SEQI

Interim Report 2025

Diversified Sustainable Income

Our purpose

Our purpose is to generate attractive and sustainable returns for a wide range of investors through responsible and disciplined investment into a growing portfolio of diverse economic infrastructure debt. These assets would otherwise be difficult for investors to access, given the specialist nature of the origination and credit assessment skills needed. Our investments support the provision of infrastructure on a sustainable basis and create social and economic benefits across the range of geographies in which we invest.

Fund review

Strategic report

Governance

Financial statements

Additional information

Highlights

£1.44bn
Total net assets
(31 March 2025: **£1.44bn**)

93.67p
Net asset value ("NAV") per Ordinary Share[1,2]
(31 March 2025: **92.55p**)

77.90p
Ordinary Share price[2]
(31 March 2025: **78.30p**)

(16.8)%
Ordinary Share discount to NAV[1]
(31 March 2025: **(15.4)%**)

£1.20bn
Market capitalisation
(31 March 2025: **£1.22bn**)

65.44
ESG score of the portfolio[3]
(31 March 2025: **64.70**)

4.40p
Earnings per Ordinary Share
(30 September 2024: **4.26p**)

3.4375p
Dividends paid
(30 September 2024: **3.4375p**)

8.8%
Annualised dividend yield[1]
(30 September 2024: **8.6%**)

"SEQI's strong performance over the first half reflects the resilience of our diversified portfolio and the stability of our income generation, despite challenging market conditions."

1. See Appendix for Alternative Performance Measures ("APMs")
2. Cum dividend
3. As measured by the in-house proprietary scoring methodology

At a glance

North America

UK and Europe

Objectives and policies

Principal activity

Sequoia Economic Infrastructure Income Fund Limited (the "Fund" or "SEQI") invests in a diversified portfolio of senior and subordinated economic infrastructure debt investments through Sequoia IDF Asset Holdings S.A. (the "Luxembourg Subsidiary"), Yotta BidCo Limited and Gadwall Holdings Limited (the "UK Subsidiaries"). SEQI controls the UK and Luxembourg Subsidiaries (the "Subsidiaries") through holdings of 100% of their shares. The investment in the Subsidiaries is principally undertaken through the acquisition of Variable Funding Notes ("VFNs") issued by the Luxembourg Subsidiary. For further details of the structure of the group, please refer to note 1 on page 34.

Investment objective

SEQI's investment objective is to provide investors with regular, sustained, long-term distributions and capital appreciation from a diversified portfolio of senior and subordinated economic infrastructure debt investments, subject to the investment criteria as set out in the investment policy.

Investment policy

SEQI's investment policy is to invest in a portfolio of loans, notes and bonds in which no more than 10% by value of the Fund's net asset value (at the time of investment) relates to any one individual infrastructure asset. In addition, SEQI intends to only invest directly or indirectly in investments that satisfy the following criteria, such investments to constitute a minimum of 80% by value of the portfolio at the time of investment:

- all or substantially all of the associated underlying revenues to be from business activities in the following market sectors: transport, transportation equipment, utilities, power, renewable energy, accommodation infrastructure and telecommunications, media and technology infrastructure;
- all or substantially all of the revenues to derive from certain eligible jurisdictions, as defined in SEQI's Prospectus, provided that any such jurisdiction is rated at least BBB- by Standard & Poor's or Baa3 by Moody's;
- at least 40% of the portfolio to be floating-rate or inflation-linked debt (floating-rate instruments converted to fixed-rate instruments through interest rate swaps will be deemed to be fixed rate);
- no more than 20% of the portfolio to comprise pre-operational projects (typically projects in construction);
- no single sector to represent more than 40% of total assets;
- no single sub-sector to represent more than 15% of total assets, other than a major sub-sector (as defined in the Prospectus), which may represent up to 25% of total assets;
- no more than 60% of the portfolio to be located in the United States;
- no more than 50% of the portfolio to be located in Western Europe (ex-UK);
- no more than 40% of the portfolio to be located in the United Kingdom;
- no more than 20% of the portfolio to be located in Australia and New Zealand combined.

Sustainability policy

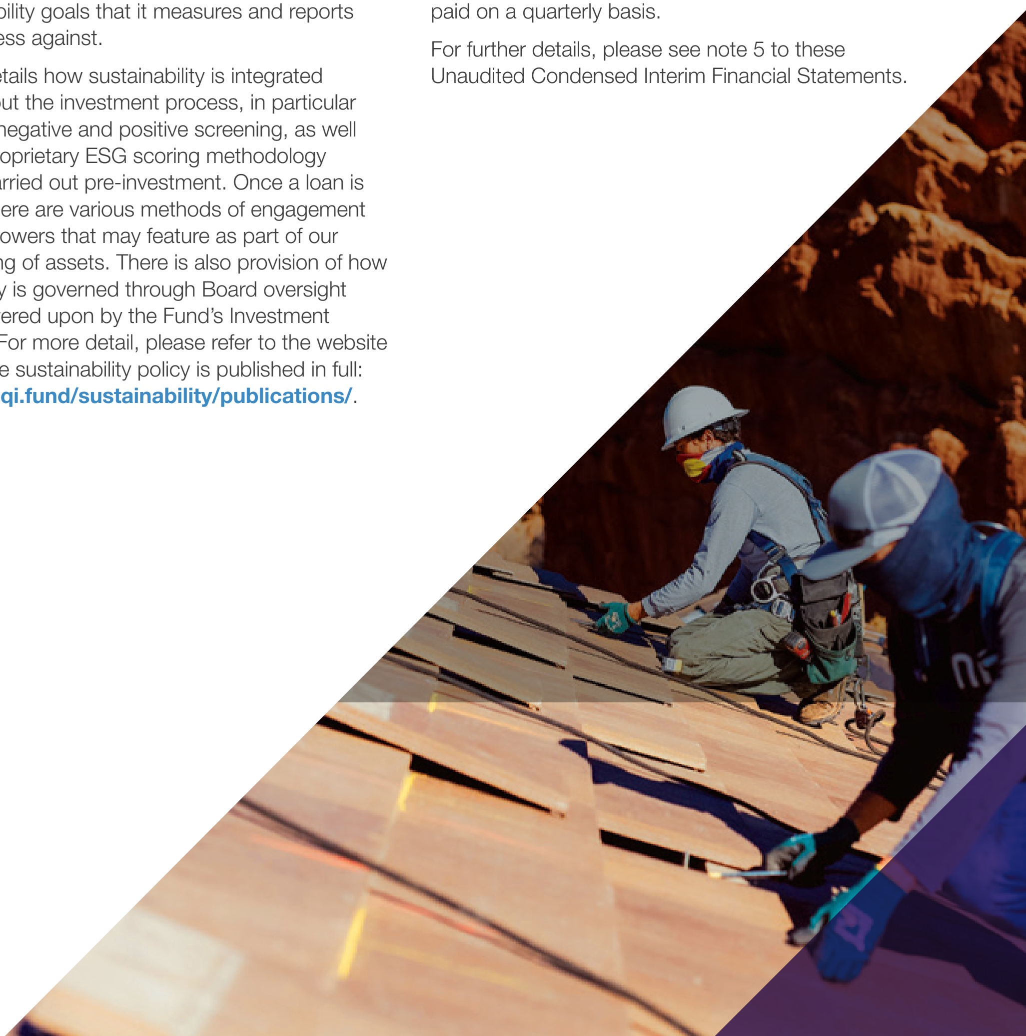
SEQI is committed to responsible investing. As part of its sustainability strategy, it has a long-established sustainability policy, which the Board reviews regularly and ensures is kept up to date and refreshed as appropriate. The policy describes the sustainability principles that underpin SEQI's approach and the three corresponding sustainability goals that it measures and reports its progress against.

It also details how sustainability is integrated throughout the investment process, in particular through negative and positive screening, as well as the proprietary ESG scoring methodology that is carried out pre-investment. Once a loan is made, there are various methods of engagement with borrowers that may feature as part of our monitoring of assets. There is also provision of how the policy is governed through Board oversight and delivered upon by the Fund's Investment Adviser. For more detail, please refer to the website where the sustainability policy is published in full: **www.seqi.fund/sustainability/publications/**.

Dividend policy

SEQI's dividend policy is to pay dividends in accordance with its annual dividend target. The annual dividend target is 6.875p (2024: 6.875p). Accordingly, in the absence of any significant restricting factors, the Board believes the current dividend totalling 6.875p per Ordinary Share per annum can and will be maintained. Dividends are paid on a quarterly basis.

For further details, please see note 5 to these Unaudited Condensed Interim Financial Statements.



Chair's statement

"It is my pleasure to present to you SEQI's Interim Report for the six-month period ended 30 September 2025."

James Stewart
Chair

"SEQI remains a compelling investment proposition, offering investors access to a diversified portfolio of essential infrastructure assets delivering attractive, stable income largely underpinned by long-term contractual cash flows."

Overall, the portfolio's performance has been strong in the first half of this financial year, supported by steady, predictable interest income and resilient credit performance.

The Fund's NAV per share rose by 1.12p, or approximately 1.2%, from 92.55p to 93.67p, driven in part by the strong interest income of the portfolio. SEQI paid dividends of 3.44p per Ordinary Share during the first half, consistent with our full-year target dividend of 6.875p, resulting in a total NAV return[1] of 5.0% (not annualised).

This performance was stronger than that of comparable debt investments such as leveraged loans and high-yield bonds, as well as gilts, over the same period.

The discount to NAV widened from 15.4% to 16.8% during the period, which, although it compares favourably with SEQI's broader infrastructure investment trust peer group that ended the period trading at an average discount of 19.2%, remains disappointing. Managing SEQI's discount to NAV remains a significant focus for the Board and is discussed in more detail below.

Portfolio performance

The strong NAV performance reflects the portfolio's solid and resilient credit performance and ability to generate income. There were no new non-performing loans ("NPLs") recorded during the period. Efforts continue to maximise value from the remaining legacy NPLs, which now represent only 0.6% of the portfolio as at 30 September 2025 (compared to 5.5% a year ago). This is testament to the Fund's prudent valuation policy and to the Investment Adviser's ability to protect value and maximise recovery. Given the Fund's high-yield investment strategy, it is to be expected that a small number of loans will occasionally underperform.

