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Sequoia Economic Infrastructure Income Fund Limited

("SEQI" or the "Company")

Monthly NAV and portfolio update - January 2025

The NAV per share for SEQI, **the largest LSE listed infrastructure debt fund**, increased to 94.19 pence per share from the prior month's NAV per share of 93.19 pence, (being the 31 December 2024 cum-income NAV of 94.91 less the dividend of 1.71875 pence per share declared in respect of the quarter ended 31 December 2024 and payable on 28 February 2025), representing an increase of 1.00 pence per share.

	pence per share
31 December NAV	**94.91**
Interest income, net of expenses	0.72
Asset valuations, net of FX movements	0.24
Subscriptions / share buybacks	0.04
Dividend	-1.72
31 January NAV	**94.19**

No expected material FX gains or losses as portfolio is 100% currency-hedged. However, the Company's NAV may include unrealised short-term FX gains or losses, driven by differences in the valuation methodologies of its FX hedges and the underlying investments - such movements will typically reverse over time.

Well positioned to benefit from high interest rates; 59.0% of portfolio is in fixed rate investments as of January 2025, and 52.7% of the portfolio is invested in Defensive sectors (Renewables, Digitalisation, Utilities and Accommodation).

Market Summary - January 2025

Tariff Impact & Geopolitical Analysis

- On 3 February 2025, the US announced 25% tariffs on most goods imported from Mexico and Canada and 10% on Canadian energy, effective from 4 March 2025. They also announced tariffs on goods imported from China, which came into effect on 4 February 2025. China has retaliated with its own tariffs, which took effect on 10 February 2025. These include a 15% tariff on US coal and liquefied natural gas products, and a 10% tariff on crude oil, agricultural machinery and large engine cars. The EU and Canada have also vowed to take retaliatory measures immediately if the US imposes its tariffs next month.

- While the immediate market reactions to President Trump's tariff proposals have been relatively muted, the Investment Adviser expects long-term tariffs to risk global growth and to add some inflationary pressures in the US, UK and Eurozone. The Investment Adviser is also following the geopolitical events closely and remains cognisant of the emerging risks in this area and will respond as and when the situation becomes clearer.

Interest rate announcements, inflation data and asset valuations

- Economic indicators across all three regions point to slow but steady growth, with inflation moderating but still above central bank targets.

- During January 2025, The European Central Bank ("the ECB") reduced interest rates by 0.25% to 2.75% in a widely expected move, which marks the fourth consecutive rate cut in the Eurozone. The Federal Reserve ("the Fed") kept rates steady at 4.50% during its January 2025 meeting, pausing its rate-cutting cycle after three consecutive reductions in 2024 that totalled a full percentage point. The Bank of England ("the BoE") made no changes to its policy rate during January 2025 but reduced it by a further 0.25% to 4.50% on 6 February 2025, its lowest level for 18 months.

- 5-year government bond yields and credit spreads remained broadly flat during January 2025, as the rate cuts by the BoE and the ECB were largely anticipated by financial markets and therefore priced in, minimizing the immediate impact on bond yields. Geopolitical risks and concerns about global economic growth also supported demand for government bonds, keeping their yields stable.

- The valuation of most of SEQI's fixed rate instruments increased during the month as the impact of a marginal increase in base rates was more than offset by the pull-to-par effect. The portfolio pull-to-par, which is incremental to NAV as loans mature, is 3.8 pence per share as of January 2025.

- The Investment Adviser expects inflation to ease during 2025 as energy prices stabilize and supply chains improve. Although President Trump's tariffs could introduce inflationary pressures in the short-term, a downward trend toward a lower interest rate environment is expected to prevail over time, which is supportive of current fixed-rate loans and bond positions.
- As inflation gradually abates in the long run, the likelihood of future interest rate cuts increases (although slightly more hawkish in the US), which makes alternative investments such as infrastructure more attractive when compared to liquid debt. While the pace and size of interest rate cuts will vary across the Company's different investment jurisdictions, the general consensus remains one of declining interest rates throughout the year.

