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SDCL Efficiency Income Trust PLC
23 June 2025

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SDCL Efficiency Income Trust plc

("SEIT" or the "Company")

Announcement of Annual Results for the year ended 31 March 2025

SDCL Efficiency Income Trust plc (LSE: SEIT) ("SEIT" or the "Company") today announces its financial results for the year ended 31 March 2025.

There will be a presentation for analysts and investors at 9.30am today. To register, please follow this link: https://sparklive.lseg.com/SDCLEFFICIENCYINCOMETRUST/events/4a1ff8ce-b3a7-423f-bb3d-489866b3af95/seit-2025-financial-year-annual-results.

The Company's full Annual Report and Audited Financial Statements for the year ended 31 March 2025 can be found on the Company's website: https://www.seitplc.com/. This has also been submitted to the National Storage Mechanism and will be available shortly at: https://data.fca.org.uk/#/nsm/nationalstoragemechanism.

Highlights

- **Net Asset Value ("NAV") per share**^{APM} of 90.6p as at 31 March 2025 (30 September 2024: 90.6p; 31 March 2024: 90.5p)
- **Investment cash inflow from the portfolio**^{APM} of £97 million on a portfolio basis(APM), up c.5% on the prior year
- **Aggregate dividends**^{APM} of 6.32p per share declared, in line with target for year to 31 March 2025
- **Dividend cash cover**^{APM} of 1.0x for the year ended 31 March 2025 (31 March 2024: 1.1x)
- **Target dividend** guidance increased to 6.36p per share for the year ending 31 March 2026 (31 March 2025: 6.32p), 1.1 - 1.2x cash cover targeted
- **Profit before tax** of £70 million for the year ended 31 March 2025, reversing a loss of £56 million in the prior year
- **Portfolio valuation**^{APM} of £1,197 million as at 31 March 2025 (30 September 2024: £1,102 million; 31 March 2024: £1,117 million)
- **Gross disposal proceeds** of c.£90.8 million from disposal of UU Solar in May 2024, which represented a small premium to September 2023 valuation.

Alternative Performance Measure (APM): See Annual Report Glossary of Financial Alternative Performance Measures for further details on APMs used throughout the report.

Tony Roper, Chair of SEIT, said:

"SEIT's operational performance was generally in line with expectations in the year, with the portfolio delivering its targeted distributions to fully cover the dividends for our shareholders.

"While dividends have increased and operational performance has improved, we, like many of our peers, remain frustrated that our share price has drifted down and our shares continue to trade at a material discount to NAV per share. The status quo is clearly unsustainable. With this in mind, we have announced today that the Board are considering all strategic options to deliver value for all shareholders in an effective and efficient manner."

Jonathan Maxwell, CEO of SDCL, the Investment Manager said:

"SEIT's large and diversified portfolio demonstrated resilience amidst global economic and geopolitical uncertainty. The portfolio delivered growing operational performance, in line with expectations, to fully cover dividends, despite significant CapEx during the year. Thanks to recently agreed portfolio-level debt financing facilities, the focus going forward should be less on investing and more on delivering increased operational performance.

"Structural trends such as persistently high energy prices and increasingly unstable grids reinforced the value proposition of SEIT's decentralised energy efficiency assets during the year. Expected growth in US industry and data centre construction globally should represent operational tailwinds moving forward.

"Current market dynamics continue to significantly impact share prices across the infrastructure and renewable energy investment trust sector, and SEIT has been no exception. We have intensified efforts to position SEIT's assets for NAV growth, and the Company's balance sheet has been optimised. We are also progressing opportunities across the portfolio to release liquidity, reduce gearing and recycle capital, as we to seek to protect and opportunities across the portfolio to release liquidity, reduce gearing and recycle capital, as we to seek to protect and crystallise shareholder value."

-ENDS-

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About SEIT

SDCL Efficiency Income Trust plc is a constituent of the FTSE 250 index. It was the first UK listed company of its kind to invest exclusively in the energy efficiency sector. Its projects are primarily located in North America, the UK and Europe and include, inter alia, a portfolio of cogeneration assets in Spain, a portfolio of commercial and industrial solar and storage projects in the United States, a regulated gas distribution network in Sweden, a portfolio of on-site energy recycling, cogeneration and process efficiency projects, servicing the largest steel blast furnace in the United States and a district energy system providing essential and efficient utility services on one of the largest business parks in the United States.

The Company aims to deliver shareholders value through its investment in a diversified portfolio of energy efficiency projects which are driven by the opportunity to deliver lower cost, cleaner and more reliable energy solutions to end users of energy.

The Company is targeting an attractive total return for shareholders with a stable dividend income, capital preservation and the opportunity for capital growth. The Company is targeting a dividend of 6.36p per share in respect of the financial year to 31 March 2026. SEIT's last published NAV was 90.6p per share as at 31 March 2025.

Past performance cannot be relied on as a guide to future performance.

Further information can be found on the Company's website at www.seitplc.com.

Investment Manager

SEIT's investment manager is Sustainable Development Capital LLP ("SDCL"), an investment firm established in 2007, with a proven track record of investment in energy efficiency and decentralised generation projects in the UK, Continental Europe, North America and Asia.

SDCL is headquartered in London and also operates worldwide from offices in New York, Dublin Hong Kong and Singapore. SDCL is authorised and regulated in the UK by the Financial Conduct Authority.

Further information can be found on at www.sdclgroup.com.

SDCL EFFICIENCY INCOME TRUST PLC

Unlocking the world's most valuable energy resource: Efficiency
Annual Report and Audited Financial Statements
for the year ended 31 March 2025

HIGHLIGHTS
of the year to 31 March 2025

Investing in energy efficiency

90.6p
Net asset value
("NAV") per share APM
31 March 2024: 90.5p
30 September 2024: 90.6p

£97m
Investment cash inflow from the portfolio APM
up 5% on a portfolio basis APM
31 March 2024: £92m

6.32p
Aggregate dividends APM
per share declared, in line with target for 31 March 2025
31 March 2024: 6.24p

1.0x
Dividend cash cover APM

Dividend cash cover [APM]
For the twelve months ended 31 March 2025
31 March 2024: 1.1x

6.36p

Target dividend[1] guidance
per share for the year ending 31 March 2026
31 March 2025: 6.32p

£70m
Profit before tax
31 March 2024: £56m loss

£1,197m
Portfolio Valuation [APM]
31 March 2024: £1,117m
30 September 2024: £1,102m

c.£90.8m
Gross disposal proceeds
From the disposal of UU Solar

1,000,791 tCO_2e

Scope 4 emissions[2]
from the Company's portfolio in Y/E 2024
Y/E 2023: 841,687 tCO_2e

[APM] Alternative Performance Measure: See Glossary of Financial Alternative Performance Measures for further details on APMs used throughout this report.

1) The target dividend stated above by the Company is based on a projection by the Investment Manager and should not be treated as a profit forecast for the Company.
2) Following the review of environmental performance data by a third-party, data methodology issues have been identified, resolved and standardised. Additionally, data has been recalculated to match the calendar year as opposed to the financial year. Both of these changes have resulted in variations from previously reported environmental performance data. Further information is detailed in the SEIT Climate Report.

CHAIR'S STATEMENT

Firstly, and most importantly, I would like to thank our shareholders for their continued support.