In total, 15.4% of the portfolio (including NPLs) is subject to our enhanced monitoring practices (15.5% as at 30 September 2024). The largest exposure in this category, representing 6.6% of our portfolio, is to Active Care Group ("ACG"), a UK national provider of specialist health accommodation and complex care services. Following the restructuring of the business in May 2024, our investment in ACG comprises a senior secured loan to the operating company, a loan to its parent company, and holding of the majority of its equity capital. Over the period of our equity ownership, ACG has made meaningful operational and financial progress against its turnaround strategy and is implementing a multi-year asset optimisation programme.

Managing SEQI's balance sheet

We have seen an exceptionally high level of loan prepayments over the first half of the year: £226 million compared with £84 million for the whole of the previous financial year. The predominant reason was borrowers taking advantage of tighter lending margins in the leverage-loan and high-yield bond markets.

Many of these prepayments were anticipated by the Investment Adviser, and the Fund was able to prepare for the loss of these loans by drawing on its revolving credit facility ("RCF") ahead of time to invest in new opportunities from our healthy pipeline, and then repaying the facility in full shortly after the period end using the proceeds from the prepayments. Over the period, we originated £213 million of new loans, at a weighted average yield-to-maturity of 8.9%.

The ability to source, carry out effective due diligence and execute new loans is a fundamental part of SEQI's value proposition for our Shareholders. Since its IPO, the Fund has made over 260 debt investments, deploying over £5.2 billion across a wide range of infrastructure sectors. Over half have been either proprietary (with SEQI as sole lender and arranger) or in small club deals (where SEQI has significant influence in the structuring and pricing of the loan).

The scheduled and early repayment of loans is a natural feature of portfolio lending and is factored into our operating model. Provided the Fund is properly prepared, the return of capital offers a strategic advantage by allowing capital to be reallocated in a meaningful way between new loans and share buybacks and to generate significant fees while allowing the Investment Adviser to reposition the portfolio in new or undervalued sectors.

1. See Appendix for Alternative Performance Measures ("APMs")

Chair's statement continued

Share discount and capital allocation

The Board remains disappointed and frustrated by the persistent discount to NAV. We do not believe that the current levels reflect SEQI's long-term prospects, the resilience of its investment portfolio or its ability to generate attractive returns for our Shareholders.

Investment trusts are an important part of the UK's investment landscape, however sentiment has weighed on the broader sector in recent years. More joined-up policy and regulatory support is needed for the sector to support a recovery in sentiment, and to ensure they continue contributing meaningfully to the wider UK economy.

Although we believe that the main reason for SEQI's discount relates to the wider sentiment impacting the investment trust sector, reducing the discount remains a core priority focus and objective for the Board.

As part of this focus, we have been pursuing a strategy to market the Fund to new investors. Our joint brokers, J.P. Morgan Cazenove ("JPM Cazenove") and Jefferies International Limited ("Jefferies"), have been arranging meetings and an ongoing programme of investor roadshows in the UK and internationally. We have also successfully increased our retail investor base, supported by Kepler Trust Intelligence, and we are pleased that the proportion of retail investors on the register has grown over the past 12 months.

SEQI, as a debt fund, differs from many other investment companies in the infrastructure sector, in that our capital recycles much more rapidly. How we allocate our free capital is a significant consideration for the Board. We believe in a balanced approach, investing in new opportunities in the infrastructure debt market, returning capital to our Shareholders via share buybacks, and at times repaying our RCF.

In the last six months we have bought back 17.0 million Ordinary Shares, on top of 213.2 million Ordinary Shares purchased since July 2022, at a total cost of £13.2 million. Buying back shares can be an attractive economic proposition with a financial reward that only strengthens as the discount widens, while providing secondary market liquidity.

However, an important consideration is to avoid the shrinkage of the Fund in real terms. There are benefits of scale for a private debt fund, in terms of being able to source more attractive infrastructure investments, execute larger investments efficiently and retain the core components required for a stable NAV product with a strong income focus to support the dividend. Whereas a smaller fund may result in reduced diversification and a lower maximum deal size, which may restrict us from supporting our target equity sponsors. Scale also ensures that secondary market liquidity in our Ordinary Shares remains strong, which is important for attracting and retaining investors.

If unwarranted levels of discount remain, we expect to continue buying back shares as appropriate. We will continue monitoring best practice in the market and actively review all available options, engaging with our Shareholders and adopting an approach that that seeks to take into account the views of all our stakeholders.

Market outlook and investment strategy

Macro-economics

The economic outlook for the Fund's main markets is weaker than we have seen in recent years, characterised by low growth, fiscal pressures and an ongoing threat of inflationary pressures re-emerging. This is discussed in more detail in the Investment Adviser's report.

In light of this weakening economic outlook, we will seek to avoid providing highly leveraged loans that are exposed to the more cyclical parts of the infrastructure market. Instead, we remain focused on providing leverage to more defensive assets or, where there is some exposure to the economic cycle, ensuring that leverage is prudent and risks adequately mitigated.

Historically, infrastructure has often outperformed other sectors during periods of economic weakness, and it remains a distinct asset class for investment in an era of global political and economic turbulence.

In short, our investment strategy is to maintain the robust diversified credit quality of our portfolio, while targeting investments yielding in excess of 9% (after taking account of the effect of currency hedging on yields).

Interest rates

The interest rate environment in which the Fund operates has continued to evolve. Short-term rates are falling but the current outlook is "higher for longer". Long-term rates have increased materially, notably in the UK and US, driven by inflation fears, a poor outlook for growth and fiscal pressure. This outlook creates a sweet spot for income-generating strategies in private credit as attractive returns are not dependent on wide yield spreads over borrowing costs.

The Fund has looked to increase the fixed-rate proportion of the portfolio either by making fixed-rate loans or by entering into interest rate swaps. Overall, 61.7% of our portfolio is now fixed or hedged into fixed rates. While this is slightly above our target, given a prepayment on the last day of the period, the overexposure was rebalanced in the following month. This strategy should serve the Fund well if rates fall and will help to protect the dividend cover in such a situation.

Exposure to the US infrastructure market

One recent development in the portfolio has been the moderation of our exposure to the US infrastructure market. There are two reasons for this, as explained in more detail in the Investment Adviser's report. Firstly, uncertainty over, and adverse changes to, government policies, such as in the renewable energy sector, has made it harder to find high-quality investments with an acceptable risk profile. This has been compounded by the challenges in assessing the consequences of the current administration's trade and tariff policies, especially with regard to investments in the transport sector. Secondly, the yield premium that we have historically seen in the US, relative to (for example) Europe and the UK, has reduced in recent years. This is possibly a consequence of the increasing proliferation of private credit funds in the US.

Having said that, although our exposure to the US has shrunk by approximately 22% over the past 18 months, it is our largest geography and continues to present attractive opportunities. It remains a large, diversified economy with a significant requirement for capital (both debt and equity) for infrastructure. Our approach has been to target those sectors that are generally less exposed to political uncertainties, such as grid infrastructure, digitalisation and utilities. The US remains a core jurisdiction for the Fund.

Dividend

Portfolio interest income remains resilient given our continuing ability to deploy capital at attractive rates in the main markets we operate in. In this half year, our dividend remains fully cash covered[1] by a factor of 1.01x. We expect the dividend cover to increase over the second half of this year. We also intend to use Fund leverage to ensure that we remain 100% invested at all times, and minimise cash drag.

1. See Appendix for Alternative Performance Measures ("APMs")

Chair's statement continued

Sustainability – Environmental, social and governance ("ESG") considerations

SEQI continues to pursue its comprehensive sustainability agenda through its continued application of negative screening, positive screening for opportunities that fall within one of its three defined sustainability themes, and advancing the sustainability characteristics of the portfolio as measured by its in-house ESG scoring system.

The portfolio's weighted average ESG score increased during the period, rising from 64.70 at the last year end to now 65.44, reflecting both selective investment activity and the steady progress of our borrowers in enhancing their sustainability performance as well as in their reporting.

During the period, we conducted a stakeholder evaluation of the relative importance of certain areas of sustainability and responsible investment, seeking inputs and feedback from Shareholders, our Investment Adviser and the Board. This evaluation is a key element to a broader initiative covering our sustainability framework. This initiative also includes a wholesale review of our ESG scoring framework to reflect evolving market practices, regulatory developments, ensuring continued relevance and rigour whilst also seeking to address some of the limitations of the uniform approach embedded in our current scoring methodology. We look forward to being able to share the results and outcomes of this review in SEQI's forthcoming 2026 Annual Report.

Closing

SEQI remains a compelling investment proposition, offering investors access to a diversified portfolio of essential infrastructure assets delivering attractive, stable income largely underpinned by long-term contractual cash flows. In a period of easing rates and constrained bank lending, the Fund is well positioned to capture high-quality opportunities at favourable risk-adjusted returns. We believe this combination of yield, resilience and disciplined portfolio management places SEQI in an excellent position for the period ahead.

I would like to close by thanking our Shareholders for your continued commitment and support. Thanks also to Andrea Finegan, our Independent Consultant, who supported SEQI on risk and sustainability matters for many years; and finally to my fellow Board members, the Investment Adviser, Investment Manager, our Brokers and all the other critical service providers who continue to manage the Fund prudently and who have collectively positioned us well to continue delivering attractive returns.

These Interim Financial Statements do not take into account the Autumn 2025 UK budget announcement due to timing. Should any matters relevant to the Fund be subsequently identified, these will be communicated separately in due course.

James Stewart
Chair

27 November 2025

Investment Adviser's report

“We are confident that the portfolio is strategically positioned to outperform liquid credit markets over the long term.”

Steve Cook
Partner and Head of Portfolio Management

SIMCo

The Investment Adviser's objectives for the year

Over the course of the first half of the financial year, Sequoia Investment Management Company Limited (“SIMCo” or the “Investment Adviser”) has had the following objectives for the Fund:

Gross portfolio return of 8–9%

- 9.7% portfolio yield
- 10.1% annualised NAV total return

Manage the portfolio responsibly through a falling interest rate environment

- 38.3% floating rate
- 61.7% fixed-rate (net of interest rate swaps)

Manage portfolio credit quality in the face of economic uncertainty

- 57.2% Senior secured loans
- 38.1% weighted average equity cushion

Continue to enhance the Fund's sustainability profile

- 65.44 ESG score (64.70 as at 31 March 2025)

Timely and transparent investor reporting

- 12 monthly NAV updates

Dividend target of 6.875p per Ordinary Share per annum

- 3.4375p per Ordinary Share paid during the six-month period

Investment Adviser's report continued

Economic infrastructure is a diverse and highly cash-generative asset class

Economic infrastructure debt has established itself as a resilient and dependable asset class, attracting a broad spectrum of investors. Borrowers in this space typically operate within sectors characterised by substantial barriers to entry, including high capital intensity and rigorous regulatory frameworks, which protect incumbent operators and, by extension, their creditors. These investments generally generate steady, predictable cash flows, reflecting the essential nature of the underlying services. In addition, the tangible assets that underpin economic infrastructure projects provide a layer of security, further enhancing the stability and defensiveness of the asset class.

