering the minimum period of twelve months from the date of approval of this report, taking into consideration potential changes in investment and trading performance and applying a 10% reduction in revenues to test the resilience of cash flows in the near term. The forecast demonstrates an expectation to continue to generate positive cash flows for the foreseeable future that as a minimum will meet liabilities as they fall due. The Directors reviewed a severe but plausible downside scenario where the Company would not receive any further income from its investment for the next 12 months from signing of the financial statements and taking into account all committed payments for running the Company, the Company would have sufficient cash reserves to continue as a going concern. As at 30 September 2021, the Company's net current assets were £143m, including cash balances of £144 million. Further amounts of cash are held by the Company's direct and indirect subsidiaries, which are sufficient to meet current obligations as they fall due. The major cash outflows of the Company are the payment of dividends and payments relating to the investment in new assets, both which are discretionary.

The Company's single subsidiary, Holdco, has a RCF that has adequate headroom in its covenants that have been tested for historic and forward interest cover and loan to value limits. As at 30 September 2021, the facility was undrawn and £145m is available to meet future working capital and pipeline requirements. The Company is a guarantor to the RCF (see Note 13) but has no other guarantees or commitments.

The Directors are satisfied that the Company has sufficient resources to continue in operation for the foreseeable future, a period of not less than 12 months from the date of approval of the interim financial statements. The Directors have reviewed the Company's financial projections and cash flow forecasts, including the potential impact from COVID-19 and believe, based upon those projections and forecasts and various risk mitigation measures in place, that it is appropriate to prepare the financial statements on a going concern basis.

RED Rochester – power generation facility

2.5 Valuation of the Portfolio

Introduction

The Investment Manager is responsible for carrying out the fair market valuation of the SEEIT group's portfolio of investments (the "Portfolio Valuation") which is presented to the Directors for their consideration and approval. A valuation is carried out on a six-monthly basis, as at 31 March and 30 September each year. The Portfolio Valuation is the key component in determining the Company's NAV.

The Company has a single investment in a directly and wholly owned holding company (Holdco). It recognises this investment at fair value. To derive the fair value of Holdco, the Company determines the fair value of investments held directly or indirectly by Holdco and adjusted for any other assets and liabilities. The valuation methodology applied by Holdco to determine the fair value of its investments is described below.

For non-market traded investments (being all the investments in the current portfolio), the valuation is based on a discounted cash flow methodology and adjusted in accordance with the IPEV (International Private Equity and Venture Capital) valuation guidelines where appropriate to comply with IFRS 13 and IFRS 9, given the special nature of infrastructure investments. Certain investments may be held at cost if in the early part of a construction phase, however this will still be supported by a discounted cash flow analysis. For the 30 September 2021 valuation this is the case for investments in EVN, Biotown, Tallaght Hospital and Lycra. Where an investment is traded in an open market, a market quote is used.

The Investment Manager exercises its judgment in assessing the expected future cash flows from each investment based on the project's expected life and the financial models produced for each project company and adjusts the cash flows where necessary to take into account key external macroeconomic assumptions and specific operating assumptions.

The fair value for each investment is then derived from the application of an appropriate market discount rate (on an unlevered basis) to reflect the perceived risk to the investment's future cash flows and the relevant year-end foreign currency exchange rate to give the present value of those cash flows. Where relevant, project level debt balances are then netted off to arrive at the valuation for each asset. The discount rate takes into account risks associated with the financing of an investment such as investment risks (e.g. liquidity, currency risks, market appetite), any risks to the investment's earnings (e.g. predictability and covenant of the income) and a thorough assessment of counterparty credit risk, all of which may be differentiated by the phase of the investment.

The Investment Manager uses its judgement in arriving at the appropriate discount rate. This is based on its knowledge of the market, taking into account intelligence gained from its bidding activities, discussions with financial advisers in the appropriate market, and publicly available information on relevant transactions.

All the operational investments included in the valuation have an underlying contract for energy services. The valuation is based on the future expected cash flows derived from these contracts. For the September 2021 valuation the assumed future cash flows match the maturity of the underlying contract or regulatory life of the asset except in the case of four of the assets in Primary Energy and the assets in Oliva Spanish Cogeneration where it is assumed that future contract extensions are achieved and hence the expected cash flows are currently projected to extend beyond the maturity date of the existing contract with the counterparty.

The valuation methodology is unchanged from the Company's IPO and has been applied consistently in each subsequent valuation.

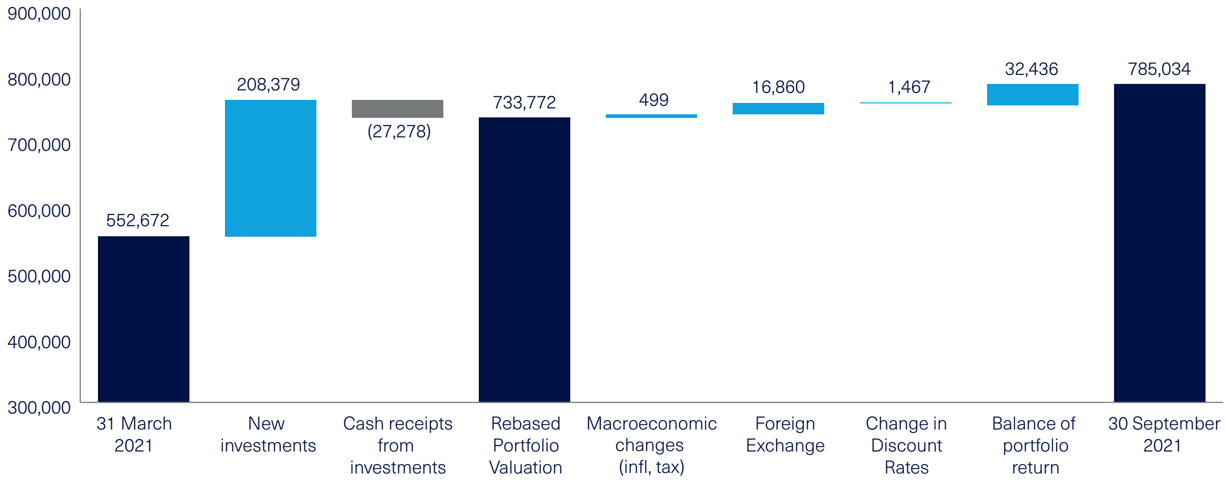
Portfolio Valuation

The Portfolio Valuation as at 30 September 2021 was £785,034k. This valuation compares to £552,672k as at 31 March 2021. A reconciliation between the Portfolio Valuation at 30 September 2021 and Investment at fair value shown in the financial statements is given in Note 10 to the Condensed Interim Financial Statements, the principal differences are as per the table below.

Balances at 30 September 2021	**£'000**
Portfolio Valuation held by SEEIT Holdco	£785,034k
Cash held by SEEIT Holdco	£22,246k
Debt held by SEEIT Holdco	–
Net working capital of SEEIT Holdco	(£6,641k)
Total Investments at Fair Value (per Balance Sheet)	**£800,639k**

Valuation Movements

A breakdown of the movement in the Portfolio Valuation in the period is illustrated in the chart and set out in the table below.



Valuation movement: 31 March 2021 to 30 September 2021	£'000	£'000
Valuation as at 31 March 2021		552,672
New investments	208,379	
Cash from investments	(27,278)	
Rebased valuation of portfolio		**733,772**
Changes in macroeconomic assumptions	499	
Foreign exchange movements	16,860	
Changes in discount rates	1,467	
Balance of portfolio return	32,436	
	51,262	
Valuation as at 30 September 2021		**785,034**

The Portfolio Valuation at 30 September 2021 was £785.0 million, an increase of 42% from the Portfolio Valuation of £552.7 million. After allowing for investments of £208.4 million and cash receipts from investments of £27.3 million, the rebased valuation is £733.8 million. An overall increase of £51,262k in the Portfolio Valuation was achieved above the rebased valuation – after adjusting for changes in macroeconomic assumptions, foreign exchange movements and changes in discount rates, this resulted in a portfolio return of £32,436k, equating to a 4.4% return in the period.