Tony Roper
Chair

During the financial year, SEIT delivered a total return on an NAV basis[APM] of 7.1% (financial year 2024: (4.7%)) and declared an aggregate 6.32 pence per share in dividends (financial year 2024: 6.24p), fully covered by net cash inflow from the portfolio. The portfolio EBITDA[APM] has increased and the portfolio value is broadly in line with the prior year.

This has been delivered despite markets that have continued to present an extraordinarily challenging environment for both SEIT and its peers.

While shareholder dividends and operational portfolio performance have increased, we, like many of our peers, remain frustrated that our share price has drifted down. We are disappointed to report a decline in share price total returns of 7.78% in this financial year. With this in mind, the Investment Manager continues to focus on steps to address the share price discount to NAV[APM], as detailed later in this report. Most importantly, the Investment Manager continues to assess the existing portfolio for opportunities to release capital to pay down the RCF, return to shareholders and recycle into the remaining portfolio when appropriate.

The Board continues to explore all potential opportunities available to deliver value for all shareholders in an effective and efficient manner. This is both in the context of the Company's longer-term plan to drive value for shareholders and in a more wholesale and strategic manner.

Capital Markets
Over the past year, there has been a marked and well-documented dislocation between the share prices of UK investment trusts and their underlying net asset values. Despite sound investment strategies and good performance, prevailing market uncertainty - fuelled by evolving regulatory frameworks, fluctuating interest rates and broader economic headwinds-has driven share prices to trade at significant discounts relative to their published valuations. SEIT is no exception with shares trading at a discount to net asset value[APM] of over 40% continuously since mid January 2025.

This divergence is indicative of a market that is increasingly influenced by transient sentiment and liquidity concerns, rather than solely by the long-term quality of the underlying assets. Such a dynamic not only accentuates the prudence required in assessing true value but also underscores the potential for attractive entry points for discerning investors, as demonstrated by the continued relative liquidity of SEIT's shares.

Governance and Engagement with Shareholders
All resolutions were passed at our AGM in September 2024. The 2025 AGM will be held on 3 September.

The Board and the Investment Manager have continued to engage with shareholders throughout the year, recording over 200 interactions, virtually or in person, and have listened to their feedback, as well as engaging with a number of retail investors who continue to increase engagement with SEIT. The Board is committed to ongoing dialogue with shareholders, especially during this period of continued volatility.

Our engagement with shareholders and analysts resulted in the Company increasing the level of its disclosures, providing investors with more information related to the performance of individual investments as well as the wider portfolio. In this Annual Report, there are further new disclosures focused on providing greater comfort on the health of the underlying portfolio. These include the aggregate portfolio-wide EBITDA and budget versus actual EBITDA as well as projected long-term cash flows for each of the top five portfolio companies. To expand on the "Approach to Valuations" section from the 2025 Interim Report, the Investment Manager has also provided a detailed valuation case study in the Investment Manager's report.

The Investment Manager and the Board have agreed an amendment of the investment management fee structure to improve competitiveness and alignment. Fees will be charged on a blend of NAV[APM] and market capitalisation from 1 October 2025. This agreement was reached in consultation with the Broker, and in the context of the evolving market standards that seek to reduce costs and align investment managers with the total return achieved by shareholders.

At the AGM Emma Griffin stood down as a non-independent Director and I would like to extend my thanks for her work on SEIT. A recruitment process has been taking place using an independent third-party search firm. From a long list the process has narrowed down to two suitable candidates and the Company will finalise its decision in due course.

Portfolio and Financial Performance

The portfolio's operational performance was generally in line with expectations. On a consolidated basis, EBITDA[APM] for the year ended 31 December 2024 was on budget, delivering the targeted distributions to the Company to cover the aggregate dividend declared in the year to 31 March 2025. Aggregated EBITDA[APM] for the portfolio, a new disclosure for this reporting cycle, was c.£86 million. This does not include the EBITDA increase expected from significant capital investment during 2024 into Onyx and the completion of the construction of the cogeneration plant at RED-Rochester.

SEIT's NAV[APM] per share at 31 March 2025 was 90.6 pence (90.5 pence at 31 March 2024), a small increase over the year, representing a total return on a NAV basis[APM] of c.7.1% for the year. The earnings per share ("EPS") for the financial year were 6.4 pence per share.

Dividends

Based on our current assumptions and expectations about future cash flow projections, as well as considering the potential impact of disposals and other balance sheet activity, the Company is announcing new dividend guidance of 6.36 pence per share for the year to 31 March 2026, an increase of c.1%. The Company continues to target progressive dividend growth thereafter.

The dividend forecast balances dividend growth with the Company's priority of using cash to repay debt to support the value of the portfolio by reinvestment. We also monitor our ability to return capital to investors through other means, such as a share buyback programme.

Addressing the Share Price Discount to NAV [APM]

During the year, the Investment Manager has continued its efforts to address the share price discount. This includes the following activities:

Disposals

In May 2024, the Investment Manager successfully sold the investment in UU Solar to UK Power Networks Services Holdings Limited. The agreed price represented a 4.5% premium to the Company's 30 September 2023 valuation.

In summer 2024, private capital markets in the US and Europe showed cautious recovery, with a modest uptick in deal volumes and favourable conditions for buyers. This environment supported the launch of sale processes for Onyx (North America) and EVN (UK), as the market adjusted to slower growth and shifting investor sentiment.

However, rising macroeconomic and geopolitical uncertainty significantly impacted deal activity by early 2025. US transactions have largely stalled, while momentum in Europe and the UK has slowed. Increased cost volatility has made forecasting and valuations more difficult, particularly around growth potential. As a result, many companies are delaying major transactions, leading to a notable decline in deal volumes.

Whilst the intention was to announce further disposals in the financial year, this has taken longer than envisioned. The delay is for various reasons, including the recent market dynamics outlined above, but we are ultimately reluctant to sell assets when the value for shareholders would be diluted by heightened uncertainty. The Board and Investment Manager are clearly disappointed that our objectives have not yet been achieved, but both parties remain focused on releasing liquidity from the portfolio. Any proceeds will be used to reduce gearing and commence a share buyback programme.

Balance sheet and gearing levels

During the year, the portfolio's total debt levels increased to £626 million (as at 31 March 2025), or 34% of enterprise value, as the Company has continued to fund growth, mostly at Onyx and RED-Rochester. Total debt included c. £234 million of short-term debt in the revolving credit facility ("RCF"). At or around the time of publication, the RCF is expected to be reduced to c.£216 million through active management of gearing[APM], including better matching debt to the lives of the assets in mostly amortising facilities. Whilst total debt levels are close to the Company's gearing limit, this is being closely managed.

As announced in March, the Manager has refinanced SEIT's revolving credit facility, securing terms for a further three years, with two one-year extensions. By locking in a competitive margin with a rolling interest rate cap, the refinanced RCF materially mitigates against interest rate risk for the coming years. The increased capacity also allowed the Company to support Onyx's growth without increasing the portfolio company's debt during the sales process. Both the Board and the Manager remain committed to reducing the RCF as swiftly as is practicable.

Positioning the Company's portfolio for total return growth

The Investment Manager's asset management team continues to implement an active and disciplined approach to engaging with SEIT's portfolio companies and targeting sustained value creation at the asset level. This encompasses close collaboration with management teams to identify and address operational inefficiencies, optimise cost structures and capitalise on emerging growth opportunities. Notable examples include the construction of a new cogeneration plant at RED-Rochester, delivering lower-cost and lower-emission electricity, driving efficiency and future EBITDA[APM] and investing into the significant growth opportunity at Onyx.