Economic infrastructure debt continues to attract investors seeking steady income and long-term resilience. Core sectors include transport, utilities, energy, digitalisation, renewables and select social infrastructure projects with comparable attributes. These businesses frequently operate under long-term concessions or licences, with revenues linked to usage or demand.

To mitigate demand risk, projects in this space are typically structured with lower leverage, stronger equity buffers, conservative credit metrics, robust covenant packages and significant asset backing, all of which enhance protection for lenders. In an environment marked by market volatility, elevated geopolitical tensions and persistent inflationary pressures, the Fund has deliberately prioritised operational assets, senior secured debt and non-cyclical industries.

This disciplined approach, consistent with our broader balance sheet and portfolio strategy, has strengthened resilience, reduced exposure to cyclical stress and ensured that SEQI remains well positioned to capitalise on attractive reinvestment opportunities while safeguarding investor returns.

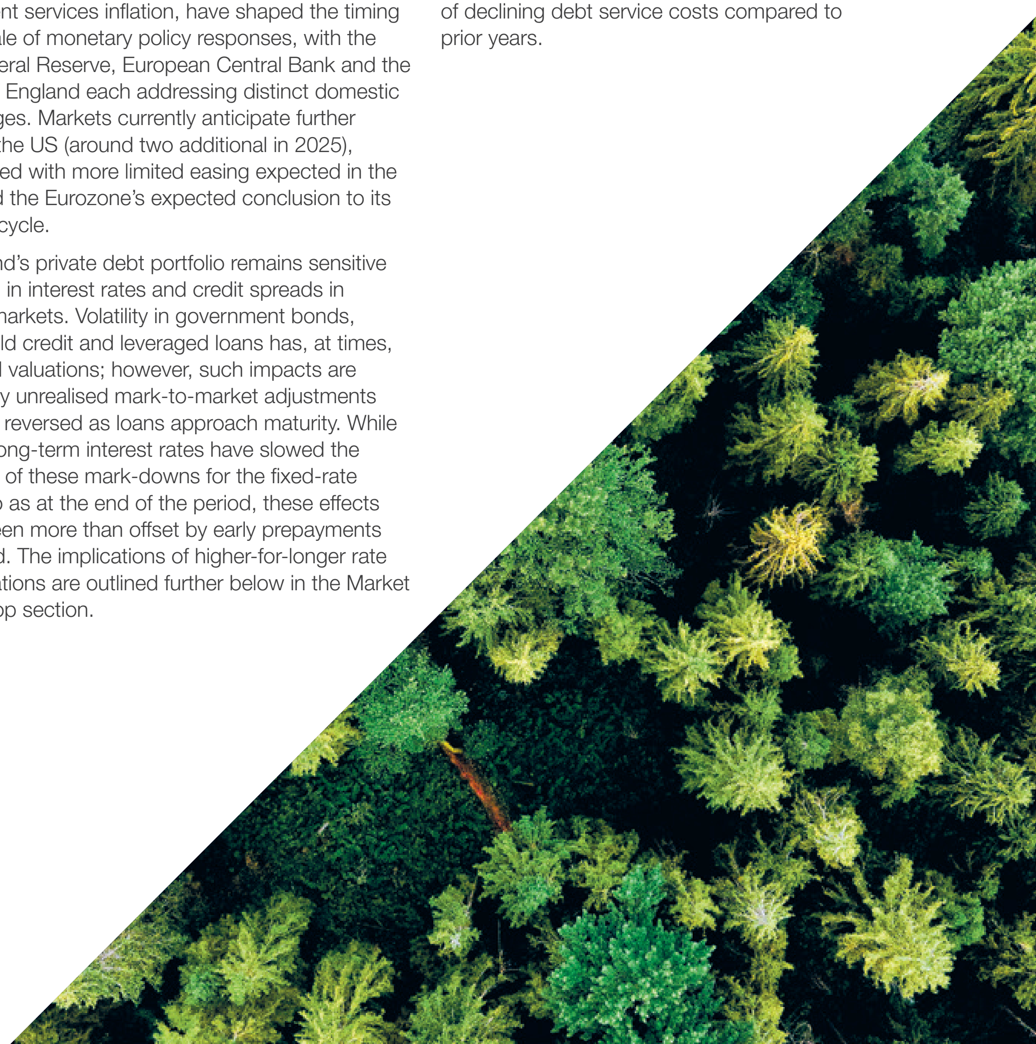
The market environment during the period

Infrastructure debt continues to benefit from the stability of long-term contracted revenues, though valuations remain influenced by broader market forces. Over the past year, government bond markets saw sharp declines followed by recovery, while heightened volatility, driven by persistent inflation, tariff tensions and geopolitical uncertainty, shaped investor sentiment. Despite these pressures, pan-European high-yield bonds returned approximately 3.6% year-on-year, and yield curves that had been inverted through much of the prior period began to flatten as markets adjusted to shifting inflation dynamics.

Inflation has remained above target across the US, UK and Eurozone, with upward pressure more pronounced in the US and UK while the Eurozone remains close to target levels. Headline year-on-year rates have risen over the last six months in the US, climbing from 2.4% to 2.9%, and in the UK from 1.7% to 3.8%, with the Eurozone flat at 2.2%. Higher energy prices, alongside wage growth and persistent services inflation, have shaped the timing and scale of monetary policy responses, with the US Federal Reserve, European Central Bank and the Bank of England each addressing distinct domestic challenges. Markets currently anticipate further cuts in the US (around two additional in 2025), compared with more limited easing expected in the UK, and the Eurozone's expected conclusion to its cutting cycle.

The Fund's private debt portfolio remains sensitive to shifts in interest rates and credit spreads in public markets. Volatility in government bonds, high-yield credit and leveraged loans has, at times, affected valuations; however, such impacts are generally unrealised mark-to-market adjustments that are reversed as loans approach maturity. While higher long-term interest rates have slowed the reversal of these mark-downs for the fixed-rate portfolio as at the end of the period, these effects have been more than offset by early prepayments received. The implications of higher-for-longer rate expectations are outlined further below in the Market backdrop section.

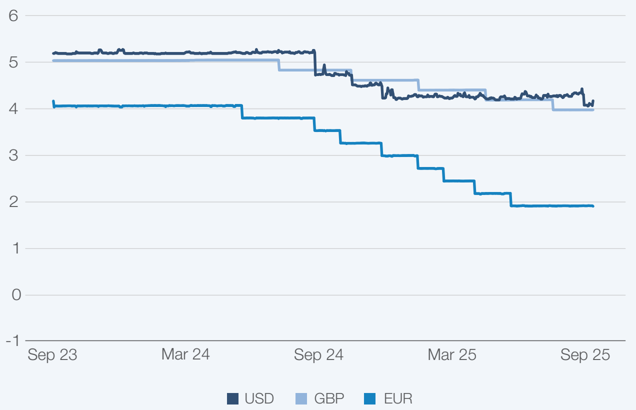
Private credit markets continue to expand as companies seek alternatives to traditional financing. Direct lending to private equity-backed firms remains particularly active, offering flexibility and yield premiums over syndicated loans. Against this backdrop, the Fund is well positioned to capture opportunities arising from refinancing and restructuring needs as borrowers take advantage of declining debt service costs compared to prior years.



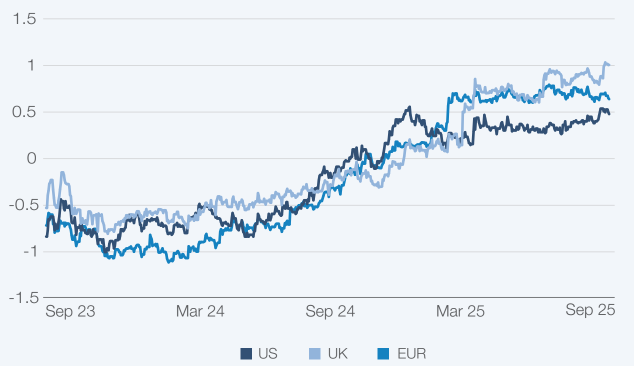
Investment Adviser's report continued

Market backdrop

Overnight interest rates (%)

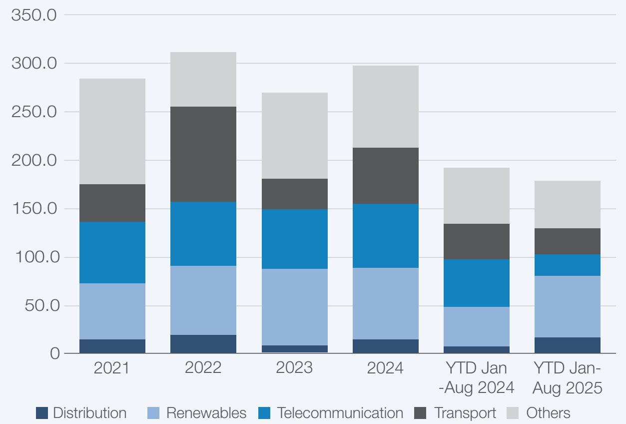


Difference between 10-year and 1-year government bond yield (%)



Source: S&P Capital IQ

European infrastructure loan financing (£bn)



Source: S&P Capital IQ

What is happening?

Over the past year, the US, UK and Eurozone have moved into a rate-cutting cycle, with central banks easing policy for the first time in four years. While the pace of reductions has varied by region, the shift marks a clear departure from the tightening that dominated the prior period.

Why this matters to SEQI

The combination of falling short-term rates and a "higher for longer" outlook creates a favourable environment for SEQI's absolute return strategy. Returns are supported by borrowers proven in higher-rate markets, reflecting credit profiles that have adjusted to sustained elevated costs of capital rather than those reliant on legacy low-rate financing. At the same time, higher long-term rates in the UK and US sharpen the focus on portfolio positioning, influencing the balance between fixed and floating exposure, the hedging strategy, and the realisation of pull-to-par gains. This disciplined approach ensures that the portfolio remains resilient while continuing to generate stable income and capture reinvestment opportunities.

What is happening?

The difference between 10-year and 1-year government bond yields has shifted from negative territory in 2023 to positive territory across all of SEQI's investment jurisdictions by mid-2025. The UK has seen the steepest rise, with spreads now over +1%, while the US and EU are both around +0.5-0.7%. This marks a clear reversal of the prolonged period of yield curve inversion.