Additional investments of £208.4 million in the period includes both new investments as well as follow on investments into existing investments. See Section 2.2 for more details.

The portfolio delivered good cash flows in the period in line with expectations, contributing to the strong level of cash cover for the dividends paid in the period.

2.5 Valuation of the Portfolio
continued

Return from the Portfolio off the Rebased Valuation

Each movement between the rebased valuation of £733.8 million and the 30 September 2021 valuation of £785.0 million is considered in turn below:

(i) Changes in macroeconomic assumptions of £499k:

There was a small change to the near-term inflation assumption in Sweden, resulting in a £0.5 million increase in the Portfolio Valuation. There were no changes to corporation tax assumptions in this period.

(ii) Changes in foreign exchange rates of £16,860k:

The increase of £16.9 million in the period reflects the relative movement of Sterling against Euro, US Dollar, Singapore Dollar and Swedish Krona in the period. This reflects the movement in underlying investment values and is shown before the offsetting effect of foreign exchange hedging that is applied at Holdco level outside of the Portfolio Valuation which resulted in a loss of £17.0 million. Overall foreign exchange movements did not have a material impact on NAV in the period with a net loss from foreign exchange hedging and movement in the underlying portfolio investments of £0.1 million.

(iii) Changes in valuation discount rates of £1,467k:

The unlevered discount rate used for valuing each investment represents an assessment of the rate of return at which investments with similar risk profiles would trade on the open market. Each of the discount rates was reviewed again for the 30 September 2021 valuation to determine if they remain appropriate.

A reduction in discount rates was applied to reflect the successful completion of the short construction phase for GET Solutions. To reflect the additional value from the completion of project level debt refinancing of Värtan Gas at significantly improved terms, a small reduction was applied to the unlevered discount rate.

The weighted average Portfolio Valuation discount rate as at 30 September 2021 was 7.2% (March 2021: 7.0%) on an unlevered basis. Changes to individual investment discount rates as described above lowered the weighted average rate of the 31 March 2021 portfolio by about 0.05% before new investments with higher unlevered discount rates were made in the period, such that the weighted average Portfolio Valuation discount rate increased by 0.25% to 7.2%. The increase reflects partly the application of price discipline in acquiring new investments at attractive rates of return with potential for achieving upside and partly the higher discount rates expected for investments that currently have construction exposure. Supported by leverage at the underlying investment level, the total return of the portfolio of investments meets the Company's target returns.

The Investment Manager started to observe evidence of a tightening of discount rates for operational investments over the course of the period, which has notably continued after the period end. This has stemmed from a rise in appetite for energy efficiency infrastructure assets across the Company's key jurisdictions and an increase in pricing that the Investment Manager observed in competitive auction processes. This trend has not been reflected in the current Portfolio Valuation but should this market sentiment continue, the Investment Manager expects that further discount reductions across the portfolio of investments will be applied in the March 2022 Portfolio Valuation.

(iv) Balance of portfolio return of £32,436k:

This refers to the balance of valuation movements in the period (excluding (i) to (iii) above) and represents an increase of £32.4 million above the rebased valuation. The balance of portfolio return mostly reflects the net present value of the cash flows brought forward for the period at the 7.2% average portfolio discount rate which would ordinarily result in a return on the rebased valuation in the region of £26 million.

The more material additional valuation adjustments that have been included in the 30 September 2021 valuation are described below and account for the majority of the remaining portfolio aggregate net additional return of approx. £6 million:

- The remaining 35% stake in the Primary Energy portfolio of five assets was acquired in September 2021 at a price that was pre-determined in December 2020 when SEEIT increased its stake from 50% to 65%. The carrying value of the existing stake was higher than the consideration paid in September 2021 and therefore the Portfolio Valuation benefited from an uplift of more than £10 million to bring the newly acquired 35% stake in line with the valuation of the 65% stake.
- The investment in the nine Oliva Spanish Cogeneration projects has seen some sharp revenue movements linked to commodity pricing for electricity, oil and gas in addition to sharp rises in costs associated with the EU Emission Trading System (EU-ETS) in five of the nine projects. There is an element of natural hedging within the commodity exposure in that an increase in production of the underlying customers and related revenues from electricity sales are offset by an increase in natural

gas being used as the fuel supply. In addition, the RoRi regulatory regime provides mitigation for the long-term return that can be expected from the nine projects, although may not mitigate for near term impact on cash revenues. The overall adverse impact on the Portfolio Valuation of these market movements is c. £4 million.

- Other smaller movements included increases in the Portfolio Valuation from projected revenues from carbon emissions credits to be received by the Primary Energy portfolio of c. £2 million and savings projected to be delivered in the near term by the in-house gas procurement of Oliva Spanish Cogeneration portfolio of c. £2 million, offset by reductions in the Portfolio Valuation of c. £2 million caused by near term output in a project within Primary Energy being lower than previously projected and c. £2 million from medium term assumptions on sales of olive oil being lower than previously projected.

Impact of COVID-19 on the valuation

The COVID-19 pandemic has had far reaching effects on the global economy. The Investment Manager has considered this closely and whilst the portfolio is not immune from the impact of the COVID-19 pandemic, the overall impact on the financial performance and cash flow projections has not had a material impact on the valuation in this period, consistent with the prior year. All operational assets continued to provide essential services in essential industries throughout the period, as a result of this cash flows have remained as projected and the overall valuation has not experienced a material impact from the COVID-19 pandemic.

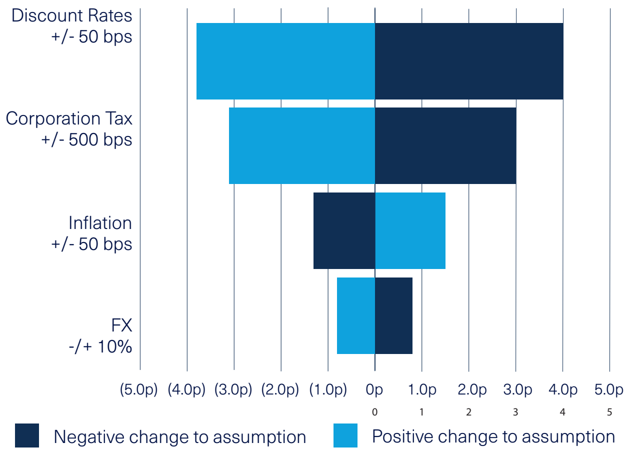
Valuation Assumptions

		30 September 2021	31 March 2021	30 September 2020
Inflation rates	UK (RPI)	2.75% p.a.	2.75% p.a.	2.75% p.a.
	UK (CPI)	2.00% p.a.	2.00% p.a.	2.00% p.a.
	Spain (CPI)	1.3% to 1.4% until 2023, 2.00% p.a. long-term	1.0% to 1.4% until 2023, 2.00% p.a. long-term	1.40% - 2.00% p.a.
	Sweden (CPI)	1.7% to 1.8% until 2023, 2.00% p.a. long-term	1.4% to 1.7% until 2023, 2.00% p.a. long-term	n/a
	Singapore (CPI)	2.00% p.a.	2.00% p.a.	n/a
	USA (CPI)	2.00% p.a.	2.00% p.a.	2.00% p.a.
Tax rates	UK	19% to 2023, 25% thereafter	19% to 2023, 25% thereafter	19%
	Spain	25%	25%	25%
	Sweden	20.6%	20.6%	n/a
	Singapore	17%	17%	n/a
	USA	21% Federal and 3-9% State rates	21% Federal and 3-9% State rates	21% Federal and 3-9% State rates
Foreign exchange rates	EUR/GBP	0.86	0.85	0.91
	SEK/GBP	0.08	0.08	n/a
	SGD/GBP	0.55	0.54	n/a
	USD/GBP	0.74	0.73	0.77

2.5 Valuation of the Portfolio
continued

Key Sensitivities

The following chart illustrates the sensitivity of SEEIT's NAV per share to changes in key valuation input assumptions (with the labels indicating the impact of the sensitivities on the NAV in pence per share):



For each of the sensitivities, it is assumed that potential changes occur independently of each other with no effect on any other base case assumption, and that the number of investments in the portfolio remains static throughout the modelled life. For the purpose of the sensitivities described below, the potential changes are applied as at 30 September 2021 and remain constant thereafter apart from inflation which is applied with compounding effect.