We are pleased that the portfolio continues to perform as intended and adds value for shareholders over the medium and long term.

Capital Allocation Policy

During the year, SEIT invested £172 million into the organic opportunities presented by the portfolio. Most of this investment was into Onyx, which provides on-site solar and storage for commercial and industrial buildings across the US. The Capital Allocation Policy ensured that all investment was made with a minimum return hurdle implied by the alternative of buying back shares at the time of investment. In practice, the majority of this investment was made with an expected return in the mid to high teens. This served to support the portfolio's growth prospects and its valuation.

Considering the continued capital requirements at Onyx, in balance with the requirement to prudently manage short term gearing levels, since the end of the financial year the Company has found alternative financing options, as announced 11 June 2025. While we remain committed to disposals to release liquidity and reduce overall debt levels, project-level financing is reducing short-term debt and supporting Onyx's growth to protect shareholder value in the immediate term.

Supporting the liquidity and marketability of the Company's shares
During the year, the Manager has added to its senior investor relations and communications capabilities, with the intention of continuing to raise the Company's profile, bring in new shareholders and improve disclosures. This has resulted in increased investment from retail investors as well as increasing positions from new institutional investors.

Name Change and Sustainability
On 21 May 2025, SEIT changed its name from SDCL Energy Efficiency Income Trust to SDCL Efficiency Income Trust. This followed the release of the European Securities and Markets Authority's ("ESMA") Guidelines on Fund Names, setting out additional ESG-related benchmarking criteria for funds using sustainability terms in their names. The ticker symbol remains the same and all website traffic is being redirected to the new website at www.seitplc.com.

SEIT is an Article 9 Fund under the EU Sustainable Finance Disclosure Regulation ("SFDR"), meaning that it is able to demonstrate that a majority of its portfolio consists of investments focused on environmental, social and governance ("ESG") criteria. I encourage you to turn to the full sustainability update, but, in short, the Investment Manager's alignment to and support for SFDR along with the Task Force on Climate-related Financial Disclosures ("TCFD") has been robust in a time of significant ESG-related regulatory change.

Outlook and Strategic Options
In relation to the Company and its investment portfolio, our investment strategy remains a differentiator to our broader renewable infrastructure peers. Our focus on energy efficiency offers an investment exposure largely independent of power price fluctuations, while our diversified technology portfolio provides increased resilience against the challenges posed by geopolitical instability and extreme weather.

Stakeholders-including individuals, businesses and policymakers-in our key markets across the US and Europe increasingly express concerns about energy security as much as those about its cost. Coupled with the accelerating global energy transition and persistently high energy prices, these tailwinds underpin the merits of prioritising energy efficiency as a means of achieving energy security, economic benefits and greenhouse gas emission reductions, thus reinforcing SEIT's investment strategy.

However, the alternative asset segment of the UK investment trust market has seen capital outflows and there are too many trusts for current shareholders, leading to shares trading at large discounts to NAV per share. We are operating with continued market volatility and price dislocation, with the Investment Manager focused on what we can control-preserving financial strength, executing our investment strategy and delivering long-term value. While external challenges limit the pace and scope, we continue to seek the best possible outcomes for shareholders.

Like most companies in our peer group, we are managing the balance sheet prudently by seeking to reduce short term debt as soon as practicable, all the while supporting the sustained growth that certain investments require-and thus the enduring value-of our portfolio. Despite the continued negative market sentiment, incremental disposals remain the priority for the Investment Manager and the Board are hopeful of achieving this, notwithstanding the delays encountered so far.

It is hard to see how the alternative asset segment of the UK investment trust market can solve the current market issues without either a material improvement in sentiment, consolidation or investments being sold, and capital returned to shareholders. The status quo is clearly unsustainable and so the Board is considering all strategic options to deliver value for all shareholders in an effective and efficient manner. We will seek to gather opinions of shareholders on possible outcomes over the coming weeks.

STRATEGY INVESTMENT MANAGER: MARKETS AND OUTLOOK

A Resilient Investment Strategy in Challenging Markets
SEIT has a diversified and actively managed portfolio, designed to deliver resilient and growing revenue with significant opportunities to increase NAV[APM] over time. This resilience was demonstrated in the year to 31 March 2025, with stable portfolio performance and continued dividend cover amidst global economic uncertainty and geopolitical instability.

SEIT's investment strategy is specialised and fundamentally distinct, focused on energy efficiency projects that not only improve energy productivity but also often deliver energy solutions that are cheaper, cleaner and more reliable than conventional grid supply. These investments are all designed to achieve enduring competitive advantages, providing value throughout and beyond their contracted lifetimes by addressing traditional inefficiencies inherent in the supply and demand for energy.

Strong structural tailwinds continue to underscore the robustness of the strategy, despite current pressure from tariffs or negative sentiment surrounding clean energy. Persistently high energy prices and increasingly unstable grids, combined with decarbonisation efforts and heightened concerns over energy security, substantially reinforce the value proposition of SEIT's decentralised energy generation projects. Although high interest rates have exerted a temporary downward pressure on valuations, the fundamental drivers-cost savings, reduced energy losses and sustainable income generation-remain stronger than ever. SEIT's portfolio is well positioned to capitalise on these dynamics.

However, current market dynamics continue to suppress shareholder returns. The market environment is characterised by elevated interest rates, reduced liquidity and a lack of active buyers. This has significantly impacted the infrastructure and renewable energy investment trust sector, including SEIT. Traditional discount mitigation strategies, including share buybacks, asset disposals and enhanced investor engagement, have not delivered a sustained re-rating.

Since the disposal of UU Solar for a small premium early in the year, the Company has been unable to complete disposals in the intended time frame, not due to a lack of effort or asset quality, but because of a challenging market backdrop. Investment trusts are often viewed as forced sellers, which depresses achievable valuations. This is particularly true for US renewables, where uncertainty around potential tariff escalations and shifting policy has further dampened buyer appetite in an already cautious market. This has made it extremely difficult to secure acceptable valuations or complete disposals within a reasonable time frame.

Having initiated a formal sales process of Onyx, led by a leading M&A adviser in 2024, the Company received a good number of initial bids in January 2025. Selected bidders were then taken through to the second round for management presentations and due diligence. The process was nearing a conclusion with final bids expected in April 2025, when market uncertainty driven by the prospect of US tariff conflicts reached heightened levels. As a result, these parties were unable to make final bids in line with our timetable.

The sales process has since been modified to include alternative options that are designed to release cash and reduce debt from Onyx and its operational assets. We hope to update shareholders in the coming months.

During 2024 the management team of the EVN Group, of which SEIT is a minority shareholder, commenced a process to raise equity capital. This also included the possibility of purchasing Zood, a portfolio of 29 operational, ultra-fast electric vehicle charging sites, managed by EVN and owned in their entirety by SEIT. This process was delayed by the EVN Group for strategic reasons. The Investment Manager is now exploring options to release cash from the Zood portfolio.

Notable Drivers of Operational Portfolio Performance
Operational performance supports SEIT's dividend, with the portfolio diversified by industry, technology and geography.

The five largest investments make up 81% of the portfolio by portfolio value and 82% of EBITDA[APM]. Understanding key trends that impact these investments can help predict broader portfolio performance.