Why this matters to SEQI

A normalising yield curve environment signals a move away from the stresses associated with inverted curves and is typically supportive of improved economic sentiment. For SEQI, this backdrop enhances confidence in the resilience of borrower fundamentals and should encourage greater demand for infrastructure credit.

What is happening?

During 2025, utilities, renewables and the other categories have all seen notable increases in loan financing. Renewables remain strong at approximately £63 billion, utilities have more than doubled compared to the same period in 2024, and "other" sectors continue to attract sizeable volumes, underscoring broad investor appetite beyond core areas.

Why this matters to SEQI

During the period, SEQI's exposure to European jurisdictions increased from 23.5% to 28.0% through the acquisition of nine loans, including investments in the utilities, renewables and other sectors.

Investment Adviser's report continued

NAV performance

Over the last six months, the Fund's NAV per Ordinary Share increased from 92.55p per Ordinary Share to 93.67p per Ordinary Share ex-dividend, driven by the following effects:

Factor	NAV effect
Interest income on the Fund's investments	4.30p
Portfolio valuation movements, net of foreign exchange and hedging movements	0.86p
IFRS adjustment from mid-price at acquisition to bid price	(0.11)p
Operating costs	(0.66)p
Gains from buying back Ordinary Shares at a discount to NAV	0.17p
Gross increase in NAV	**4.56p**
Less: Dividends paid	(3.44)p
Net increase in NAV after payment of dividends	**1.12p**

The Fund delivered a total return on NAV[1] of 5.0% for the six-month period, exceeding its long-term net return objective of 7-8% per annum, and outperforming high-yield bonds which returned 3.6% during the same period.

SEQI's share price total return[1] between March 2025 and September 2025 was 3.8%, outperforming 10-year gilts, which returned 2.2% during the same period. However, the portfolio underperformed relative to equity markets, trailing the FTSE All-Share Index, which increased by 11.4% during the same period.

As in previous periods, the principal factor that positively influenced NAV performance was the interest income derived from investments. Valuation movements in the Fund's investments have been positive, with the majority of negative adjustments offset by the progress made on loans under enhanced scrutiny and an uplift in the valuation of the Fund's fixed-rate assets. Further positive "pull-to-par" effects will be recognised over time, as a substantial amount of unrealised valuation decreases that were caused by the rapid increase in term rates over recent years are likely to be reversed.

The Investment Adviser believes the portfolio is well positioned to outperform liquid credit markets over the long term. Private debt typically delivers higher yields than liquid credit of comparable quality, while infrastructure-backed debt offers stronger resilience through asset support, evidenced by the Fund's lower loss rates relative to equivalent liquid credit. In addition, the portfolio's broad diversification across sectors, sub-sectors and geographies helps mitigate exposure to idiosyncratic risks, reducing overall portfolio volatility through low asset correlation.

Share performance

As at 30 September 2025, SEQI had 1,538,099,673 Ordinary Shares in issue (31 March 2025: 1,555,061,936). The closing share price on that day was 77.90p per Ordinary Share (31 March 2025: 78.30p per Ordinary Share), implying a market capitalisation of approximately £1.20 billion, a decrease of c.£20.0 million compared to six months ago, partially due to the Fund's share buyback programme, which has reduced the number of Ordinary Shares in issue.

After taking account of dividends paid of 3.4375p per Ordinary Share, the annualised share price total return[1] over the period was 7.7%. The 0.4p decrease in the share price over the six-month period was driven by a persistent negative market sentiment toward alternative assets, including debt funds in the listed investment company sector. Capital outflows, driven by investors reallocating to tax-efficient government bonds and currently high-yielding money market instruments, have further pressured share prices. However, the sector experienced greater stability in the first half of this financial year as key market interest rates were cut for the first time in four years.

Both the Investment Adviser and SEQI's Directors believe the current share price discount to NAV is still excessive and does not fully reflect the portfolio's ability to deliver attractive risk-adjusted returns through periods of economic uncertainty, its comparatively shorter investment duration, and the strength of its valuation framework.

Against this backdrop, the Fund has maintained its policy of repurchasing Ordinary Shares it considers undervalued, thereby enhancing NAV per Ordinary Share for existing Shareholders. Over the past six months, 16,962,263 Ordinary Shares have been repurchased at an average price of 77.76p. Since the launch of the buyback programme in July 2022, a total of 230,139,325 Ordinary Shares have been repurchased, representing 13.0% of the Ordinary Shares in issue at the outset. This initiative has added 1.93p to NAV per Ordinary Share since inception.

Dividend cover

In accordance with its target, the Fund has paid 3.4375p in dividends for the last six months. The Fund's dividend cash cover[1] was 1.01x for the first half of the financial year, showing a slight improvement to the previous year's cover of 1.00x.

We believe there is upside potential for the dividend cover for the remaining half of the financial year and the near future given the extensive progress that has been made on the non-cash generating assets of the portfolio. Moreover, the higher proportion of fixed-rate investments, inclusive of interest rate swaps, further protects the Fund's income from larger-than-expected reductions in risk-free rates.

1. See Appendix for Alternative Performance Measures ("APMs")

Investment Adviser's report continued

Fund performance

		30 September 2025	31 March 2025	30 September 2024
NAV	per Ordinary Share	**93.67p**	92.55p	95.03p
	£ million	**1,440.8**	1,439.2	1,497.8
Cash held (including in the Subsidiaries)	£ million	**84.9**	35.1	88.7
RCF utilisation	£ million	**33.2**	56.9	20.0
Invested portfolio[1]	percentage of NAV	**96.6%**	100.8%	89.9%
Total portfolio	including investments in settlement	**112.5%**	109.8%	93.5%

Portfolio characteristics

		30 September 2025	31 March 2025	30 September 2024
Number of investments		**53**	59	56
Valuation of investments	£ million	**1,366.2**	1,422.7	1,346.3
ESG score		**65.44**	64.70	64.65
Largest exposure	£ million	**90.2**	70.3	98.0
	percentage of NAV	**6.6%**	4.9%	6.5%
Single largest investment	£ million	**65.0**	61.7	61.7
	percentage of NAV	**4.8%**	4.3%	4.1%
Average investment size	£ million	**25.3**	23.7	21.4
Sectors	by number of invested assets	**8**	8	8
Sub-sectors	by number of invested assets	**28**	29	29
Jurisdictions	by number of invested assets	**11**	10	10
Private debt	percentage of invested assets	**94.6%**	90.8%	94.4%
Senior debt	percentage of invested assets	**57.2%**	59.9%	58.5%
Floating rate	percentage of invested assets	**38.3%**	40.6%	37.7%
Construction risk[2]	percentage of invested assets	**11.7%**	12.5%	8.1%
Weighted average maturity	years	**3.4**	3.6	3.8
Weighted average life	years	**3.2**	3.4	3.5
Yield-to-maturity[2]		**9.7%**	9.9%	9.9%
Modified duration[2]		**2.1**	1.9	2.0

1. Relates to the portfolio of investments held in the Subsidiaries
2. See Appendix for Alternative Performance Measures ("APMs")

As shown in the table, the Fund's NAV increased marginally by £1.6 million during the period. Without SEQI's ongoing share buyback programme, which amounted to £13.2 million during the period, the NAV would have increased by approximately £14.8 million.

The reduction in the weighted average maturity and life of the portfolio enhances reinvestment flexibility and enables the Fund to capture attractive spreads as opportunities arise, strengthening its positioning in the current market environment. The Investment Adviser has also increased the allocation to fixed-rate investments, which now represent nearly 62% of the portfolio (net of interest rate swaps), in order to capitalise on elevated term rates. The Fund's target remains unchanged at 60%, with the prepayment of a large floating-rate loan on the final day of the period resulting in a slightly elevated ratio. The temporary overexposure was addressed shortly after the period end. In addition, the Fund has entered into longer-dated interest rate swaps to compensate for the reducing weighted-average maturity of the portfolio. This positioning allows the Fund to lock-in higher levels of income in a declining rate environment compared with an unhedged mix of fixed and floating-rate assets.

Credit performance

Over the past six months, the credit performance of the entire portfolio has remained strong. However, given that the portfolio comprises high-yield debt instruments, it is to be expected that a small proportion of investments will face some credit issues over their lifetime. The Fund's annual loss rate is 0.54%, a marginal increase from the previous year's 0.51%, due to additional write-downs of non-performing loans. This compares well to broader credit (non-financial corporate debt) with a similar credit rating, where the historical annual loss rates are typically a multiple of this level.

Updates on the Fund's two non-performing loans can be found below.

Non-performing loan

SEQI continues with legal proceedings on an asset equal to 0.5% of the portfolio which is being classed as non-performing. The loan is backed by a recently revalued asset and is marked in line with a conservative estimate of a recovery backed by that asset. The Fund is unable to disclose the loan's identity for commercial reasons.

US private school

A mortgage-secured loan, collateralised by a landmark educational property in the US, has been adversely affected by recent US government budget cuts, which have reduced the likelihood of securing new tenants. In March 2025, the Department of Government Efficiency ("DOGE") announced plans to reduce the US Department of Education's workforce by approximately 50%, a reduction of around 2,200 employees, and to curtail significantly federal funding for education in Washington, D.C. (which, as a federal district, is not state-funded). These developments have had a material negative impact on leasing discussions with prospective tenants, most of whom are educational institutions, leading to the cancellation of a previously anticipated lease. Consequently, the loan's mark has been reduced, reflecting increased uncertainty and a longer expected lease-up period. The carrying value of the loan currently represents approximately 0.1% of the portfolio.

Investment Adviser's report continued

Credit performance continued

Higher scrutiny loan

The portfolio's largest single-name exposure, Active Care Group ("ACG"), remains under enhanced scrutiny. Since SEQI assumed ownership following the restructuring of our original loan to the company, ACG has delivered tangible operational and financial progress against its turnaround strategy. This is partially evidenced by Care Quality Commission inspection ratings over the past 12 months, with 96% of services rated "good" or "outstanding", marking a significant improvement from less than 75% at the time of the restructuring. The company has also made return to operational profitability. As part of the turnaround, ACG is executing a multi-year asset optimisation programme intended to strengthen its balance sheet and better align its portfolio with long-term growth opportunities, including in private neuro-rehabilitation facilities. In our view, successful delivery of this asset optimisation programme should enhance enterprise value and support recovery prospects on the loan with potential upside to our investment. The carrying value of this exposure currently represents approximately 6.6% of the portfolio.