Discount rate sensitivity

The weighted average discount rate that is applied to each portfolio company's forecast cash flow, is the single most important judgement and variable for the purposes of valuing the portfolio.

A 0.5% increase in the discount rates would result in a NAV per share decrease of 3.7p based on the Portfolio Valuation as at 30 September 2021. A 0.5% decrease in the discount rates would result in a NAV per share increase of 4.0p based on the Portfolio Valuation as at 30 September 2021.

Corporation tax rate sensitivity

This sensitivity considers a 5% p.a. movement in corporation tax rates in each country where an investment is held – for the valuation as at 31 March 2021 this included UK, Spain, Sweden, Singapore and USA. The profits of each portfolio company are subject to corporation tax in the country where the project is located.

A 5% p.a. increase in corporation tax rates would result in a NAV per share reduction of 3.1p based on the Portfolio Valuation as at 30 September 2021. A 5% p.a. decrease in corporation tax rates would result in a NAV per share increase of 3.0p based on the Portfolio Valuation as at 30 September 2021.

The sensitivity is shown on the basis that corporation tax rates remain at the sensitised level for the remainder of any period in which cash flow is assumed for that project and that no mitigations that may be available are applied. Key mitigants available include portfolio structuring changes including gearing, and the option available to the Company to use interest streaming of dividends to shareholders in the future, whereby a portion of the dividend distribution is designated as interested, allowing net taxable interest income to be reduced.

The sensitivity mainly shows the unmitigated impact of changes in US, Swedish and Spanish tax rates. The exposure to UK corporation tax at project level has negligible sensitivity to the sensitised movements in UK corporation tax rates, including the impact of the expected future tax rises announced by the UK government, because of UK entities within the group being able to offset aggregate profits and losses.

Inflation rate sensitivity

This sensitivity considers a 0.5% p.a. movement in long-term inflation in the underlying investment cash flows.

A 0.5% p.a. increase in inflation rates would result in a NAV per share increase of 1.4p based on the Portfolio Valuation as at 30 September 2021. A 0.5% p.a. decrease in inflation rates would result in a NAV per share reduction of 1.3p based on the Portfolio Valuation as at 30 September 2021.

The Company's portfolio includes investments that benefit from fixed or escalating revenues that are not directly linked to inflation. This includes the assets in Primary Energy where periodic recontracting is assumed in the valuation. It is assumed that the renewed revenue contracts entered into in future years reset the revenues at such a level that it materially offsets increases to project level costs such as O&M that is materially inflation-linked. Within the portfolio of Oliva Spanish Cogeneration assets there is some natural offsetting or protection between revenues and costs for inflation increases and decreases. The assumption in the Värtan Gas project is that the regular renewals of customer contracts (typically annually) include inflationary increases to the tariffs charged, however it is also assumed that this would not result in the charges being above the regulatory cap and therefore the full inflationary increase is not passed on to the customer each time. In the current portfolio there are several assets with no or negligible exposure to inflation, notably the assets in the UK and the senior debt loan investments in Spark US Energy Efficiency I and II.

The Investment Manager aims to construct and maintain a portfolio that generates year-on-year revenue growth on a progressive basis. The Investment Manager does not aim to construct and maintain a portfolio of assets with direct inflation-linked returns, however it targets any potential portfolio downside inflation impact to be broadly offset through revenue growth over the medium to long-term. Should the long-term exposure increase adversely, the Investment Manager will consider implementing mitigant strategies that include, but are not limited to, hedging.

Foreign exchange rate sensitivity

This sensitivity considers a 10% movement in relevant non-GBP currencies, which in the case of the Portfolio Valuation at 30 September 2021 is US Dollar, Singapore Dollar, Swedish Krona and Euro, from the foreign exchange rates used at 30 September 2021 – the sensitivity is shown below pre and post mitigation from hedging.

This sensitivity is presented after considering the effect of hedging implemented by the Company. Using historical levels of hedging and the Company's hedging strategy as described in Section 2.4 as a guide, at an assumed level of 90% hedging, a 10% increase (strengthening of GBP) in foreign exchange rates would result in a NAV per share reduction of 0.8p and 10% decrease (weakening of GBP) in foreign exchange rates would result in a NAV per share increase of 0.8p.

Without any hedging, a 10% increase (strengthening of GBP) in foreign exchange rates would result in a NAV per share reduction of 7.8p based on the Portfolio Valuation as at 30 September 2021. A 10% decrease (weakening of GBP) in foreign exchange rates would result in a NAV per share increase of 8.1p based on the Portfolio Valuation as at 30 September 2021.

Please refer to Note 3 in the Notes to the Financial Statements for further detail.

3. Interim Financial Statements

3.1 Statement of Directors' Responsibilities

The Directors acknowledge responsibility for the interim results and confirm that to the best of their knowledge:

a) the condensed financial statements have been prepared in accordance with UK adopted International Accounting Standard 34 'Interim Financial Reporting' and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority;

b) the interim management report, included within the Chair's Interim Statement and Investment Manager's Report, includes a fair review of the information required by DTR 4.2.7R, being the significant events of the first half of the year and a description of principal risks and uncertainties for the remaining six months of the year; and

c) the condensed financial statements include a fair review of the material related party transactions and any material changes in the related party transactions described in the last annual report, as required by DTR 4.2.8R.

The Responsibility Statement has been approved on 10 December 2021 on behalf of the Board by:

Tony Roper
Chair

3.2 Independent Review Report

pwc

Independent review report to SDCL Energy Efficiency Income Trust Plc
Report on the condensed interim financial statements

Our conclusion

We have reviewed SDCL Energy Efficiency Income Trust Plc's condensed interim financial statements (the "interim financial statements") in the Interim Report of SDCL Energy Efficiency Income Trust Plc for the 6 month period ended 30 September 2021 (the "period").

Based on our review, nothing has come to our attention that causes us to believe that the interim financial statements are not prepared, in all material respects, in accordance with UK adopted International Accounting Standard 34, 'Interim Financial Reporting' and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority.

What we have reviewed

The interim financial statements comprise:

- the condensed statement of financial position as at 30 September 2021;
- the condensed statement of comprehensive income for the period then ended;
- the condensed statement of cash flows for the period then ended;
- the condensed statement of changes in shareholders' equity for the period then ended; and
- the explanatory notes to the interim financial statements.

The interim financial statements included in the Interim Report of SDCL Energy Efficiency Income Trust Plc have been prepared in accordance with UK adopted International Accounting Standard 34, 'Interim Financial Reporting' and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority.

Responsibilities for the interim financial statements and the review

Our responsibilities and those of the directors

The Interim Report, including the interim financial statements, is the responsibility of, and has been approved by the directors. The directors are responsible for preparing the Interim Report in accordance with the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority.

Our responsibility is to express a conclusion on the interim financial statements in the Interim Report based on our review. This report, including the conclusion, has been prepared for and only for the company for the purpose of complying with the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority and for no other purpose. We do not, in giving this conclusion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

What a review of interim financial statements involves

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Auditing Practices Board for use in the United Kingdom. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures.

A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We have read the other information contained in the Interim Report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the interim financial statements.