US domestic steel manufacturing: This sector is the main driver for Primary Energy. Having traditionally operated within a complex, cyclical environment over recent decades, it has transitioned from facing significant challenges to cautious growth, supported by protective measures, infrastructure programmes and demand from the automotive and construction sectors. Technological advancements and government policies are expected to drive steady growth.

US industrial economic growth: This is crucial for RED-Rochester, particularly non-durable manufacturing and retail distributors. Strong US consumer demand driving industrial economic growth would likely lead to operational growth should business development on the park bring new tenants on site, meaning new utility customers for RED-Rochester.

AI and power grids: The impact of AI on power grids is significant for Onyx and Driva. AI workloads in data centres cause unpredictable spikes in electricity demand, challenging grid stability. The escalating energy needs of AI-optimised data centres increases power prices, making on-site generation and storage more appealing as it offers cheaper, more reliable services.

Addressing the Share Price Discount to NAV[APM]
The Company has previously reported on a six-point plan to address the discount to NAV[APM]. This remains a key focus for all stakeholders; opposite, the Investment Manager answers some key questions about their ongoing work on this.

A Q&A with the Investment Manager

Q. What is the Investment Manager doing to address the share price discount to NAV[APM]?

A: As set out in previous reports, we have adopted a six-point plan to address the share price discount to NAV[APM]. This plan was designed to balance pulling every lever available to us, whilst protecting long-term shareholder value. Efforts to position the investments for NAV[APM] growth have been intensified while working hard on both sides of the Atlantic to create liquidity events from the investments. Portfolio-level leverage has been renegotiated and refinanced to optimise the balance sheet, while a clear plan to reduce short-term Company-level debt has been identified, despite allocating capital to support the value of the growth investments. All the while, investor relations and communications have been ramped up to support the marketability and liquidity of the shares, bringing in new investors both in the UK and the United States.

Q: How has SEIT's investment approach adapted to current market conditions?

A: This is a relatively young portfolio that was designed with strong, long term growth prospects, primarily acquired during a very different market environment. To protect the value of these investments without continued equity raises, we needed to find ways to support their growth. Careful use of debt has been a part of that, as has a renewed focus on value creation strategies that are not dependent on high levels of CapEx.

We have adapted to current market conditions by setting out to deliver more with less, transitioning from a portfolio designed primarily for steady and growing dividend income with an opportunity for growth, to one that places a stronger emphasis on growth without compromising its income-generating capacity. This has involved careful use of both short-term gearing[APM] at the Company level, and longer term project debt.

Q: Short-term debt has gone up since September 2024, are you still committed to reducing it?

A: Absolutely. In a challenging environment of higher interest rates and global economic uncertainty, we have been unable to fund growth with equity, so we have used the Revolving Credit Facility ("RCF") to continue funding Onyx's growth in the short term. We will use any future disposal proceeds to pay down the RCF, but we've also been carefully managing the balance sheet to create opportunities to move debt down to the portfolio level, where duration can be better matched to the underlying assets, and where it amortises down, gradually reducing over time. As an example, at or around the date of publication, we expect to have reduced the RCF-from approximately £234 million to around £216 million-by introducing optimal long-term debt at Zood.

Additionally, we refinanced our RCF in March, securing a competitive margin with rolling interest rate caps, mitigating interest rate risk and reinforces a more proactive capital allocation strategy.

Q: What actions have you taken to recycle capital and support share price valuations?

A: We continue to pursue multiple opportunities to recycle capital through both disposals and the introduction of co-investors. These processes will not only serve to reduce our RCF but also validate our asset valuations. In May 2024, we disposed of a major asset, UU Solar, at a price above its net asset value. Additionally, we have run a formal process to potentially sell or partially sell Onyx and supported the formal process to bring in an equity investor for EVN. As noted by the Chair, we don't believe it's the right thing to sell when the value is hampered by macro, and hopefully temporary, factors. We are progressing opportunities to release liquidity, reduce gearing[APM] and recycle capital. This remains a key priority as we seek to protect and crystallise shareholder value.

Q In the current environment, is it possible to get a good price for shareholders in a disposal process?

A: At the moment, achieving a good price in a disposal process is challenging, though not impossible. Investment trusts are increasingly perceived by the market as motivated or even forced sellers-regardless of whether that's actually the case.

With SEIT's shares trading at a significant discount, potential buyers may expect that any offer made at a modest premium to the current market price will be well received. With such a gap between the true value and SEIT's market price, that doesn't represent a good deal.

This could get worse; while private markets have so far continued to value infrastructure assets closer to their fundamental worth, this divergence from public market pricing is unlikely to persist indefinitely. Historically, private market valuations tend to follow trends in public markets, albeit with a delay. During periods of market stress or uncertainty, private valuations may temporarily appear more stable, but they typically adjust over time to reflect broader economic fundamentals and investor sentiment.

Q: How does project-level financing factor into your strategy?

A: Project-level debt is an important mechanism for us to reduce interest rate risk and in time lower overall debt levels.

Our structural gearing[APM] is amortising, shorter than the lives of the assets and typically includes long-term protection through swaps, minimising interest rate risk. During the year, 64% of our portfolio debt was amortising, with £15.7 million of capital repaid, a weighted average remaining life of 3.4 years, and an average interest rate of 5.7%. While transitioning from short-term, Company level debt to project-level debt does not immediately reduce total gearing[APM], the nature of these amortising facilities allows us to significantly reduce overall gearing[APM] in the medium term without needing further equity.

As noted above, we expect to have closed an additional project-level financing facility for Zood, the portfolio of operational electric vehicle charging sites, managed by EVN, the proceeds from this will be used in full to pay down the Company's RCF. We are continuing conversations to complete similar financing facilities elsewhere in the portfolio.

Q What role does your Capital Allocation Policy play in this transition?

A: Our Capital Allocation Policy is central to our strategy. It applies a significant mid-teens return threshold (based on the then-prevailing share price) to all new investments, ensuring we remain selective and disciplined in our approach. We are pleased that many organic opportunities within the pipeline not only meet but exceed this threshold.

Over the period, we invested a total of c.£172 million into our existing portfolio, much of this was to address Onyx's pipeline of commercial solar projects that deliver low-cost, more reliable energy to customers across the US.

Q: What steps have been taken to support the liquidity and market visibility of the Company's shares?

A: Understanding that some shareholders require an exit, we have sought to support the liquidity of SEIT's shares. We recognised early the importance of marketing in this environment and have bolstered our senior investor relations and communications capabilities to raise the Company's profile. This initiative has attracted new retail and institutional investors, increasing the demand for shares. Demand doesn't match supply, but it is stronger than it would otherwise have been. In the year from June 2024, one month average daily trading volumes ("ADTV") have increased 4x and three month ADTV by 3x.

PERFORMANCE | COMPANY KEY PERFORMANCE INDICATORS

In the section below, the Company sets out its financial and operational key performance indicators ("KPIs") used to track the performance of the Company over time against its objectives. The Board believes that the KPIs detailed below provide shareholders with sufficient information to assess how effectively the Company is meeting its objectives.

Financial KPIs

2025: 90.6p
2024: 90.5p
Net asset value ("NAV")
per share [APM] (pence)
NAV [APM] divided by number of shares outstanding as at 31 March
NAV [APM] has remained stable despite downward pressures from the macroeconomic environment during the period.

2025: 48.2p
2024: 59.1p
Share price (pence)
Closing share price as at 31 March
The share price has decreased predominantly due to market volatility and the thematic adverse impact on alternative investments focused on UK investment trusts.