Balance sheet management

At the beginning of the period, the Fund held a cash balance of £35.1 million (including £27.3 million held in the Subsidiaries) alongside £56.9 million drawn on its revolving credit facility. Over the subsequent six months, the Fund utilised its balance sheet flexibly, increasing the facility's utilisation up to £114.5 million at its peak in July 2025 before repaying the facility towards the end of the period. This ensured that repayments from investments did not create cash drag, as the Fund was able to redeploy capital efficiently during the interval between repayments and new commitments.

By the end of the period, the Fund held a cash balance of £84.9 million (including £79.3 million held in the Subsidiaries) and had reduced its utilisation of the revolving credit facility to £33.2 million, supported by significant prepayments from Project Nimble and Tracy Hills, the latter at September month end. These inflows resulted in the Fund modestly leveraging ahead of the half-year end, while maintaining sufficient liquidity to continue supporting its investment pipeline.

The ongoing repayment and reinvestment cycle remains a key driver of the Fund's balance sheet strength. Repayments provide upfront fee income and, when actively managed, create opportunities to reinvest into attractive sectors where the Fund sees strong relative value. This cycle supports the agility of the Fund, allowing it to rebalance exposures, target favourable risk-adjusted returns and preserve capital efficiency, provided liquidity is actively managed to avoid undue drag.

Overall, the Fund's approach to balance sheet management during the period demonstrated a disciplined use of leverage, proactive recycling of capital, and a focus on ensuring that repayments are translated into reinvestment opportunities rather than idle cash balances. This strategy reinforces the Fund's ability to generate income while maintaining balance sheet resilience.

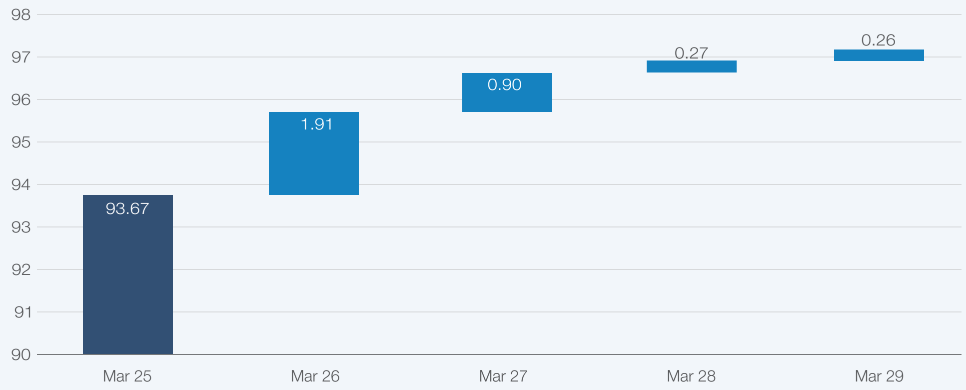
The Investment Adviser also considers multiple scenarios of projected repayment profiles as a basis for SEQI's dynamic RCF utilisation target.

Portfolio valuation

Currently, the average loan in the portfolio rated single-B or higher is valued at approximately 98 pence in the pound. This discount primarily reflects the impact of higher, relative to the market conditions prevailing at origination. Over time, and absent any credit losses, as these loans approach maturity, their value will accrete towards par value, a dynamic commonly referred to as the "pull-to-par" effect.

These NAV estimates are calculated on the assumption that interest rates and bond yields remain constant and they do not factor in NAV-accretive mechanisms beyond the pull-to-par effect; the only variable considered being the passage of time. Non-performing loans are excluded from the calculation, while recoveries on underperforming loans are based on internal credit ratings. The pull-to-par effect is expected to have a material positive impact on NAV over the next three years.

Pull-to-par over time



Period	Pull-to-par (£ million)	Pull-to-par (pence per Ordinary Share)
1 October 2025 to 30 September 2026	29.4	1.91
1 October 2026 to 30 September 2027	13.8	0.90
1 October 2027 to 30 September 2028	4.2	0.27
1 October 2028 and after	3.9	0.26

Investment Adviser's report continued

Portfolio update

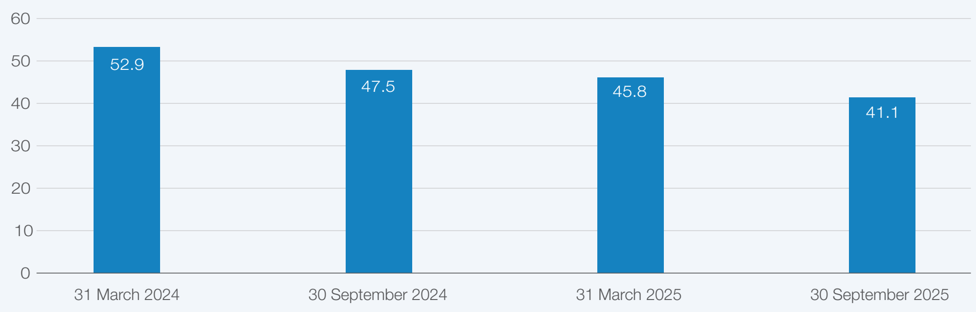
SEQI's exposure to the US has moderated from 45.8% to 41.1% over the period, reflecting disciplined allocation amid heightened policy uncertainty, shifting regulatory priorities, and the risk of tariffs affecting cross-border trade and investment flows. The Fund has deliberately pursued greater regional diversification, with a growing pipeline of opportunities in Europe and the UK.

As noted in the Chair's statement, our capital deployment has been shaped by conditions in the US that have made investment in the jurisdiction slightly less compelling than in previous years. For example, tariff policy has turned into a moving target, with renewables being the most affected sector. What started in May 2024 with an increase in duties on EVs, batteries and solar inputs, has evolved into aggressive anti-dumping and countervailing tariffs on solar cells and modules from Southeast Asia. Unsurprisingly, this has introduced cost volatility into supply chains and project budgets.

At the same time, the power grid's bottlenecks remain material despite the Federal Energy Regulatory Commission's Order 2023. The policy promised to speed up connecting new power resources to the grid, and yet timelines on new projects continue to be delayed in key regions. Against this backdrop, investment appetite has almost entirely become a function of volatile wholesale market signals as seen by the 22% increase in capacity prices within the largest US power grid operator in July 2025, leading to a reawakening of originations.

Simultaneously, the historical yield pick-up available in US private credit has declined as competition has intensified. Large managers have accumulated dry powder, enabling mid-to-upper market borrowers to arbitrage lenders, tightening the available spreads and softening terms relative to Europe and the UK.

Exposure to the US (% of portfolio)



Taken together, these factors reduce the risk-adjusted appeal of new US exposure at this stage in the cycle and motivated our tilt towards jurisdictions where policy and pricing are currently more predictable.

That said, the US remains our single largest market and continues to present attractive opportunities. It has a large, diversified economy with a significant requirement for capital (both debt and equity) for infrastructure and remains a core jurisdiction for the Fund. This is also reflected in the pipeline of investment opportunities, particularly in grid infrastructure, digitalisation and utilities, in keeping with our approach to target those parts of the US infrastructure market that are least exposed or are considered to have less exposure to political uncertainties, or which benefit from strong tailwinds that provide enough momentum to absorb some policy uncertainty.

Examples would include the digitalisation and power sectors (which are becoming increasingly linked, given the energy requirements of AI data centres). By sourcing high-quality private-sector infrastructure assets, with a predominantly domestic consumption, the Fund has been able to keep meeting its target returns, while maintaining an appropriate risk profile.

Recently, a few high-profile corporate defaults in the US have led to higher scrutiny of the private credit markets. In a tightening credit spread environment, it is sensible for investors to question the underwriting discipline and leverage levels in certain private-credit segments. We would, however, emphasise that our investment processes remain disciplined and that the infrastructure sector continues to benefit from stable, contractual cash flows and a low correlation to broader corporate credit.

Origination activities

The Fund's investment strategy spans both primary and secondary debt markets, each offering distinct advantages. In the primary market, the Fund benefits from upfront lending fees, the ability to structure investments to specific requirements, and the additional return available through the illiquidity premium. In the secondary market, acquisitions facilitate the rapid deployment of capital into seasoned assets with established performance histories, supporting efficient portfolio management.

Primary market origination

The Fund remains principally focused on the primary loan market, which continues to offer attractive returns. The Investment Adviser targets bilateral transactions, participates in selective "club" deals with small groups of lenders, and also invests in broadly syndicated infrastructure loans. Primary market lending is particularly attractive given its favourable economics, including upfront fees and greater scope to negotiate bespoke terms. As the Fund has grown, its activity in the primary market has expanded accordingly and now accounts for the majority of the portfolio (89.0%).

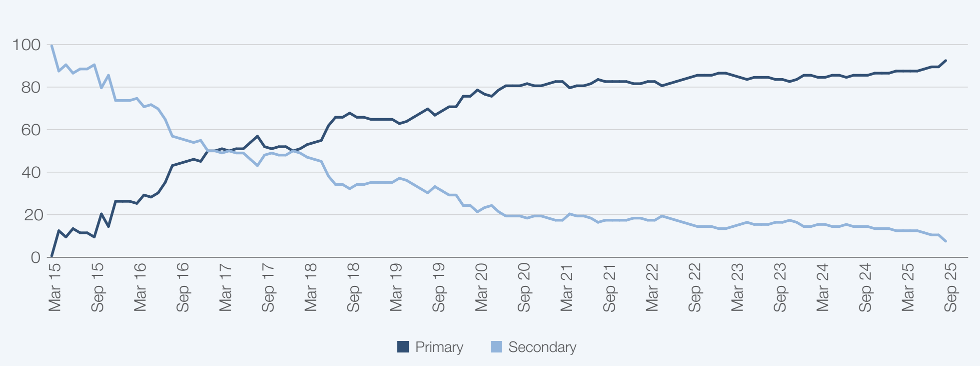
Secondary market origination

Although the primary market is a key focus, the Fund also acquires assets from banks or other lenders in the secondary market. This approach enables faster capital allocation, as primary infrastructure debt transactions can take time to finalise. Additionally, secondary market assets tend to offer greater liquidity, providing the Fund with flexibility when liquidity needs arise. Infrastructure loans often experience improved credit quality over time, meaning many secondary loans offer enhanced credit strength compared to their original issuance.