PricewaterhouseCoopers LLP
Chartered Accountants
Watford

10 December 2021

Condensed Statement of Comprehensive Income

For the six month period ended 30 September 2021

	Note	Six months ended 30 September 2021 (unaudited) £'000	Six months ended 30 September 2020 (unaudited) £'000
Investment income	4	27,028	19,359
Total operating income		27,028	19,359
Fund expenses	5	(3,979)	(2,188)
Profit for the period before tax		23,049	17,171
Tax	6	–	–
Profit and total comprehensive income for the period after tax		23,049	17,171
Attributable to:			
Equity holders of the Company		23,049	17,171
Earnings Per Ordinary Share (pence)	7	3.3	4.6

The accompanying Notes are an integral part of these condensed interim financial statements.

3.3 Financial Statements
continued

Condensed Statement of Financial Position

as at 30 September 2021

	Note	30 September 2021 (unaudited) £'000	31 March 2021 (audited) £'000
Non-current assets			
Investment at fair value through profit or loss	10	800,639	572,574
		800,639	572,574
Current assets			
Trade and other receivables		360	401
Cash and cash equivalents		143,715	122,059
		144,075	122,460
Current liabilities			
Trade and other payables		(1,118)	(1,229)
Net current assets		142,957	121,231
Net assets		943,596	693,805
Capital and reserves			
Share capital	11	9,033	6,771
Share premium	11	827,740	584,437
Other distributable reserves	11	39,342	58,165
Retained earnings		67,481	44,432
Total equity		943,596	693,805
Net assets per share (pence)		104.5	102.5

The accompanying Notes are an integral part of these condensed interim financial statements.

The condensed interim financial statements for the period ended 30 September 2021 of SDCL Energy Efficiency Income Trust plc, were approved and authorised for issue by the Board of Directors on 10 December 2021 and signed on its behalf by:

Helen Clarkson
Director

Tony Roper
Director

Company registered number: 11620959

Condensed Statement of Changes in Shareholders' Equity

For the six month period ended 30 September 2021

For the period ended 30 September 2021	Note	Share Capital (unaudited) £'000	Share Premium (unaudited) £'000	Other distributable reserves (unaudited) £'000	Retained earnings (unaudited) £'000	**Total (unaudited) £'000**
Balance at 1 April 2021		6,771	584,437	58,165	44,432	693,805
Shares issued	11	2,262	247,738	–	–	250,000
Share issue costs	11	–	(4,435)	–	–	(4,435)
Dividends paid	8	–	–	(18,823)	–	(18,823)
Profit and total comprehensive income for the period		–	–	–	23,049	23,049
Balance at 30 September 2021		9,033	827,740	39,342	67,481	943,596

For the year ended 31 March 2021	Note	Share Capital (audited) £'000	Share Premium (audited) £'000	Other distributable reserves (audited) £'000	Retained earnings (audited) £'000	Total (audited) £'000
Balance at 1 April 2020		3,204	219,721	88,578	12,027	323,530
Shares issued	11	3,567	371,433	–	–	375,000
Share issue costs	11	–	(6,717)	–	–	(6,717)
Dividends paid	8	–	–	(30,413)	–	(30,413)
Profit and total comprehensive income for the year		–	–	–	32,405	32,405
Balance at 31 March 2021		6,771	584,437	58,165	44,432	693,805

The accompanying Notes are an integral part of these condensed interim financial statements.

3.3 Financial Statements
continued

Condensed Statement of Cash Flows

For the six month period ended 30 September 2021

	Note	Six months ended 30 September 2021 (unaudited) £'000	Six months ended 30 September 2020 (unaudited) £'000
Cash flows from operating activities			
Operating profit for the period		23,049	17,171
Adjustments for:			
Gain on investment at fair value through profit or loss		(3,525)	(14,940)
Loan interest income		(2,747)	(892)
Operating cash flows before movements in working capital		16,777	1,339
Changes in working capital			
Decrease in trade and other receivables		45	1,149
(Decrease)/Increase in trade and other payables		(112)	118
Net cash generated from operating activities		16,710	2,606
Cash flows from investing activities			
Investment in subsidiary	10	(224,540)	(65,332)
Loan principal repayment received		–	13,021
Loan interest income received		2,744	892
Net cash used in investing activities		(221,796)	(51,419)
Cash flows from financing activities			
Proceeds from the issue of shares	11	250,000	110,000
Payment of share issue costs		(4,435)	(2,341)
Dividends paid	8	(18,823)	(13,869)
Net cash generated from financing activities		226,742	93,790
Net movement in cash and cash equivalents during the period		21,656	44,977
Cash and cash equivalents at the beginning of the period		122,059	68,179
Cash and cash equivalents at the end of the period		143,715	113,156

The accompanying Notes are an integral part of these condensed interim financial statements.

3.4 Notes to the Condensed Interim Financial Statements For the six month period ended 30 September 2021

1. General Information

The Company is incorporated in England and Wales under number 11620959 pursuant to the Companies Act 2006 and is domiciled in the United Kingdom. The Company's registered office and principal place of business is 6th Floor, 125 London Wall, London, EC2Y 5AS. The Company was incorporated on 12 October 2018 and is a Public Company and the ultimate controlling party of the group.

The Company's ordinary shares were first admitted to the premium segment of the UK Listing Authority's Official List and to trading on the Main Market of the London Stock Exchange under the ticker SEIT on 11 December 2018.

The Company's objective is to generate an attractive total return for investors comprising stable dividend income and capital preservation, with the opportunity for capital growth through the acquiring and realising of a diverse portfolio of energy efficiency infrastructure projects.

The Company currently makes its investments through its principal holding company and single subsidiary, SEEIT Holdco Limited ("Holdco"), and intermediate holding companies which are directly owned by the Holdco. The Company controls the investment policy of each of the Holdco and its intermediate holding companies in order to ensure that each will act in a manner consistent with the investment policy of the Company.

The Company has appointed Sustainable Development Capital LLP as its Investment Manager (the "Investment Manager") pursuant to the Investment Management Agreement dated 22 November 2018. The Investment Manager is registered in England and Wales under number OC330266 pursuant to the Companies Act 2006. The Investment Manager is regulated by the FCA, number 471124.

These condensed interim financial statements do not comprise statutory accounts within the meaning of section 434 of the Companies Act 2006. Statutory accounts for the year ended 31 March 2021 were approved by the Board of Directors on 24 June 2021 and delivered to the Registrar of Companies. The report of the auditors on those accounts was unqualified, did not contain an emphasis of matter paragraph and did not contain any statement under section 498 of the Companies Act 2006.

2. Significant Accounting Policies

Basis of accounting

On 31 December 2020, IFRS as adopted by the European Union at that date was brought into UK law and became UK-adopted International Accounting Standards, with future changes being subject to endorsement by the UK Endorsement Board. The Company transitioned to UK-adopted International Accounting Standards as a result. This change constitutes a change in accounting framework. However, there is no impact on recognition, measurement or disclosure in the period reported as a result of the change in framework.

These condensed interim financial statements for the half-year ended 30 September 2021 have been prepared in accordance with the UK-adopted International Accounting Standard 34, 'Interim Financial Reporting' and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority.

The interim report does not include all of the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the Annual Report for the year ended 31 March 2021, which has been prepared in accordance with both International Accounting Standards in conformity with the requirements of the Companies Act 2006 and International Financial Reporting Standards adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the European Union ("IFRS") and any public announcements made by the Company during the interim reporting period. The financial statements are prepared under the historical cost convention, except for certain investments and financial instruments measured at fair value through the Statement of Comprehensive Income.

The condensed interim financial information has been prepared on the same basis of the accounting policies, significant judgements, key assumptions & estimates and presentation and methods of computation as compared to the Company's annual financial statements for the year ended 31 March 2021 where they are described in detail.