2025: 6.32p
2024: 6.24p
Dividends per share (pence)
Aggregate dividends[APM] declared per share in respect of the financial year
The dividend increased year on year due to predictability of near-term cash generation from the portfolio, plus new investments. The Company met its stated dividend targets for the years ended 31 March 2024 and 31 March 2025.

2025: 1.0x
2024: 1.1x
Dividend cash cover [APM] (x)
Operational cash flow[APM] divided by dividends paid to shareholders during the year
While a decrease on the prior year, the Company met its target of net operational cash inflow to fully cover dividends paid for the years ended 31 March 2024 and 31 March 2025.

2025: 7.1%
2024: (4.7)%
Total return on NAV basis [APM] in the year (%)
NAV growth and dividends paid per share in the year
The payment of interim dividends contributed to a positive NAV [APM] return in the year.

2025: 1.16%
2024: 1.02%
Ongoing charges ratio APM (%)
Annualised ongoing charges (i.e. excluding investment costs and other irregular costs) divided by the average published undiluted NAV APM in the period, calculated in accordance with AIC guidelines
Ongoing charges remained in line with 2024; the ratio increase is reflective of the reduction in average published NAV, given decrease from 2023. See the Financial Review and Valuation Update.

Operational KPIs

2025: 16.0
2024: 16.4
Weighted average contracted investment life (years)
Weighted average number of years of contracted revenue remaining in investment contracts (excludes all re contracting assumptions)
Decrease was in line with expectations.

2025: 49%
2024: 52%
Largest five investments as a % of gross asset value ("GAV APM") (%)
Total value of five largest individual investments divided by the sum of all investments held in the portfolio plus cash, calculated at year end
Target is to maintain good portfolio diversification, this was achieved in both financial years.

PERFORMANCE | PORTFOLIO: KEY UPDATES

Portfolio Performance

SEIT's investment objective is to deliver an attractive total return for investors, comprising stable dividend income, capital preservation and the potential for capital growth. SEIT's portfolio generates predictable, long-duration cash flows that supports SEIT's dividend distributions. The following pages highlight the operational performance and active management that underpin these consistent returns.

During the year, the portfolio delivered:

c.£86m
2024 Aggregate portfolio EBITDA[1]

c.£97m
Distributed, financial year 2025

SEIT's portfolio has a track record of delivering a steady stream of distributions that have enabled the Company to fully cover a progressive dividend paid to shareholders since IPO, as demonstrated in the chart below. SEIT expects to continue a progressive dividend policy for the foreseeable future.

SEIT has several larger portfolio companies, which form a foundation for overall portfolio cash flows as well as providing established platforms to generate growth opportunities. Of the c.£97 million distributed in the year, 74% was from these five portfolio companies. Underlying diversification ensures revenue growth, despite recent volatility. Using conservative estimates of gearing and largely excluding any expectations for accretive projects, the following chart demonstrates the long-term cash flow expectations of the portfolio, mostly driven by the five largest portfolio companies. This demonstrates the long term security of the dividend as well as the long-term nature of base case assumptions.

The revenues referred to in this section describe the revenues that are assumed in the March 2025 Portfolio Valuation APM and therefore include both contracted and uncontracted revenues. This is explained further in the Financial Review and Valuation Update.

Investing for Total Return

The March 2024 Annual Report reconfirmed the Investment Manager's commitment not to invest into any new inorganic investments and to remain completely aligned with the Company's Capital Allocation Policy. Within this framework, during the 2025 financial year the Company has continued to invest only in the organic growth of the portfolio. Investments have met or exceeded the hurdle implied by the alternative of buying back shares at the time of investment, as set out in the Capital Allocation Policy. SEIT has invested £172 million during the period, mostly into Onyx's growth pipeline.

Further upside opportunities remain, a number of which would require further upfront investment, however many would not. As guided in the last annual results, there has been positive progress on many of these value accretive opportunities, with some delivering a net uplift of c.£20 million to the March 2025 Portfolio Valuation APM, while others are well advanced with good prospects of adding further valuation uplift. These opportunities could potentially add over £150 million to the NAV APM over the coming years, although there can be no guarantee that this will be realised. We continue to focus and prioritise the workstreams associated with these opportunities and expect them to continue to develop.

Cash Flows Have Been Underpinned By Operational Performance

The diversified nature of the portfolio (e.g. by geography, technology, industry and customers) ensures that it continues to deliver operational performance to cover the dividend. Headwinds that may be encountered from time to time at one asset can generally be offset by tailwinds at another.

The projects in the table below delivered a combined EBITDA of £70 million, generally in line like-for-like budgets of £71 million for the period

	Project equity value at 31 March 2025	Project-level debt at 31 March 2025	Technical KPI at 31 December 2024	EBITDA 2024 (local currency, millions)	Δ from budget EBITDA (%) 2024
Oliva Spanish Cogeneration	c.€125m	c.€0	782,938MWh produced	EUR 13.8	2%
Driva	c.SEK 1,054m	c.SEK 682m	92% green gas	SEK 73.3	1%

Primary Energy	c. 288m	c. 155m	183MW average net production	USD 38.9	0%
Onyx Renewable Partners	c. 419m	c. 50m (excluding RCF)	132,901MWh produced	USD 12.41	-2%
RED-Rochester	c. 299m	c. 101m	6.6m MMBtus delivered	USD 15.4	-11%

1) These figures use the FX rate as at 31 December 2024.

2) Onyx EBITDA [APM] is for the fully operational portfolios of assets (total of four) and does not include portfolios still partly under construction (total of two).

During the year, performance was largely in line with expectations, despite some underperformance at RED Rochester. Since the end of the year, operational performance at RED-Rochester has been strong.

To build on the project-level KPI disclosures provided in previous financial reports, and to better understand the operational performance of the portfolio, the Manager's expectations for EBITDA[APM] during the period as well as the actual EBITDA[APM] have been provided. Please note, as in previous reports, the operational measures and management budgets are produced and monitored in line with the calendar year.

The summaries in this section describe the five largest portfolio companies that are diversified across North America and Europe, consisting of 23 individual investments making up c.81% of SEIT's total portfolio by value. A detailed summary of these investments and their performance during the year is outlined in the following pages.

For a more comprehensive understanding of these investments, please see the following sections: Financial Review and Valuation Movements, the Principal Risks, Risk Management Framework and Note 3 in the financial statements.

Data shown above in the Portfolio Summary is as at 31 March 2025 unless otherwise stated.

PERFORMANCE | FINANCIAL REVIEW AND VALUATION UPDATE

The Company generated resilient and growing revenue to cover the dividend, as well as NAV growth.

Key Information as at 31 March 2025

£97m
Investment cash inflow

£70m
Profit before tax

6.4p
EPS

£1,197m
Portfolio value

Portfolio Cash Generation to Cover Dividends

The Company's investments generated free cash flows [APM] of £130 million in the period. After allowing for debt repayments, the cash inflow from investments (on a portfolio basis[APM]) was £97 million, an increase of c.5% from the comparative period (March 2024: £92 million). After allowing for Fund-Level costs of £28 million (March 2024: £20 million), this enabled the Company to cover its cash dividends paid in the year of 1.0x. On a free cash flow basis the cover was 1.9x.

The Company has delivered the cash to fully cover the target aggregate dividend [APM] of 6.32 pence per share for the year ended March 2025.