Investment Adviser's report continued

Origination activities continued

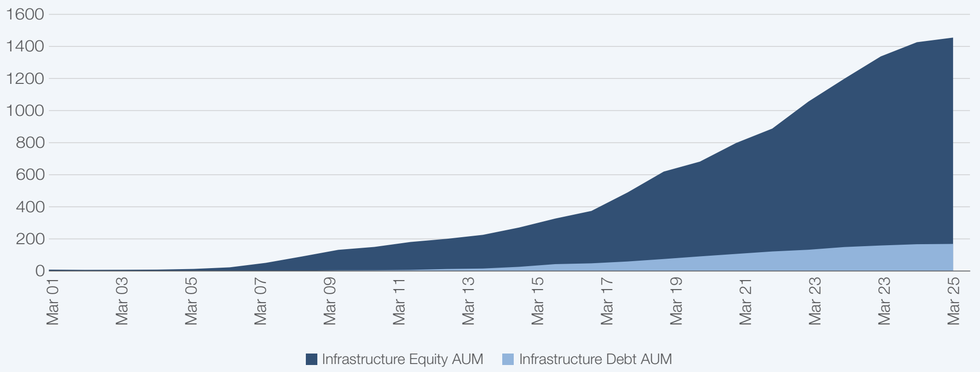
Primary and secondary investments since IPO (%)



Strong pipeline of opportunities

The pipeline of investment opportunities remains strong, supported by a sustained and growing global demand for infrastructure credit. According to Preqin, global fundraising for infrastructure debt remains resilient. By March 2025, global infrastructure private funds' assets under management ("AUM") grew to a combined total of USD 1.6 trillion.

Global infrastructure private funds AUM (USD billion)



A compelling market opportunity

- **Thematic alignment:** decarbonisation, digitalisation, demographics, deglobalisation
- **Under-invested:** bank lending constrained
- **Optimal timing:** high term rates with slow expected easing
- **Equity-like returns:** private mid-market premium spreads with credit protections
- **Diversifier:** asset-backed cash flows and low correlation to broader private credit

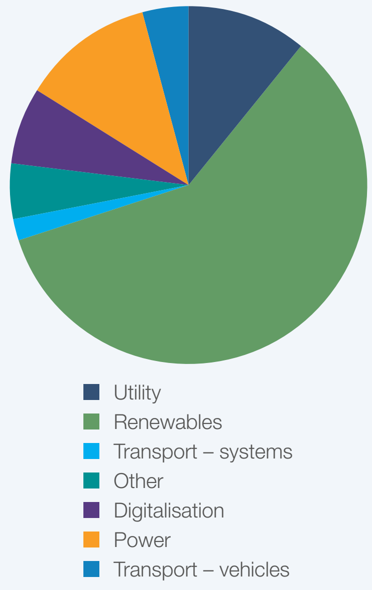
For SEQI, this strong demand environment should translate into a robust pipeline of opportunities, ensuring continued access to high-quality investments across geographies and sectors. The team remains well positioned to selectively deploy capital into transactions that meet the Fund's strict risk-return criteria.

The Investment Adviser has continued its active management of the Fund's portfolio through its enhanced monitoring practices. However, we are pleased to report that a number of investments which required more time-intensive management have come to a successful completion. This has enabled an increased focus on origination activities, resulting in a substantial pipeline of approximately £350 million in potential investments. Whilst not every opportunity within this pipeline will convert into an investment, the range and volume of prospects sourced by the Investment Adviser demonstrate the abundance of opportunities available in the market.

Potential investments span seven sectors and eight sub-sectors, offering a diverse array of options for the portfolio. Importantly, current preliminary analysis indicates that the average expected yield of these opportunities stands at 9%, at the higher end of the Fund's gross target return[1] range of 8-9%.

The diversity and potential returns of the pipeline position the Fund well for future growth, reinforcing confidence in SEQI's ongoing strategy.

Pipeline of investments by sector



Team

During the reporting period, the Investment Adviser has experienced limited employee attrition. To promote the retention of expertise and institutional knowledge, a long-term incentive plan remains in place.

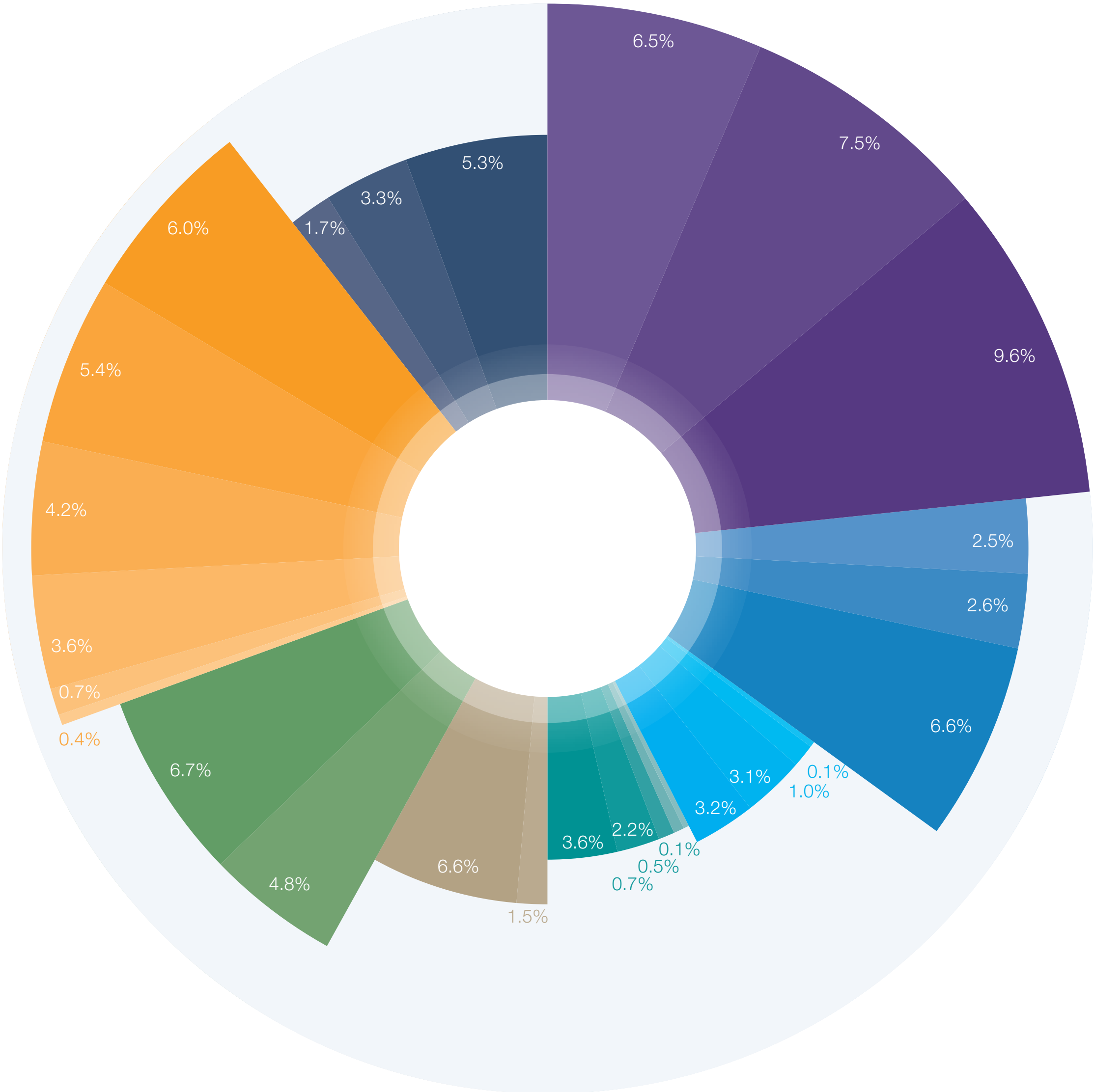
Sequoia Investment Management Company Limited
Investment Adviser

27 November 2025

1. See Appendix for Alternative Performance Measures ("APMs")

Investment Adviser's report continued

The chart below illustrates the sector and sub-sector allocation as at 30 September 2025:



Utilities 10.3%

Midstream	5.3%
Utility services	3.3%
Renewable electricity supply	1.7%

Power 20.3%

Baseload	6.0%
Other electricity generation	5.4%
Interconnector	4.2%
Standby generators	3.6%
Nuclear power	0.7%
Energy transition	0.4%

Renewables 11.5%

Solar and wind	6.7%
Landfill gas	4.8%

Accommodation 8.1%

Healthcare	6.6%
Student housing	1.5%

Digitalisation 23.6%

Data centres	9.6%
Telecom towers	7.5%
Broadband and fibre	6.5%

Transport – vehicles 11.7%

Specialist shipping	6.6%
Health and safety	2.6%
Rolling stock	2.5%

Transport – systems 7.4%

Port	3.2%
Ferries	3.1%
Rail	1.0%
Road	0.1%

Other 7.1%

Waste-to-energy	3.6%
Hospitals	2.2%
Hospitality	0.7%
Social infra	0.5%
Schools	0.1%

Investment Adviser's report continued

Project Poland PV

SEQI invests in Project Poland PV to finance construction of a substantial portfolio of photovoltaic projects in Poland

SEQI provided a €55.6 million loan of senior secured debt to Project Poland PV to finance the construction of a substantial portfolio of photovoltaic projects. The projects will be located in Poland and developed by GoldenPeaks Capital, an independent producer of green energy in Europe with a strong track record in owning and operating renewable power assets.

The loan benefits from robust credit protections, has a legal maturity of three years, and is projected to deliver a Yield to Maturity of approximately 8.9%.

"We are delighted to finance the construction of a substantial portfolio of photovoltaic projects in Poland. Poland continues to robustly support the transition of its coal-dependent energy system and remains committed to its ambition of achieving long-term energy security and energy sustainability.

We are pleased to be partnering with GoldenPeaks Capital, one of the largest photovoltaic system owners in Poland and Hungary, who will be developing the projects, to support the region in achieving these objectives."

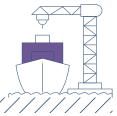
Dolf Kohnhorst
Partner at SIMCo

Sustainability

Sustainability report

The Fund continues to adhere to and progress its comprehensive sustainability programme that extends through every part of the investment process. Below is an update on the three sustainability goals of the Fund during the course of this half year.

1. Comply with negative screening criteria



During the period, 100% of projects were compliant with the Fund's negative screening criteria.

This has been maintained since the inception of the exclusion policy in the financial year 2021/22.

2. Progress thematic investing (positive screening)

As at 30 September 2025, thematic investing covers 75% of the Fund's investment portfolio.