The Company's financial performance does not suffer materially from seasonal fluctuations. The condensed interim financial statements are presented in pounds sterling because that is the currency of the primary economic environment in which the Company operates and is the Company's functional currency.

The condensed interim financial statements were approved by the Board of Directors on 10 December 2021 and have been reviewed by the Company's independent auditor but not audited.

IFRS 10 – Investment entity

IFRS 10 states that investment entities should measure all of their subsidiaries that are themselves investment entities at fair value. Being an investment entity, as detailed in the 31 March 2021 Annual Report, Holdco is measured at fair value as opposed to being consolidated on a line-by-line basis, meaning its cash, debt and working capital balances are included in the fair value of investments rather than the Company's assets and liabilities. There has been no event during the period or thereafter that has caused the Directors to change their judgement that the Company should apply the Investment Entity exemptions of IFRS 10, including from the review of recent investments made by Holdco.

Chief Operating Decision Maker

The Chief Operating Decision Maker ("CODM") being the Board of Directors, is of the opinion that the Company is engaged in a single segment of business, being investment in energy efficiency projects to generate investment returns whilst preserving capital. The financial information used by the CODM to manage the Company presents the business as a single segment.

3.4 Notes to the Condensed Interim Financial Statements continued

Significant changes

These condensed interim financial statements for the half-year reporting period ended 30 September 2021 disclose the events and transactions that are significant to the understanding of the changes in financial position and performance of the Company since the Company's annual financial statements for the year ended 31 March 2021. This includes the following:

- Payment of interim dividends (see Note 8)
- Changes in Investment at fair value through profit or loss (see Note 10)
- New investment in the Company's single subsidiary and investments announced by the Company during the period and after the period end (see Note 10 and Note 14)
- Issuing of new shares by the Company during the period and after the period end (see Note 11 and Note 14)

Going concern and COVID-19

In the period to 30 September 2021 and up to the date of this report, the outbreak of the COVID-19 pandemic has slowed down somewhat compared to a year ago. However the pandemic still has a negative impact on the global economy and therefore the uncertainties and additional risks for the Company raised in prior periods remain under review. The Directors of the Company and the Investment Manager continue to follow government guidelines in relation to the COVID-19 pandemic in all the jurisdictions where its investments operate to ensure best practices are followed. There has not been a material impact to the Company, to its investment in Holdco and to its indirect subsidiaries to carry out its operations and receive the expected return from its investments, therefore the Directors are confident that there should not be a material financial impact on the performance of the Company in the future if subsequent lockdowns or similar restrictions are introduced. The Directors do not believe there is a significant risk to the Company from COVID-19 pandemic but along with the Investment Manager, continues to monitor the portfolio for material impact from the COVID-19 pandemic.

The Company, through its investment in Holdco, benefits from a portfolio of investments that have a range of long-term contracts with a diversified set of counterparties across multiple sectors and jurisdictions. A key risk facing the Company is that counterparties to the investments may not be able to make their contractual payments. The Company has prepared and the Directors have reviewed a cash flow forecast covering the minimum period of twelve months from the date of approval of this report, taking into consideration potential changes in investment and trading performance and applying a 10% reduction in revenues to test the resilience of cash flows in the near term. The forecast demonstrates an expectation to continue to generate positive cash flows for the foreseeable future that as a minimum will meet liabilities as they fall due. The Directors reviewed a severe but plausible downside scenario where the Company would not receive any further income from its investment for the next 12 months from signing of the financial statements and taking into account all committed payments for running the Company, the Company would have sufficient cash reserves to continue as a going concern. As at 30 September 2021, the Company's net current assets were £143m, including cash balances of £144 million. Further amounts of cash are held by the Company's direct and indirect subsidiaries, which are sufficient to meet current obligations as they fall due. The major cash outflows of the Company are the payment of dividends and payments relating to the investment in new assets, both which are discretionary.

The Company's single subsidiary, Holdco, has a RCF that has adequate headroom in its covenants that have been tested for historic and forward interest cover and loan to value limits. As at 30 September 2021, the facility was undrawn and £145m is available to meet future working capital and pipeline requirements. The Company is a guarantor to the RCF (see Note 13) but has no other guarantees or commitments.

The Directors are satisfied that the Company has sufficient resources to continue in operation for the foreseeable future, a period of not less than 12 months from the date of approval of the interim financial statements. The Directors have reviewed the Company's financial projections and cash flow forecasts, including the potential impact from COVID-19 and believe, based upon those projections and forecasts and various risk mitigation measures in place, that it is appropriate to prepare the financial statements on a going concern basis.

Critical accounting estimates and judgements

The preparation of financial statements in accordance with IFRS requires the Directors to make judgements, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expense during the year. Actual results could differ from those estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision only affects that period or in the period and future periods if the revision affects both current and future periods.

The accounting estimates and judgements applicable are described in Note 2 in the Annual Report for the year ended 31 March 2021 and remain unchanged in the preparation of the condensed interim financial statements.

3. Financial Instruments

Valuation methodology

As detailed in Note 10 and Section 2.5, the Company has a single investment in a directly wholly owned holding company (Holdco). It recognises this investment at fair value. Holdco makes investments into a wholly owned portfolio companies or intermediary holding companies. To derive the fair value of Holdco, the Company determines the fair value of investments held directly or indirectly by Holdco and adjust for any other assets and liabilities. See Note 10 for a reconciliation of this fair value. The valuation methodology applied by Holdco to determine the fair value of its investments is described below.

The Directors have satisfied themselves as to the methodology used and the discount rates and key assumptions applied in producing the valuations. All investments are at fair value through profit or loss.

For non-market traded investments (being all the investments in the current portfolio), the valuation is based on a discounted cash flow methodology and adjusted in accordance with the IPEV (International Private Equity and Venture Capital) valuation guidelines where appropriate to comply with IFRS 13 and IFRS 9, given the special nature of infrastructure investments. Where an investment is traded in an open market, a market quote is used.

The valuations of EVN, Tallaght Hospital, Biotown and Lycra have been held at cost as result of the early stage of construction each of these projects are at.

The Investment Manager exercises its judgment in assessing the expected future cash flows from each investment based on the project's expected life and the financial models produced for each project company and adjusts the cash flows where necessary to take into account key external macroeconomic assumptions and specific operating assumptions.

The fair value for each investment is then derived from the application of an appropriate market discount rate for that investment to reflect the perceived risk to the investment's future cash flows and the relevant period end foreign currency exchange rate to give the present value of those cash flows. The discount rate takes into account risks associated with the financing of an investment such as investment risks (e.g. liquidity, currency risks, market appetite), any risks to the investment's earnings (e.g. predictability and covenant of the income) and a thorough assessment of counterparty credit risk, all of which may be differentiated by the phase of the investment. Specific risks related to each asset that can be attributed to the COVID-19 pandemic are assessed and where required, adjustments are made to expected future cash flows or reflected in the asset specific discount rate that is applied.

Fair value measurement by level

IFRS 13 requires disclosure of fair value measurement by level. Fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety which are described as follows:

- Level 1 inputs are quoted prices in active markets for identical assets or liabilities that the Company can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

Investment at fair value through profit or loss	Level 1 £'000	Level 2 £'000	Level 3 £'000
30 September 2021	**–**	**–**	**800,639**
31 March 2021	–	–	572,574

The Company's indirect investments have been classified as level 3 as the investments are not traded and contain unobservable inputs. As the fair value of the Company's equity and loan investments in the Holdco is ultimately determined by the underlying fair values of the projects in which the group invests, the Company's sensitivity analysis of reasonably possible alternative input assumptions is the same across all its investments. The reconciliation of Level 3 fair value is disclosed in Note 10.