Dividend cash cover[APM] twelve-month period to March 2025

Free cash flows at portfolio level before debt repayments[1]	**£(130.2)m**
Debt repayments at project level	**£(32.9)m**
Interest	£(17.2)m
Capital repayment	£(15.7)m
Investment cash inflow from the portfolio	**£97.3m**
Fund expenses	**£(28.1)m**
Finance costs	£(14.4)m
Management fee and other expenses	£(13.7)m
Net cash inflow from portfolio	**£69.2m**
Dividends paid to shareholders	**£(68.4)m**
Dividend cash cover[APM]	**1.0x**

1) After cash retained at project level for working capital requirements.

Consolidated Gearing[APM] Position

The structural gearing [APM] target is measured across the portfolio, enabling the Company to optimise for efficiency and risk, utilise debt where it can be most efficiently sourced and enable a significant part of the portfolio to operate on an unlevered basis. A large portion of the structural gearing [APM] amortises from free cash flow generated by the relevant investment, so while SEIT's structural gearing[APM] currently sits above target levels, this can naturally reduce over time. The Investment Manager has a strategy to incrementally manage gearing[APM] on the balance sheet by moving debt from the short-term RCF to amortising structural gearing[APM]. At 31 March 2025, the weighted average life remaining on structural gearing[APM] is 3.4 years, demonstrating that in a "do nothing" scenario, overall gearing[APM] would reduce significantly in the medium term.

While no project-level financing is due to expire in the next two years, the Investment Manager may seek to optimise through opportunistic refinancing where possible. For example, the Cokenergy recontracting substantially improves finance capacity and reduced risk, from the perspective of a lender.

From this, the Investment Manager anticipates improvement of terms in the Primary Energy financing whilst retaining benefit from the long-term interest rate swaps currently in place.

The Company, via Holdco, also has a £240 million RCF in place until March 2028, having recently refinanced and extended the expiry date by three years. The Company intends for this to be short-term finance, repayable through surplus distributions from the portfolio, refinancing proceeds at project level and investment disposals. At 31 May 2024, the Company's RCF had reduced to £98 million after a partial repayment following the disposal of UU Solar in May 2024. As at 31 March 2025, £234 million of the Company's RCF was drawn. The increase was used to fund investments, primarily the growth pipeline at Onyx. At the time of publishing (June 2025), the Onyx pipeline is no longer being funded through the Company's RCF. The RCF is expected to be reduced to c.£216 million through new investment-level debt financing facilities at Zood at or around the date of publication. The Investment Manager is committed to reducing the RCF further during 2025 and continues to work towards this goal.

	% of GAV [APM 1]	Debt at 31 Mar 25 (GBP)	Debt as a % of EV[2]	Debt as a % of NAV [APM]
Primary Energy (USA)	9.9%	121m	6.6%	
RED-Rochester (USA)	6.4%	78m	4.3%	
Onyx (USA)	10.5%	128m	7.0%	
Värtan Gas (Sweden)	4.3%	53m	2.9%	
Capshare (Portugal)	0.9%	11m	0.6%	
Citi Riverdale (UK)	0.1%	1m	0.1%	
Structural gearing		392m	21.5%	39.9%
Aggregate gearing		626m	34.4%	63.6%
Revolving Credit Facility		234m	12.8%	23.7%

At the time of publication, overall gearing[APM] levels remain largely unchanged from 31 March 2025.

1) GAV consists of Portfolio Valuation and other assets, cash includes net working capital.
2) Enterprise Value consists of c.£1.0 billion NAV and c.£0.6 billion debt.

5.7%			**Weighted average interest rate of portfolio debt** 2024: 6.0%
67% is fixed[1]			**Interest rate exposure of portfolio debt** 2024: 80%
3.4 years			**Weighted average life remaining on debt** 2024: 3.7 years
USA: 84%	**Europe: 16%**	**UK: <1%**	**Portfolio-level debt by geography** 2024: USA: 80%, Europe: 19%, UK: <1%
£33m			**Portfolio debt repaid in the year[2]** 2024: £26m

1) % of total debt that is fixed or has long term interest swaps in place to mitigate interest rate exposure.
2) Incremental to the associated capital, where applicable.

Analysis of Movement in NAV [APM]

As of 31 March 2025, the NAV per share [APM] is 90.6 pence. We assess the impact of the following components on valuations since 31 March 2024:

- Earnings per share in the year were 6.4 pence, which was made up of Portfolio Valuation[APM] movements of: 9.2p (consisting of 0.5 pence of macro changes and 8.7 pence of portfolio movements), net FX reduction of 0.1 pence and company expenses of 2.7 pence
- Dividends paid during the year were 6.3 pence

Opening NAV	EPS	Dividends paid	Closing NAV
90.5p	**6.4p**	**(6.3)p**	**90.6p**

Portfolio Valuation movements	**9.2p**
Macro changes (inflation and tax)	0.5
Valuation - portfolio movements	8.7
Portfolio Valuation movement	**9.2**

Net FX movement	**(0.1)p**
Portfolio Valuation losses	(1.1)
Hedging gains	1.0
NET FX movements	**(0.1)**

Company expenses	**(2.7)p**
Management fees	(0.9)
RCF interest	(1.4)
Other expenses	(0.4)
Company expenses	**(2.7)**

FX movement

The Company's hedging strategy is executed at the level of Holdco, so the Company itself is only indirectly exposed to foreign exchange movements. 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 [APM] arising from movements in foreign exchange rates, and the approach to achieving this objective remains unchanged from previous periods.

In line with the policy, the Investment Manager maintained hedging levels of between 75-90% of its non-GBP investment. The negative impact of FX movements reported in the interim results has been offset during the second half of the year, which meant the impact to NAV APM due to currency movements in the period was limited to £0.75 million, which is less than 1% of NAV APM.

Company expenses
Company expenses are primarily comprised of finance and interest costs relating to the RCF (c.£14.6 million) and management fees (c.£8.7 million). RCF costs have increased along with its size but are expected to reduce as portfolio gearing APM is managed across the balance sheet and the RCF reduces. The Board and the Investment Manager are both committed to bringing down short-term borrowing as a matter of priority.

Dividends paid
The Company paid a total of £68 million in dividends to shareholders in the year. This included the last quarterly interim dividend for the year ended 31 March 2024 and the first three quarterly interim dividends for the year ended 31 March 2025. The Company has declared the fourth quarterly interim dividend for the year ended 31 March 2025, this is payable at the end of June 2025, delivering the targeted 6.32 pence per share for the year ended 31 March 2025.

Based on the projected investment cash flows from the current portfolio prepared by the Investment Manager, the Company has announced new dividend guidance of 6.36 pence per share for the year to 31 March 2026 and, as before, will target progressive dividend growth thereafter. The Company has increased its annual dividend each year since its IPO in 2018. The Company intends to continue to pay interim dividends on a quarterly basis through four broadly equal instalments (in pence per share).

Further detail on dividend cash cover APM can be found in the Financial Review and Valuation Update.

Portfolio Basis NAV APM

Portfolio Valuation	Working capital	RCF	Cash	NAV APM
£1,197m	£13m	£(234)m	£8m	£984m

Gearing APM summary as at 31 March 2025

March 2025: Portfolio Valuation APM

Movements in Portfolio Valuation APM

The Portfolio Valuation APM as at 31 March 2025 is £1,197 million, compared with £1,117 million as at 31 March 2024.