This is split across the Fund's three positive themes as follows:

- 13% Renewable energy
- 32% Enabling the transition to a lower carbon world
- 30% Infrastructure with social benefits

The overall percentage of the portfolio that falls within a progressive thematic category has risen from 71% as at 31 March 2025 due to 1) the increase in capital in renewable energy over the period, which included the acquisition of a new solar loan investment, and 2) an increase in the proportion of the portfolio enabling the transition to a lower carbon world, attributable to a large new interconnector investment.

3. Over time, increase portfolio weighted average ESG score

The portfolio's weighted average ESG score has increased from 64.70 as at 31 March 2025 to 65.44 as at 30 September 2025.

Our scoring system is based on the assessment of responses to our sustainability questionnaire alongside reliable supporting data or evidence. We are pleased that through constructive engagement and support, a number of borrowers have been able to improve their scores through the provision of enhanced disclosures and/or more robust supporting data in response to our borrower 2025 Sustainability Questionnaire. One example of this is a US data centre company who published their 2025 Sustainability Report, detailing the ESG materiality assessment they conducted and advancing their sustainability strategy, including various goals across value-enhancing "E", "S" and "G" factors. As well as showing improvements in health and safety metrics and new ISO audits and certifications for their information and cyber security, a notable milestone was the company's first-time measurement and publication of their full greenhouse gas emissions inventory.

As well as their biodiversity policy, they have now introduced biodiversity-related goals and annual reporting and are pursuing third-party wildlife habitat certifications to support biodiversity around their data centres.

Another contributing factor to the increase in the portfolio's weighted average score was changes in portfolio weights, driven largely by the upsizing of a loan to finance a high-scoring residential solar asset during the period.

Disposals and acquisitions had a net neutral effect on the score. The Fund exited its lowest ESG-scoring aircraft asset, but this was offset by successful repayments and prepayments of a number of higher-scoring assets during the period. Similarly, acquisitions were made across a diverse mix of sub-sectors with the uplift from a new high ESG-scoring solar project being offset by new investments with ESG scores just below the ever-increasing portfolio average. The Fund remains committed to orienting towards an ESG-progressive portfolio where appropriate investment opportunities exist.

Sustainability continued

3. Over time, increase portfolio weighted average ESG score continued

The following chart shows a comparison of the portfolio's ESG score distribution between March and September 2025. The Fund is pleased to see the amount of capital in higher ESG-scoring investments has continued its upward trend over time.

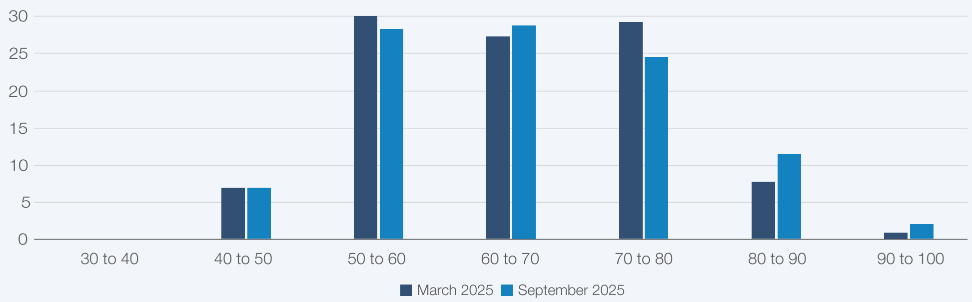
For details of how the ESG score is calculated and the methodology behind each part of SEQI's ESG framework, please see the latest ESG policy and "ESG Framework: Evidence and Procedures", both published and available online at: **seqi.fund/sustainability/publications.**

Other developments:

During the period, we conducted a stakeholder evaluation of the relative importance of certain areas of sustainability and responsible investment, seeking inputs and feedback from Shareholders, our Investment Adviser and the Fund.

This evaluation is a key element to a broader initiative covering our sustainability framework. This initiative also includes a wholesale review of our ESG scoring framework to reflect evolving market practices and regulatory developments, ensuring continued relevance and rigour whilst also seeking to address some of the limitations of the uniform approach embedded in our current scoring methodology. We look forward to being able to share the results and outcomes of this review in SEQI's forthcoming 2026 Annual Report.

ESG score histogram (%)



Principal and emerging risks and uncertainties

The Risk Committee is responsible for reviewing SEQI's overall risks and monitoring the risk control activity designed to mitigate these risks. The Risk Committee has carried out a robust assessment of the principal and emerging risks facing SEQI, including those that would threaten its business model, future performance, reputation, solvency or liquidity.

As the Fund is an externally managed non-EU AIF for the purposes of the Alternative Investment Fund Managers Directive ("AIFMD"), the Directors have appointed FundRock Management Company (Guernsey) Limited ("FRMCG" or the "Investment Manager") as AIFM to the Fund to provide risk management services compliant with AIFMD and to prepare the relevant disclosures to be made to investors and regulators. On 30 January 2015, the Financial Conduct Authority ("FCA") confirmed that the Fund was eligible to be marketed via the FCA's National Private Placement Regime and the Fund has complied with Articles 22 and 23 of the AIFMD for the period ended 30 September 2025.

Under the instruction of the Risk Committee, FRMCG is responsible for the implementation of a risk management policy and for ensuring that appropriate risk mitigation processes are in place; for monitoring risk exposure; preparing quarterly risk reports to the Risk Committee; and otherwise reporting on an ad hoc basis to the Board as necessary.

As an independent consultant to the Fund until her retirement in July 2025, Andrea Finegan provided guidance to the Board on sustainability and governance-related risks. Recent Board hires have considerable experience in these areas and with its expansion from five to six Directors, the Board considers that it has the resources and expertise necessary to properly fulfil its risk management responsibilities.

Risk classification and review process

SEQI maintains a risk register that maps all the identified key risks that can potentially impact its performance. This risk register also details risks that have the potential to threaten the business in the future but are not yet entirely clear in terms of their nature or impact. These risks are referred to as emerging risks.

All key risks are rated by four factors: likelihood of occurrence, potential impact, pre-mitigation risk and post-mitigation risk. Key risks scoring high combinations of likelihood of occurrence and potential impact are identified as potential principal risks. An additional screen removes from the list risks that have been rated as having a very low level of risk post-mitigation. The resulting list of principal risks is highlighted on the following pages along with major mitigants.

The risk register is actively maintained and is updated at least annually or as otherwise required by the Risk Committee, with new key and emerging risks added and existing key risks re-rated based on prevailing circumstances.

Principal risks

Geopolitical risk

Jurisdictional risk

Unexpected and significant political, economic or social events that can impact the performance of the Fund's portfolio.

- Investment is restricted to countries in Western Europe, the US, Canada, Australia and New Zealand, limiting the possibility of surprising and unfavourable changes arising that could adversely affect asset quality.
- Portfolio diversification requirements limit potential exposure to individual jurisdictions.

Macro strategy risk

Infrastructure debt availability

Not having access to a wide enough range of suitable investment opportunities to support the investment strategy's required level of portfolio diversification and targeted return.

- The Investment Adviser has extensive experience and a strong track record in sourcing infrastructure loans and bonds.
- The Fund's ongoing need for assets is only a small percentage of the overall infra-structure debt market.
- The wide range of eligible jurisdictions, sectors and risk profiles maximises the universe of potential targets.

Principal and emerging risks and uncertainties continued

Principal risks continued

Macro strategy risk

Competing investments

A significant increase in returns available from other investment options (typically due to an increase in interest rates) or a decrease in the attractiveness of investment companies backed by alternative asset classes may make SEQI's Ordinary Shares look relatively unattractive.

- SEQI's attractiveness is monitored relative to its peers and other investment opportunities on an ongoing basis.
- In higher interest rate environments, its interest income is likely to increase, which may allow it to either increase its dividend or enjoy NAV growth. In falling rate environments, a proactive duration management programme can use duration management tools to help preserve income levels.
- A history of strong performance, active investor engagement and support for Shareholders, for example in the form of buyback programmes, can help position SEQI positively relative to other investment companies.

Investment strategy execution risk

Investment allocation

Poor allocation decisions between different jurisdictions and sectors can negatively impact SEQI's performance.

Failure to consider the relative attractiveness of share buybacks versus new investments may lead to sub-optimal returns.

- Portfolio diversification requirements provide a first layer of protection against sub-optimal allocation decisions between different jurisdictions and sectors.
- Within the diversification framework, the Investment Adviser uses its experience to help avoid investing in sectors susceptible to underperformance.
- Portfolio and sector performance is reviewed regularly at Board meetings. Future direction is debated and modified if required.
- Weighing returns available from share buybacks versus new investments is one of the factors taken into consideration by the Board when discussing capital allocation targets in quarterly Board meetings and strategy days. Potential costs associated with any shrinkage of the portfolio are taken into consideration (e.g. reduced diversification).

Investment strategy execution risk

Loan underwriting process

Use of inaccurate or fraudulent data, over-optimistic projections or poor decision making during the underwriting process can lead to higher-than-expected default rates and credit losses.

- Due diligence and underwriting are performed by an experienced team of credit analysts with a strong track record.
- Reputable third-party experts are hired if needed to vet borrowers' assumptions and projections, or to provide specialist input (e.g. engineering reports).
- All loans require approval from the Investment Adviser's Head of Risk and Investment Committee, and the AIFM. On high-risk loans, the AIFM solicits and considers the views of the Risk Committee prior to providing a final decision.

Capital markets risk

Targeted dividend

Setting the dividend target too low can make SEQI's Ordinary Shares look unattractive. Setting it too high can increase the risk of SEQI's dividend cash coverage falling below 1x.

- The dividend target set by SEQI is only a target; however, extensive modelling is undertaken to understand the quantum and volatility of cash flow available in future periods so that the target can be set at a level the Board believes can be met under normal circumstances.
- The dividend is set as favourably as possible versus competing investment products while ensuring the availability of a reasonable cushion to protect against dips in performance.

Principal and emerging risks and uncertainties continued

Principal risks continued

Capital markets risk

Inability to raise new capital

Not being able to access capital to grow the Fund diminishes its market relevance and reduces its ability to generate incremental returns linked to making new loans.

Performance can be further impacted if share buybacks lead to lower portfolio diversification, and higher cost ratios.

- SEQI looks to carefully balance the use of its available cash, including proceeds from loan repayments, between new originations and share buybacks, recognising that portfolio shrinkage comes at a cost.
- New investments are selected and structured to mitigate the impact of any potential reduction in portfolio size.
- Most costs are variable, which largely protects the Fund from portfolio shrinkage. However, service provider performance is monitored closely as reduced absolute fees may lead to operational challenges.