Portfolio update - January 2025

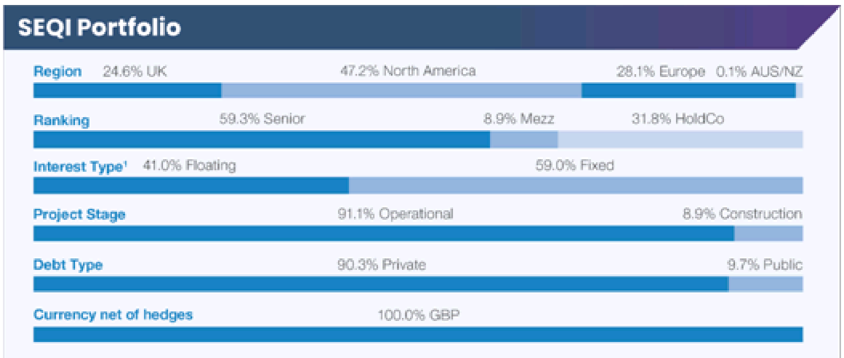
Revolving Credit Facility and cash holdings

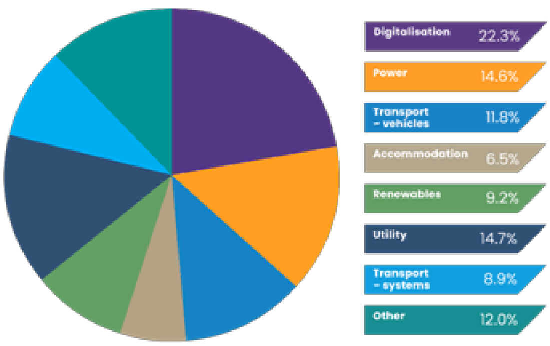
- The Company is undrawn on its revolving credit facility (RCF) of £300.0 million and currently has cash of £60.6 million (inclusive of interest income), and undrawn investment commitments of £137.7 million.
- The RCF is primarily utilised to manage cashflows through the timing of new investments against the repayment of existing investments.

Portfolio Composition

- The Company's invested portfolio consisted of 53 private debt investments and 5 infrastructure bonds, diversified across 8 sectors and 30 sub-sectors.
- 59.3% of the portfolio comprised of senior secured loans ensuring defensive positioning.
- It had an annualised yield-to-maturity (or yield-to-worst in the case of callable bonds) of 9.73% and a cash yield of 7.21% (excluding deposit accounts).
- The weighted average portfolio life decreased marginally to 3.4 years. This short duration means that as loans mature, the Company can take advantage of higher yields in the current interest rate environment.
- Private debt investments represented 90.3% of the total portfolio, allowing the Company to capture illiquidity yield premiums.
- The Company's invested portfolio currently consists of 41.0% floating rate investments and remains geographically diversified with 47.2% located across the USA, 24.6% in the UK, 28.1% in Europe, and 0.1% in Australia/New Zealand.

Portfolio highly diversified by sector and size





Share buybacks

- The Company bought back 3,637,250 of its ordinary shares at an average purchase price of 78.20 pence per share in January 2025.
- The Company first started buying back shares in July 2022 and has bought back 204,939,417 ordinary shares as of 31 January 2025, with the buyback continuing into February 2025. This share repurchase activity by the Company continues to contribute positively to NAV accretion.

New investment activity during January 2025

- Senior loan to Grange Backup Power Ltd for €11.9 million. The borrower is an Irish power asset linked to a data centre. The YTM on this loan is 9.02%.
- One additional loan to Tracy Hills Holdings Company LLC Facility B for 5.0 million to finance the separate revolving credit facility. Tracy Hills is a residential infrastructure project in California. The YTM on this loan is 10.86%.