3.4 Notes to the Condensed Interim Financial Statements
continued

Valuation Assumptions

		30 September 2021	31 March 2021	30 September 2020
Inflation rates	UK (RPI)	2.75% p.a.	2.75% p.a.	2.75% p.a.
	UK (CPI)	2.00% p.a.	2.00% p.a.	2.00% p.a.
	Spain (CPI)	1.3% to 1.4% until 2023, 2.0% long-term	1.0% to 1.4%	1.1% in 2020
	USA (CPI)	2.00% p.a.	2.00% p.a.	2.00% p.a.
	Singapore (CPI)	2.00% p.a.	2.00% p.a.	–
	Sweden (CPI)	1.7% to 1.8% until 2023, 2.0% p.a. long-term	1.4% to 1.7%	–
Tax rates	UK	19% to 2023, 25% thereafter	19%	19%
	Spain	25%	25%	25%
	USA	21% Federal & 3-9% State rates	21% Federal & 3-9% State rates	21% Federal & 3-9% State rates
	Singapore	17%	17%	–
	Sweden	20.6%	20.6%	–
Foreign exchange rates	USD/GBP	0.74	0.73	0.77
	EUR/GBP	0.86	0.85	0.91
	SGD/GBP	0.55	0.54	–
	SEK/GBP	0.08	0.08	–

Discount rates

The discount rates used for valuing the investments in the portfolio are as follows:

	30 September 2021	31 March 2021
Weighted Average discount rate (on unlevered basis)	7.2%	7.0%
Discount rates	4.5% to 10.0%	4.5% to 10.0%

Sensitivities

The sensitivities below show the effect on Net asset value of assuming a different range for each key input assumption, in each case applying a range that is considered to be a reasonable and plausible outcome for the market in which the Company has invested.

A change to the weighted average discount rate by plus or minus 0.5% has the following effect on the NAV.

Discount rate	NAV/share impact	-0.5% change	Net asset value	+0.5% change	NAV/share impact
30 September 2021	4.0p	£36,274k	£943,596k	(£33,509k)	(3.7p)
31 March 2021	4.4p	£29,854k	£693,805k	(£27,553k)	(4.1p)

Inflation rates

The Portfolio Valuation assumes long-term inflation as indicated above in the UK, USA, Spain, Singapore and Sweden. A change in the inflation rate by plus or minus 0.5% has the following effect on the NAV, with all other variables held constant.

Inflation rate	NAV/share impact	-0.5% change	Net asset value	+0.5% change	NAV/share impact
30 September 2021	(1.3p)	(£11,490k)	£943,596k	12,561k	1.4p
31 March 2021	(0.7p)	(£5,069k)	£693,805k	£5,560k	0.8p

Corporation tax rates

The Portfolio Valuation assumes tax rates based on the relevant jurisdiction. A change in the corporation tax rate by plus or minus 5% has the following effect on the NAV, with all other variables held constant.

Corporation tax rate	NAV/share impact	-5% change	Net asset value	+5% change	NAV/share impact
30 September 2021	3.0p	£26,914k	£943,596k	(£27,652k)	(3.1p)
31 March 2021	3.0p	£20,025k	£693,805k	(£20,003k)	(3.0p)

Foreign exchange rates

The Portfolio Valuation assumes foreign exchange rates based on the relevant foreign exchange rates against GBP at the reporting date. A change in the foreign exchange rate by plus or minus 10% (GBP against Euro, Swedish Krona, Singapore Dollar and US Dollar) has the following effect on the NAV, with all other variables held constant. The effect is shown after the effect of current level of hedging which reduces the impact of foreign exchange movements on the Company's NAV.

Foreign exchange rate	NAV/share impact	-10% change	Net asset value	+10% change	NAV/share impact
30 September 2021	0.8p	£7,304k	£943,596k	(£7,064k)	(0.8p)
31 March 2021	0.8p	£5,342k	£693,805k	(£4,621k)	(0.7p)

4. Investment Income

	Period ended 30 September 2021 £'000	Period ended 30 September 2020 £'000
Dividend income	20,756	3,500
Gain on investment at fair value through profit or loss (Note 10)	3,525	14,940
Interest income	2,747	919
Investment income	**27,028**	**19,359**

Interest income is mainly in respect of coupon bearing loan notes issued to the Company by Holdco (Note 17) but includes bank interest of £nil for the period ended 30 September 2021 (30 September 2020: £27k). The loan notes accrue interest at 6%, are unsecured and repayable in full on 18 April 2039. Loan Interest income is recognised on the Statement of Comprehensive Income on an accruals basis. The gain on investment is unrealised.

Further information on Gain on investment at fair value can be found in Section 2.5.

3.4 Notes to the Condensed Interim Financial Statements
continued

5. Fund Expenses

	Period ended 30 September 2021 £'000	Period ended 30 September 2020 £'000
Investment management fees	3,168	1,550
Non-executive directors' fees (Note 12)	130	65
Other expenses	636	533
Fees to the Company's independent auditor	45	40
Fund Expenses	**3,979**	**2,188**

As at 30 September 2021, the Company had no employees (30 September 2020: nil) apart from Directors in office. The Company confirms that it has no key management personnel, apart from the Directors which were disclosed in the Directors' Remuneration Report in the Annual Report and Audited Financial Statements for the year ended 31 March 2021. There is no other compensation apart from those disclosed.

6. Taxation

The tax for the period shown in the Statement of Comprehensive Income is as follows.

	Period ended 30 September 2021 £'000	Period ended 30 September 2020 £'000
Profit for the period before taxation	23,049	17,171
Profit for the period multiplied by the standard rate of UK corporation tax of 19%	4,379	3,262
Fair value movements (not subject to taxation)	(670)	(2,839)
Dividends received (not subject to tax)	(3,944)	(665)
Surrendering of tax losses to unconsolidated subsidiaries	235	242
UK Corporation Tax	**–**	**–**

The corporation tax rate will increase from 19% to 25% with effect from 1 April 2023.

7. Earnings per Share

	Period ended 30 September 2021	Period ended 30 September 2020
Profit and comprehensive income for the period (£'000)	23,049	17,171
Weighted average number of ordinary shares ('000)	689,383	376,438
Earnings per ordinary share (pence)	**3.3**	**4.6**

There is no dilutive element during the financial period and subsequent to the financial period.

8. Dividends

	30 September 2021 £'000	31 March 2021 £'000
Amounts recognised as distributions to equity holders during the period/year:		
Second Interim dividend for the year ended 31 March 2020 of 2.5p per share	–	8,010
First quarterly interim dividend for the year ended 31 March 2021 of 1.375p per share	–	5,859
Second quarterly interim dividend for the year ended 31 March 2021 of 1.375p per share	–	7,234
Third quarterly interim dividend for the year ended 31 March 2021 of 1.375p per share	–	9,310
Fourth quarterly interim dividend for the year ended 31 March 2021 of 1.375p per share	9,310	–
First quarterly interim dividend for the year ending 31 March 2022 of 1.405p per share	9,513	–

All dividends have been paid out of distributable reserves. Further information on distributable reserves can be found in Note 11.

From the year beginning on 1 April 2020, the Company is paying dividends on a quarterly basis compared to semi-annually previously.

On 25 November 2021, the Company declared a second interim dividend for the year ending 31 March 2022 of 1.405p per share which is expected to result in a cash payment of approximately £12.7 million on 17 December 2021.

9. Net assets per ordinary share

	30 September 2021	31 March 2021
Shareholders' equity (£'000)	943,596	693,805
Number of ordinary shares ('000)	903,331	677,087
Net assets per ordinary share (pence)	**104.5**	**102.5**

10. Investment at fair value through profit or loss

The Company recognises the investment in its single directly owned holding company (Holdco) at fair value which includes the fair value of each of the individual project companies and holding companies in which the Company holds an indirect investment, along with the working capital of Holdco.