After allowing for investments made of £172 million and cash receipts from investments of £184 million (including proceeds from the disposal of UU Solar), the Rebased Portfolio Valuation APM is £1,105 million. Adjusting for changes in macroeconomic assumptions, foreign exchange movements (excluding the effect of hedging) and changes in discount rates, this resulted in a portfolio movement of £98 million.

Further information on key investments and potential future valuation movements can be found in Note 3.

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

The Company has a single investment in a directly and wholly owned holding company, SEEIT Holdco. It recognises this investment at fair value. To derive the fair value of SEEIT Holdco, the Company determines the fair value of investments held directly or indirectly by Holdco (the "Portfolio Valuation APM") and adjusts for any other assets and liabilities. The valuation methodology applied by Holdco to determine the fair value of its investments is materially unchanged from the Company's IPO and has been applied consistently in each subsequent valuation. See Note 4 for further details on the valuation methodology and approach. A reconciliation between the Portfolio Valuation APM at 31 March 2025 and investment at fair value shown in the financial statements is given in Note 11.

For the Portfolio Valuation APM at 31 March 2025, the Directors commissioned a third-party valuation expert to provide a valuation report for the portfolio of investments in addition to the assessment of the appropriate discount rate range for each investment (excluding small investments with an aggregate value of less than 22% of the Portfolio Valuation APM at 31 March 2025) in order to support the valuation prepared by the Investment Manager. The valuation of each investment was within the ranges advised by the third-party valuation expert.

Please refer to the Strategic Report where the approach to valuation is described in detail using RED Rochester as a case study.

Valuation Movements
A breakdown of the movement in the Portfolio Valuation APM in the year is illustrated in the following chart and set out in the table below.

Valuation Bridge - March 2024 to March 2025 (GBP Millions)

Changes in macroeconomic assumptions	Changes in foreign exchange rates	Portfolio movements
£5m	**£(12)m**	**£98m**
Read more below	Read more below	Read more below

Changes in macroeconomic assumptions - impact of £5 million:

- Inflation assumptions:
  - consistent with previous years. The approach to all geographies is to apply three-year near-term bridge to the relevant long-term inflation assumption;
  - 2025 expectations are marginally increased in both US and UK, based on latest inflation curves; and
  - long-term inflation assumptions remain the same as applied to the March 2024 valuation.
- Tax rate assumptions:
  - no changes to corporation tax rate assumptions during the period.

Changes in foreign exchange rates - impact of £(12) million (before hedging):

- Investment portfolio decreased by £12 million during the year from movements in foreign exchange rates, driven by the movement of GBP against the US dollar, euro, Singapore dollar and Swedish krona since 31 March 2025 by the movement of GBP against the US dollar, euro, Singapore dollar and Swedish krona since 31 March 2025 or since new investments were made in the year.

- This reflects only the movement in underlying investment values and does not account for the offsetting effect of foreign exchange hedging that SEEIT Holdco applies outside of the Portfolio Valuation [APM].
- SEEIT Holdco experienced an aggregate gain of £11 million due to foreign exchange hedging.
- Overall foreign exchange movements did not have a significant impact on NAV [APM] during the year, resulting in a net loss of c.£1 million from foreign exchange movement, staying within expected outcomes of the existing hedging strategy.

Portfolio movements - impact of £98 million:

- Portfolio weighted average discount rate ("WADR") of 9.6% levered (March 2024: 9.4%).
- The WADR is considered a reasonable proxy for the return than can be generated by the portfolio over time, all other factors remaining equal.

Weighted average discount rate at 31 March 2025
(compared to 31 March 2024)

Levered/unlevered	UK	US	Europe/Asia	Combined
Levered				
2025	**9.1%**	**9.9%**	**8.8%**	**9.6%**
2024	8.1%	9.6%	9.1%	9.4%
Unlevered				
2025	**9.1%**	**8.7%**	**7.8%**	**8.5%**
2024	8.1%	8.8%	8.2%	8.6%

Breakdown of discount rate (unlevered) at 31 March 2025
(compared to 31 March 2024)

	UK	US	Europe	Combined
Weighted average risk-free rate				
2025	**5.0%**	**4.4%**	**3.2%**	**4.2%**
2024	4.3%	4.4%	3.0%	4.0%
Risk premium				
2025	**4.1%**	**4.2%**	**4.7%**	**4.3%**
2024	3.8%	4.4%	5.2%	4.6%
Weighted average discount rate (unlevered)				
2025	**9.1%**	**8.7%**	**7.8%**	**8.5%**
2024	8.1%	8.8%	8.2%	8.6%

- This refers to the balance of valuation movements in the period, excluding (i) to (iii) above, which provided an uplift of £98 million. The portfolio movements reflect in aggregate:
- the net present value of the cash flows unwinding over the period at the average prevailing portfolio discount rate
- specific adjustments to future cash flows were required for events during the period that affected the actual outcome from certain investments (see below for Oliva, Onyx, RED and Primary);
- on a very selected basis, certain asset-specific risk premiums were adjusted up and down for an overall decrease in risk premiums - reductions in risk premiums were made in RED-Rochester, Primary Energy, Onyx and Driva (formerly Värtan Gas) to reflect greater certainty over specific assumptions for future cash flows or as a reversal of a provision held at March 2024 for a risk to future cash flows where the provision has now been replaced with estimated cash flows instead.
- The Portfolio Valuation[APM] as at 31 March 2025, and by implication the return achieved over the period, includes a number of key estimates and judgements of future cash flows expected from different investments. In addition, specific adjustments to future cash flows were required for events during the period that affected the actual outcome from certain investments.
- The key factors that have had a material impact on the 31 March 2025 Portfolio Valuation [APM] are listed below; these have had a value impact of 1% or higher on the Company's NAV [APM].

Additional information and sensitivities are disclosed in the critical estimates and judgements section of Note 3.

Oliva Spanish Cogeneration

- The Spanish Government published regulatory updates in the period to the RoRi, a local incentive scheme to provide a return on operations and investments, that did not include the positive updates for compensation of distribution costs that the market was expecting.
- As a result, a one-off adverse impact on Portfolio Valuation[APM] of £15 million - in line with the estimated impact of this valuation assumption included in Note 3 in the March 2024 Annual Report.
- Industry is expecting to appeal against the omission of compensation for distribution costs from this periodic regulatory update.

Onyx

- The Onyx team delivered strongly on their pipeline targets for 2024, and in addition, have made very good progress on securing PPAs for 2025. This gives the Investment Manager confidence in the near-term pipeline and the valuation overall.
- The US administration's recent tariff announcements have resulted in uncertainty around the potential impact of tariffs on Onyx. Scenarios analysis has been performed and has been a key consideration when arriving at the valuation. Note 3 provides a sensitivity to slower deployment which may come as a result of regulatory uncertainty or increased supply costs that are not possible to fully mitigate against by passing it on to customers.
- A measured view was taken for the overall valuation of Onyx at March 2025, including the operational, construction and development components. Adjusting for new investments, distributions and the valuation impact of construction assets becoming operational, the valuation was broadly flat on a like-for-like basis compared to March 2024, partially reversing positive movements in the first half of the year.