No investments repaid during January 2025

Non-performing loans

- The 4000 Connecticut loan (formerly Whittle Schools) is currently classified as non-performing and is under active monitoring. Since the borrower gained vacant possession of the property in late 2023, the Investment Adviser has been working closely with the borrower and other lenders to facilitate the re-leasing of the property. To support these efforts, the lenders agreed to an extension of the loan, which was originally set to mature in February 2025. Since then, the lenders have maintained active engagement with the borrower regarding the re-leasing process and are evaluating several strategic options for the loan. These options include, but are not limited to, extending the loan tenor further, selling the loan, or pursuing foreclosure. We are actively monitoring the valuation and will provide further updates as progress is made.

There are no updates on the remaining non-performing loans in the portfolio.

Top Holdings

15 Largest Investments

Transaction name	Currency	% of NAV	Ranking	Value £m	Sector	Sub-sector	Cash-on-cash yield (%)	Yield to maturity/worst (%)
AP Wireless Junior	EUR	4.3%	Mezz	61.6	Digitalisation	Telecom Towers	4.36	7.01
Infinis Energy	GBP	4.3%	Senior	60.7	Renewables	Landfill Gas	5.35	6.18
Workdry	GBP	3.9%	Senior	56.0	Utility	Utility Services	8.92	8.92
Hawkeye Solar HoldCo 2030	USD	3.8%	HoldCo	53.7	Renewables	Solar & Wind	8.76	9.70
Expedient	USD	3.7%	Senior	52.2	Digitalisation	Data Centres	11.01	11.01
Project Tyre	USD	3.6%	Senior	51.6	Transport - vehicles	Specialist Shipping	10.35	9.99
Project Sienna	GBP	3.5%	Senior	50.0	Other	Waste to Energy	9.79	9.94
Kenai HoldCo 2024	EUR	3.4%	HoldCo	48.6	Power	Base Load	0.00	18.04
Sacramento	USD	3.2%	Senior	45.4	Digitalisation	Data Centres	7.24	8.22
Roseton	USD	3.1%	Senior	44.2	Power	Other Electricity Generation	9.30	9.30
Project Nimble	EUR	3.1%	HoldCo	43.8	Digitalisation	Data Centres	8.26	9.93
Euroports 2nd Lien 2030	EUR	3.0%	Mezz	42.3	Transport - systems	Port	10.78	10.63
Scandlines Mezzanine 2032	EUR	2.9%	HoldCo	41.7	Transport - systems	Ferries	6.53	6.58
Tracy Hills TL 2025	USD	2.9%	Senior	41.3	Other	Residential Infra	10.85	10.85
OCU	GBP	2.8%	Senior	40.2	Utility	Utility Services	9.52	10.12

Valuations are independently reviewed each month by PWC.

Full list of SEQI's Portfolio Holdings and SEQI Monthly Factsheet:

http://www.rns-pdf.londonstockexchange.com/rns/2607X_2-2025-2-16.pdf

http://www.rns-pdf.londonstockexchange.com/rns/2607X_1-2025-2-16.pdf

About Sequoia Economic Infrastructure Income Fund Limited

- SEQI is the UK's largest listed debt investor, investing in economic infrastructure private loans and bonds across a range of industries in stable, low-risk jurisdictions, creating equity-like returns with the protections of debt.
- It seeks to provide investors with regular, sustained, long-term income with opportunity for NAV upside from its well diversified portfolio. Investments are typically non-cyclical, in industries that provide essential public services or in evolving sectors such as energy transition, digitalisation or healthcare.
- Since its launch in 2015, SEQI has provided investors with nine years of quarterly income, consistently meeting its annual dividend per share target, which has grown from 5p in 2015 to 6.875p per share in 2023.
- The fund has a comprehensive ESG programme combining proprietary ESG goals, processes and metrics with alignment to key global initiatives
- SEQI is advised by Sequoia Investment Management Company Limited (SIMCo), a long-standing investment advisory team with extensive infrastructure debt origination, analysis, structuring and execution experience.
- SEQI's monthly updates are available here: Monthly Updates - seqi.fund/investors/monthly-updates

Annualised Total Returns[1]

Annualised Total Returns

	6M	1Y	3Y	5Y
NAV TR	9.58%	9.01%	4.98%	4.08%
Share price TR	0.15%	3.53%	-1.64%	-1.35%

1. Inclusive of dividend income

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