	30 September 2021 £'000	31 March 2021 £'000
Brought forward investment at fair value through profit or loss	572,574	254,095
Loan investments in period/year	96,801	42,000
Equity investments in period/year	127,739	274,479
Loan Principal repaid in period/year	–	(13,021)
Movement in fair value	3,525	15,021
Closing investment at fair value through profit or loss	**800,639**	**572,574**

3.4 Notes to the Condensed Interim Financial Statements
continued

Movement in fair value is recognised through Investment Income in the Statement of Comprehensive Income (see Note 4).

Of the closing investment at fair value through profit and loss balance, £161,980k (31 March 2021: £65,719k) related to a loan investment (also see Note 4) and £638,659k (31 March 2021: £507,395k) related to an equity investment. A reconciliation between the Portfolio Valuation (as described in Section 3.2), being the valuation of the Investment Portfolio held by Holdco, and the Investment at fair value through profit or loss per the Statement of Financial Position is provided below. The principal differences are the balances in Holdco for cash and working capital.

	30 September 2021 £'000	31 March 2021 £'000
Portfolio Valuation	785,034	552,672
Holdco cash	22,246	4,141
Holdco debt	–	–
Holdco net working capital	(6,641)	15,761
Investment at fair value per Condensed Statement of Financial Position	**800,639**	**572,574**

Investments by the Company

During the period ended 30 September 2021, the Company invested £224.5 million into Holdco for new portfolio investments and repayment of debt. In September 2021, Holdco used £67.8 million of this funding to repay its Revolving Credit Facility ("RCF").

Portfolio Investments, via Holdco

During the period ended 30 September 2021, Holdco invested c. £208 million in new portfolio investments.

The Company announced the following investment activity in the period:

- In April 2021, the Company acquired a 100% equity interest in a commercial district energy system, RED-Rochester, LLC for a cash consideration of c. £139 million.
- In April 2021, the Company invested in a 4.5MWp portfolio of operational commercial and industrial rooftop solar systems and a 20 MWp pipeline of late development stage and ready to build assets at multiple sites in Vietnam (via a Singapore developer) for a cash consideration of c. £2.4 million.
- Following on from the initial investment in Onyx in the year ended 31 March 2021, the Company invested additional amounts of c. £6 million in April 2021 and c. £2 million in September 2021 to fund further construction.
- In July 2021, the Company invested via Holdco an additional c. £4.5 million in Spark US Energy Efficiency II.
- In July 2021, the Company announced it had agreed to invest approximately c. £22 million in a large-scale green gas-to-grid project in Indiana, US. The initial investment was c. £11 million with incremental amounts expected to be deployed over time to fund expansion activity.
- In September 2021, the Company invested £34 million to acquire the remaining 35% equity interest in Primary Energy.
- In September 2021, The Company announced it had agreed to invest c. £3 million to develop, implement, finance and own the replacement of chiller system at Lycra Singapore's facility.
- In September 2021, the Company invested £8 million into Holdco to facilitate the draw down of capital to EVN for the purchase of the first tranche of rapid and ultra-fast EV charging stations.

The Company committed to the following portfolio investments after the period:

- In October 2021, the Company invested c. £4 million via Holdco to provide funding for the new-build, highly energy efficient multi-family residential buildings designed and constructed by Sustainable Living Innovations ("SLI") in the United States.
- In November 2021, The Company invested c. £16 million via Holdco in Future Energy Solutions Holdings LLP, a portfolio of 1,800+ LED lighting projects across 1,700+ sites and 1,000+ counterparties in the USA.
- In November 2021, the Company invested a further c. £13 million in Onyx.
- In November 2021, the Company invested a further c. £6 million in Spark US Energy Efficiency II.
- In November 2021, the Company invested a further c. £2 million in Biotown.

11. Share capital and share premium

Ordinary Shares	30 September 2021 £'000	31 March 2021 £'000
Authorised and issued at the beginning of the period/year	677,087	320,374
Shares Issued – during the period/year	226,244	356,713
Authorised and issued at the end of the period/year	**903,331**	**677,087**

	Share capital £'000	Share Premium £'000
Total as at 31 March 2021	6,771	584,437
Issue of Ordinary shares	2,262	247,738
Costs of issue of Ordinary shares	–	(4,435)
Total as at 30 September 2021	**9,033**	**827,740**

In September 2021, the Company issued 226,244,343 new ordinary shares at a price of 110.5p per share raising gross proceeds of £250m.

The Company currently has one class of ordinary share in issue. All the holders of the ordinary shares, which total 903,331k (2021: 677,087k), are entitled to receive dividends as declared from time to time and are entitled to one vote per share at general meetings of the Company.

Other distributable reserves were created through the cancellation of the Share Premium account on 12 March 2019. This amount is capable of being applied in any manner in which the Company's profits available for distribution, as determined in accordance with the Companies Act 2006, are able to be applied.

Other distributable reserves and Retained Earnings are detailed in the Statement of Changes in Shareholders' Equity.

12. Related parties

The Company and Sustainable Development Capital LLP (the "Investment Manager") have entered into the Investment Management Agreement pursuant to which the Investment Manager has been given responsibility, subject to the overall supervision of the Board, for active discretionary investment management of the Company's portfolio in accordance with the Company's investment objective and policy.

As the entity appointed to be responsible for risk management and portfolio management, the Investment Manager is the Company's AIFM. The Investment Manager has full discretion under the Investment Management Agreement to make investments in accordance with the Company's investment policy from time to time. This discretion is, however, subject to: (i) the Board's ability to give instructions to the Investment Manager from time to time; and (ii) the requirement of the Board to approve certain investments where the Investment Manager has a conflict of interest in accordance with the terms of the Investment Management Agreement. The Investment Manager also has responsibility for financial administration and investor relations, advising the Company and its group in relation to the strategic management of the portfolio, advising the Company in relation to any significant investments and monitoring the Company's funding requirements.

Under the terms of the Investment Management Agreement, the Investment Manager will be entitled to a fee calculated at the rate of:

- 0.9 per cent, per annum of the adjusted NAV in respect of the Net Asset Value of up to, and including, £750 million; and
- 0.8 per cent, per annum of the adjusted NAV in respect of the Net Asset Value in excess of £750 million.

The management fee is calculated and accrues monthly and is invoiced monthly in arrears. During the period ended 30 September 2021, management fees of £3,168k (30 September 2020: £1,550k) were incurred of which £548k (30 September 2020: £559k) was payable at the period end.

During the period ended 30 September 2021, £224.5 million (30 September 2020: £65.3 million) of funding was provided by the Company to the Holdco for investments and the repayment of the RCF utilised by Holdco. The funding of Holdco consisted of issued share capital and coupon bearing loan notes.

During the period ended 30 September 2021, coupon bearing loan notes of £96.8 million (30 September 2020: £42.0 million) were issued by the Company which accrue interest at 6%, are unsecured and repayable in full on 18 April 2039. During the period ended 30 September 2021, Holdco had repaid coupon bearing loan notes of £nil (30 September 2020: £13m). In the period to 30 September 2021, £2,747k interest had accrued on the loan notes (30 September 2020: £892k) of which £3k is outstanding at the period end (30 September 2020: £350k).

All of the above transactions were undertaken on an arm's length basis and there have been no changes in material related party transactions since the March 2021 Annual Report.

The Directors of the Company, who are considered to be key management, received fees for their services. Their fees were £130k (disclosed as Non-executive directors' fees in Note 5) in the period (30 September 2020: £65k).

13. Guarantees and other commitments

The Company is the guarantor of the RCF entered into by Holdco.

Across two phases in June 2021 and August 2021, the Company renewed and increased the RCF that it holds through its wholly owned subsidiary, SEEIT Holdco, from £40 million to £145 million. The RCF, which is SONIA linked and has a margin of 2.65%, expires in June 2024 with options to extend for a further two years and includes an accordion function for a further £55 million increase on an uncommitted basis.

14. Events after the reporting period

The Directors have evaluated subsequent events from the date of the financial statements through to the date the financial statements were available to be issued.