RED-Rochester

- During the second half of the financial year, there has been an increased level of uncertainty regarding the planned Li-Cycle facility. This has been reflected in a reduction in likely revenue forecast from the LiCycle facility which has resulted in an adverse impact on Portfolio Valuation[APM] of £17 million. The Valuation Case Study presented earlier provides further insight into the use of probability outcomes to assess and value different outcomes in relation to the dynamic situation for Li-Cycle.
- The Cogen project has now achieved COD and is due to come online fully as scheduled in Q2 2025. As such, the probability applied to future cash flows has increased from 80% to 100%, and this has produced an uplift to Portfolio Valuation [APM] of £16 million.

Primary Energy

- The Public Utilities Commission of Ohio ("PUCO") has reviewed North Lake's request to increase REC-eligible capacity from 15MW to 90MW, and as at 31 March 2025 a conditional approval was received. Primary Energy's management viewed the likelihood of final approval as near certain, and in recognition of this positive momentum, have included the expanded capacity was included in the valuation at 80% probability. This resulted in Portfolio Valuation APM uplift of £15 million. Full approval has since been received and the full value will be included in the next valuation.

- In the 2025 Budget, Primary Energy's management significantly reduced previously forecasted cost savings from FY2025. The majority of these relate to ongoing maintenance of roadways, buildings and fire safety systems and resulted in an adverse impact to Portfolio Valuation APM of £12 million.

Ongoing Charges APM

The portfolio's ongoing charges ratio APM, in accordance with AIC guidance, is 1.16% (March 2024: 1.02%). Overall operating costs have remained in line with 2024, the increase is reflective of the reduction in average published NAV. The ongoing charges percentage has been calculated on a Company basis to take into consideration the expenses of the Company and Holdco.

	March 2025	March 2024
Expenses - Management fees	**£8.7 million**	£9.2 million
Expenses - Other	**£2.7 million**	£2.0 million
Average NAV	**£983.0 million**	£1,094.0 million
Ongoing charges %	**1.16%**	1.02%

Directors' Responsibility Statement

The 2025 Annual Report which will be published as noted above contains a responsibility statement in compliance with DTR 4.1.12. This states that on 20 June 2025, the date of the approval of the Annual Report, the Directors confirm that to the best of their knowledge:

· the Company financial statements, which have been prepared in accordance with UK-adopted international accounting standards, give a true and fair view of the assets, liabilities, financial position and profit of the Company; and

· the Strategic Report: Portfolio Review includes a fair review of the development and performance of the business and the position of the Company, together with a description of the principal risks and uncertainties that it faces.

Tony Roper
Chair

STATEMENT OF COMPREHENSIVE INCOME
For the year ended 31 March 2025

	Note	**For the year ended 31 March 2025 £'millions**	For the year ended 31 March 2024 £'millions
Investment income/(loss)	5	**81.2**	(44.7)
Total operating income/(loss)		**81.2**	(44.7)
Finance income		**-**	0.2
Fund expenses	6	**(11.1)**	(11.8)
Profit/(loss) for the year before tax		**70.1**	(56.3)
Tax on profit/(loss) on ordinary activities	7	**-**	-
Profit/(loss) for the year		**70.1**	(56.3)
Total comprehensive income/(loss) for the year		**70.1**	(56.3)
Attributable to:			
Equity holders of the Company		**70.1**	(56.3)
Earnings/(loss) per ordinary share (pence)	8	**6.4**	(5.2)

All items in the above statement derive from continuing operations.

STATEMENT OF FINANCIAL POSITION
As at 31 March 2025

	Note	**31 March 2025 £'millions**	31 March 2024 £'millions
Non-current assets			
Investment at fair value through profit or loss	11	**984.2**	983.8
		984.2	983.8
Current assets			
Trade and other receivables		**0.3**	0.2
Cash and cash equivalents		**0.9**	0.5
		1.2	0.7
Current liabilities			
Trade and other payables		**(1.8)**	(2.6)
Net current liabilities		**(0.6)**	(1.9)
Net assets		**983.6**	981.9
Capital and reserves			
Share capital	12	**11.1**	11.1
Share premium	12	**756.8**	756.8
Other distributable reserves	12	**270.9**	339.3

	Note		
Accumulated losses		**(55.2)**	(125.3)
Total equity		**983.6**	981.9
Net assets per share APM (pence)	10	**90.6**	90.5

The financial statements within the annual report were approved by the Board of Directors on 20 June 2025 and signed on its behalf by:

Sarika Patel
Director

Tony Roper
Director

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
For the year ended 31 March 2025

	Note	Share capital £'millions	Share premium £'millions	Other distributable reserves £'millions	Accumulated losses £'millions	Total equity £'millions
Balance at 1 April 2024		11.1	756.8	339.3	(125.3)	981.9
Dividends paid	9	**-**	**-**	**(68.4)**	**-**	**(68.4)**
Total comprehensive income for the year		**-**	**-**	**-**	**70.1**	**70.1**
Balance at 31 March 2025		**11.1**	**756.8**	**270.9**	**(55.2)**	**983.6**

	Note	Share capital £'millions	Share premium £'millions	Other distributable reserves £'millions	Retained earnings/ (accumulated losses) £'millions	Total equity £'millions
Balance at 1 April 2023		11.1	1,056.8	39.3	18.2	1,125.4
Share buyback	12	-	-	-	(20.0)	(20.0)
Share transaction costs	12	-	-	-	(0.1)	(0.1)
Cancellation of share premium account		-	(300.0)	300.0	-	-
Dividends paid	9	-	-	-	(67.1)	(67.1)
Total comprehensive loss for the year		-	-	-	(56.3)	(56.3)
Balance at 31 March 2024		**11.1**	**756.8**	**339.3**	**(125.3)**	**981.9**

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STATEMENT OF CASH FLOWS
For the year ended 31 March 2025

	Note	**For the year ended 31 March 2025 £'millions**	For the year ended 31 March 2024 £'millions
Cash flows from operating activities			
Profit/(loss) for the year before tax		**70.1**	(56.3)
Adjustments for:			
(Gain)/loss on investment at fair value through profit or loss	5	**(7.3)**	116.2
Loan interest income	5	**(3.9)**	(6.5)
Operating cash flows before movements in working capital		**58.9**	53.4
Changes in working capital			
(Increase)/decrease in trade and other receivables		**(0.1)**	0.4
Decrease in trade and other payables		**(0.8)**	(0.7)
Net cash generated from operating activities		**58.0**	53.1
Cash flows from investing activities			
Additional investment in Holdco	11	**(7.0)**	(38.4)
Loan principal repayment received	11	**13.9**	66.2
Loan interest income received		**3.9**	6.5
Net cash generated from investing activities		**10.8**	34.3
Cash flows from financing activities			
Share buyback payments	12	**-**	(20.0)
Payment of share buyback costs		**-**	(0.1)
Dividends paid	9	**(68.4)**	(67.1)
Net cash used in financing activities		**(68.4)**	(87.2)
Net movement during the year		**0.4**	0.2
Cash and cash equivalents at the beginning of the year	2	**0.5**	0.3
Cash and cash equivalents at the end of the year	2	**0.9**	0.5

The financial information set out above does not constitute the Company's statutory financial statements for the years ended 31 March 2025 or 2024 but is derived from those financial statements. Statutory financial statements for 2024 have been delivered to the registrar of companies, and those for 2025 will be delivered in due course. The auditors have reported on those financial statements; their reports were (i) unqualified, (ii) did not include a reference to any matters to which the auditors drew attention by way of emphasis without qualifying their report and (iii) did not contain a statement under section 498 (2) or (3) of the Companies Act 2006.

END

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