On 25 November 2021, the Company declared a second interim dividend for the year ending 31 March 2022 of 1.405p per share which is expected to result in a cash payment of approximately £12.7 million on 17 December 2021.

In October 2021, the Company invested c. £4 million via Holdco to provide funding for a new-build, highly energy efficient multi-family residential building in the United States.

In November 2021, the Company invested c. £16 million via Holdco in Future Energy Solutions Holdings LLP, a portfolio of 1,800+ LED lighting projects across 1,700+ sites and 1,000+ counterparties in the USA.

In November 2021, the Company invested a further c. £13 million in Onyx through utilising the RCF at Holdco level.

In November 2021, the Company invested a further c. £6 million in Spark US Energy Efficiency II.

In November 2021, the Company invested a further c. £2 million in Biotown.

4.1 Company Information

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Christopher Knowles
Helen Clarkson
Emma Griffin

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4.2 Key Company Data

Company name	SDCL ENERGY EFFICIENCY INCOME TRUST PLC
Registered address	6th Floor, 125 London Wall, London, EC2Y 5AS
Listing	London Stock Exchange – Premium Listing
Ticker symbol	SEIT
SEDOL	BGHVZM4
Index inclusion	FTSE All-Share, FTSE 250
Company year-end	31st March
Dividend payments	Quarterly
Investment Manager	Sustainable Development Capital LLP
Company Secretary & Administrator	Sanne Group (UK) Limited
Shareholders' funds	£943.6m as at 30 September 2021 (31 March 2021: £693.8m)
Market capitalisation	£1,021m as at 30 September 2021 (31 March 2021: £758.3m)
Management fees	0.9% p.a. of NAV (adjusted for uncommitted cash) up to £750 million, 0.8% p.a. thereafter
ISA, PEP and SIPP status	The Ordinary Shares are eligible for inclusion in PEPs and ISAs (subject to applicable subscription limits) provided that they have been acquired by purchase in the market, and they are permissible assets for SIPPs
Website	www.seeitplc.com

4.3 Glossary

AIC the Association of Investment Companies

AIFM an alternative investment fund manager, within the meaning of the AIFM Directive

AIFM Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers and amending Directives 2003/41/EC and 2009/65/EC and Regulations (EC) No 1060/2009 and (EU) No. 1095/2010; the Commission Delegated Regulation (EU) No 231/2013 of 19 December 2012 supplementing Directive 2011/61/EU of the European Parliament and of the Council with regard to exemptions, general operating conditions, depositaries, leverage, transparency and supervision

Board the Board of Directors of the Company, who have overall responsibility for the Company

BMS building management systems

CCHP combined cooling/heating and power

CHP combined heating and power

Company SDCL Energy Efficiency Income Trust plc, a limited liability company incorporated under the Act in England and Wales on 12 October 2018 with registered number 11620959, whose registered office is at 6th Floor, 125 London Wall, London, EC2Y 5AS

Company SPV a Project SPV owned by the Company or one of its Affiliates through which investments are made

Contractual payment the payments by the Counterparty to the Company or relevant Project SPV under the contractual arrangements governing an Energy Efficiency Project, whether such payments take the form of a service charge, a fee, a loan repayment or other forms of payments as may be appropriate from time to time

Counterparty the host of the Energy Efficiency Equipment with whom the Company has entered into the Energy Efficiency Project, either directly or indirectly through the use of one or more Project SPVs

Decentralised energy is energy which is produced close to where it will be used, rather than at a large centralised plant elsewhere, delivered through a centralised grid infrastructure

Energy efficiency using less energy to provide the same level of energy. Efficient energy use is achieved primarily through implementation of a more efficient technology or process

Energy efficiency equipment the equipment that is installed at the premises of a Counterparty or a site directly connected to the premises of a Counterparty in connection with an Energy Efficiency Project, including but not limited to CHP units, CCHP plant schemes, HVAC units, lighting equipment, biomass boilers and steam raising boilers

Energy efficiency project has the meaning given in paragraph 3 of Part II (Industry Overview, Investment Opportunity and Seed Portfolio) of the September 2021 Prospectus

Energy efficiency technology technologies deployed to achieve an improvement in energy efficiency

EPC Engineering, procurement and construction

ESA an energy saving agreement governing the terms on which energy savings are apportioned between the counterparty and the relevant Project

GHG greenhouse gases

Holdco is SEEIT Holdco Limited, the Company's single wholly owned subsidiary

HVAC heating, ventilation and air conditioning

Investment Manager Sustainable Development Capital LLP, a limited liability partnership incorporated in England and Wales under the Limited Liability Partnership Act 2000 with registered number OC330266

Investment Portfolio is the portfolio of energy efficiency investments held by the Company via its single wholly owned subsidiary, SEEIT Holdco Limited

ISA individual savings account

KWh kilowatts used or generated per hour

Lighting equipment energy efficient lighting used in connection with an Energy Efficiency Project, including but not limited to LEDs and associated fittings

NAV net asset value

Ordinary Shares an ordinary share of £0.01 in the capital of the Company issued and designated as "Ordinary Shares" of such class (denominated in such currency) as the Directors may determine in accordance with the Articles and having such rights and being subject to such restrictions as are contained in the Articles

O&M Contractors operations and maintenance contractors. the contractor appointed by the Company or the relevant Project SPV to perform maintenance obligations in relation to the relevant Energy Efficiency Equipment

PEP personal equity plan

Portfolio Valuation the Investment Manager is responsible for carrying out the fair market valuation of the SEEIT group's portfolio of investments

RCF is the revolving credit facility of SEEIT Holdco Limited, used by SEEIT for capital efficiency in making new investments

RoRi the "Return on Operations" incentive payment and the "Return on Investment" incentive payment under Spain's Royal Decree-Law 9/2013 under which qualifying energy generation assets are compensated, in the medium to long-term, for fluctuations in revenues and costs against an established base case

September 2021 Prospectus is the prospectus issued by the Company on 2 September 2021

SIPP self-invested personal pension

SDCL Group the Investment Manager and the SDCL Affiliates

SEEIT the Company

4.4 Glossary of financial Alternative Performance Measures

The Company uses APM's to provide shareholders and stakeholders with information it deems relevant to understand and assess the Company's historic performance and its ability to deliver on the stated investment objective.

Measure	Calculation	Why the Company uses the APM
Net Asset Value ("NAV")	Net assets attributable to Ordinary Shares by deducting gross liabilities from gross assets	It provides a metric that allows for useful comparison to similar companies and that allows for useful year on year comparisons of the Company
NAV per share	NAV divided by total number of shares in issue at the balance sheet date	This provides shareholders with a metric that allows for tracking the Company's performance year on year
Total NAV Return on per share basis	Interim dividends paid in pence per share and movement in NAV per share over the course of the relevant period (e.g. in financial year or since IPO). Dividends are not assumed to be re-invested.	This provides shareholders with a metric that allows for tracking the Company's performance year on year
Total Return on share price basis	Interim dividends paid and share price uplift per share over the course of the relevant period	This provides shareholders with a metric that allows for tracking the Company's performance year on year
Portfolio Basis	Portfolio Basis includes the impact if Holdco (the Company's only direct subsidiary) were to be consolidated on a line-by-line basis	See Section 2.4 for detailed description and reconciliation
Ongoing Charges Ratio	In accordance with AIC guidance, defined as annualised ongoing charges (i.e. excluding investment costs and other non-recurring items) divided by the average published undiluted net asset value in the year	Used a metric in the investment company industry to compare cost-effectiveness
Portfolio Valuation	The fair value of all investments in aggregate that are held directly or indirectly by Holdco	It provides relevant information of the value of the underlying investments held indirectly by the Company from which it is ultimately expected to derive its future revenues
Cash on Portfolio Basis	Cash at bank of the Company and Holdco	To provide relevant information to shareholders of the Company's ability for new investments, working capital and payment of dividends

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SEEIT

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