Capital markets risk

Non-credit related NAV volatility

Assets in the portfolio are valued monthly. Debt products, movements in interest rates, foreign exchange (“FX”) and credit spreads can lead to a significant change in NAV unrelated to the actual credit performance of the underlying assets.

- Portfolio duration is kept low to avoid significant swings in NAV due to interest rate movements. The Fund targets a minimum 40% holding of floating-rate assets (including interest rate swaps), and the maturities of fixed-rate loans and bonds are kept relatively short.
- NAV volatility due to movements in benchmark credit spreads is mitigated by limiting the portfolio’s spread duration.
- Volatility due to FX rates is minimal due to SEQI’s extensive hedging programme.
- Note: Changes in value due to interest rate and generic credit spread movements are reversed as the assets approach maturity (pull-to-par).

Capital markets risk

Share price discount to NAV

Trading at a discount to NAV for a sustained period can limit the ability of SEQI to raise new capital, lead to investor dissatisfaction, and trigger corporate actions that may not be in the best interests of all Shareholders.

- SEQI is highly focused on its share price discount to NAV and actively seeks out views on the issue from Shareholders and other market participants.
- It has taken steps to broaden distribution by hiring Kepler to increase demand from retail and smaller wealth management accounts, and JPM Cazenove as joint Broker to complement the services offered by Jefferies and help execute marketing and investor engagement strategy.
- While SEQI is under no obligation to buy back Ordinary Shares, in the past it has done so to signal support for the investment strategy, help absorb excess supply in the market and, depending on the size of the discount, provide investors with attractive returns.

Macro-economic risk

Macro-economic factors

Movements in macro-economic factors including interest rates, FX, commodity prices and inflation can impact the pricing and credit quality of individual infrastructure investments as well as SEQI’s other assets and liabilities including hedges, swaps and borrowings.

- SEQI considers the potential impact of significant movements in macro-economic factors on the credit of its borrowers during the underwriting process and builds protections into loan structures.
- Counterparty credit exposure to macro-economic factors is mitigated at the portfolio level by diversification constraints and concentration limits.
- The cap on leverage and relatively short duration of the portfolio limits NAV movements due to interest rate changes.
- FX hedges protect the Fund from pricing movements linked to assets denominated in non-Sterling currencies.
- Derivative contracts are structured to minimise the potential impact of margin calls linked to interest rate and FX movements as witnessed in the recent sell-off in the US Dollar.

Principal and emerging risks and uncertainties continued

Principal risks continued

Counterparty credit risk

Borrower counterparty credit

Credit-based borrower underperformance on individual assets can lead to a loss of capital and income, a drop in NAV, and reputational damage due to negative headlines.

- The Investment Adviser has extensive experience underwriting and managing infrastructure debt.
- A detailed credit review and underwriting process requiring multiple levels of approval is in place with additional input provided from the Board on higher-risk loans.
- All assets in the portfolio are monitored semi-annually by the Investment Adviser and AIFM. The Board reviews performing loans once a year and loans placed under an enhanced level of surveillance or considered of special interest at least semi-annually.
- While tariffs are still a moving target, the portfolio has been reviewed to identify credits that are the most likely to be negatively impacted by recent events.

Service provider risk

Investment adviser key-man/team

The departure from the Investment Adviser of a single key person or small group of individuals could negatively impact the Fund's prospects.

- Key-man and succession risk at the Investment Adviser are discussed regularly in annual meetings and reviews with the Chair, Management Engagement Committee and Audit Committee.
- The Investment Adviser continues to develop its human resources and has a talent pool capable of assuming, if necessary, the roles currently held by the Partners and Chief Risk Officer.
- Key team members are managed proactively and are provided with a Long-Term Incentive Plan ("LTIP") and an equity retention plan.

Liquidity risk

Liquidity

Insufficient liquidity available to pay contractual obligations when due, or to fund non-binding but expected corporate actions (e.g. dividend payments, share buybacks) is a risk.

- Liquidity is monitored on an ongoing basis with cash flow and dividend cover projections presented and discussed at quarterly Board meetings.
- Cash flow modelling looks at stressed scenarios to estimate the amount of liquidity needed at any point to satisfy demand.
- Headroom under the RCF and a minimum percentage of liquid assets are maintained to supplement balance sheet cash.
- The relatively short-dated debt portfolio is highly cash generative as most of the assets pay cash interest and typically a certain number are repaid within any given three-month period.

Cyber risk

Cyber

The risk of a third party gaining access to SEQI's systems and confidential data due to inadequate or non-existent cyber security prevention policies being in place.

- Key service providers as regulated entities are required to have cyber risk prevention policies in place that are reviewed on engagement and periodically thereafter.
- Incidents linked to cyber-related breaches are reported to the AIFM with any serious incidents highlighted immediately to the Board.
- Business continuity policies are in place to help mitigate any impact, should SEQI suffer a cyber incident.

Principal and emerging risks and uncertainties continued

Key risks

Along with the principal risks discussed on the previous pages, SEQI is highly focused on several other groups of key risks in the risk register. In general, these risks have very low probabilities of occurrence and therefore do not make the principal risk list. However, many of them do score very highly on potential impact and consequently receive significant attention.

Key risk: Legal structure

Changes to laws, regulations and tax rules governing the structure employed by SEQI to carry on its business could impact the viability of the investment strategy by reducing the returns available and/or limiting the ability of investors to hold Ordinary Shares. SEQI's AIFM, Investment Adviser, Administrator, Brokers, legal advisers and accountants in place in the UK, Guernsey and Luxembourg screen the market continually to identify potential changes to local tax and regulatory rules that may have an impact on the Fund. The Board reviews the structure on an ongoing basis and regularly engages a third-party adviser to formally confirm the continued suitability of the organisational structure put in place by SEQI to carry out its business.

Key risk: IT failure, money laundering, fraud

The Board remains vigilant to the prevalence and trajectory of risks associated with IT failures, money laundering and fraud that could lead to reputational damage, legal liability or financial losses due to disruption of SEQI's continued operations, including the loss or release of commercial or personal data into the public domain. A specialist provider supports the IT environment for the Board and ensures that the environment is managed and monitored, and threats are mitigated. Prior to the engagement of all key service providers, the Board seeks assurance regarding the adequacy of the processes and the controls in place to mitigate the risks associated with their service delivery. The Board monitors the effectiveness of the internal control environment of key service providers through the provision of periodic reporting and formally through an annual review process.

Emerging risks

SEQI is constantly alert to the possibility of emerging risks. Once a new emerging risk is identified, the Board will assess the likelihood and impact of that risk and will agree appropriate strategies to mitigate and/or manage it. Emerging risks are listed in the risk register and managed through discussion of their likelihood and impact at Risk Committee meetings, Board meetings and Board strategy days as appropriate. Currently, the Board remains vigilant against unexpected risks arising from geopolitical events, government responses to fiscal challenges, populist voter demands in the jurisdictions in which our borrowers operate and unexpected consequences linked to the build-out of the AI ecosystem.

Key risk: Board governance

Failure to promote the sustainable success of SEQI, ensure that necessary resources and controls are in place, and maintain an effective engagement with Shareholders and service providers, while ensuring that SEQI's own policies, practices and behaviours are aligned with its purpose, values and strategy can impact SEQI's performance. In response to market feedback and in pursuit of continued improvement and enhanced reporting, SEQI has developed a stand-alone governance policy providing a detailed and transparent outline of governance structures and policies.

For any Board vacancy a formal and rigorous search is undertaken, with careful consideration given to the appropriate balance of skills, knowledge, experience, independence, time availability and diversity. This enables the Directors to discharge their respective duties and responsibilities to a high standard and to contribute positively to overall Board effectiveness. Board performance continues to be evaluated by an independent third party on a regular basis. The last review occurred in 2023. Recently, to meet the increasing demands on time, due to mounting risk and regulatory control responsibilities, the Board was increased from five to six Directors.

Key risk: Service providers

SEQI has no employees and must therefore rely on the performance of third-party service providers. Failure to carry out their obligations in accordance with the terms of their appointments, or the failure of their systems and processes, could impact SEQI's performance. Due diligence is undertaken before contracts are entered into. Thereafter, service provider oversight is conducted through ongoing interaction with the Management Engagement and Audit Committees, who review control reports delivered by service providers throughout the year. At year end, the Management Engagement Committee reviews each service provider's overall performance, including a review of the contractual terms upon which the service providers perform their services.

Key risk: Sustainability risk

Shareholders, regulators and the market in general are increasingly focused on sustainability-related risks and exposures. Failing to meet and maintain the standards and objectives set by the Board on sustainability-related matters, report and disclose as required under increasing mandatory regulations and directives, and screen and monitor investments to avoid adding undesirable assets can lead to reputational damage, legal liability and loss of income. SEQI established the Sustainability and Stakeholder Engagement Committee (formerly the ESG and Stakeholder Engagement Committee) to, amongst other things, promote its stated sustainability objectives and goals, monitor progress against these and verify that reporting and disclosure requirements and commitments are being met. At the portfolio level, sustainability considerations have been fully integrated into the Investment Adviser's screening, underwriting and portfolio management processes. Actions include the implementation of an independently assured ESG scoring methodology designed to help evaluate individual assets and track portfolio sustainability performance over time. On climate risk, additional work continues to be undertaken on climate scenarios.

Governance

Governance

Board of Directors

The Directors of the Fund, all of whom are non-executive and independent, are as follows:

Key

- A Audit Committee
- E ESG and Shareholder Engagement Committee
- M Management Engagement Committee
- R Risk Committee
- N Remuneration and Nomination Committee
- ● Chair

James Stewart
Chair

E R M N

Over 30 years of leadership experience in infrastructure across public and private sectors.

Chair of KPMG Global Infrastructure; non-executive member of KPMG LLP board.

Chief executive of Infrastructure UK and Partnerships UK.

16 years in investment banking focused on infrastructure lending, equity and advisory.

Currently chair of Agilia Infrastructure Partners; trustee of the Shaw Trust; chair and trustee of Power for the People.

Tim Drayson
Non-executive Director

R A M N

40 years of experience in US and European debt capital markets.

Global head of corporate sales and deputy head of European corporate loan and DCM platform at BNP Paribas.

Global head of securitisation at BNP Paribas, managing all origination and infrastructure structuring teams.

Senior roles at Morgan Stanley as head of securitised products syndication and at Paine Webber trading mortgage products.

Member of BNP Paribas fixed income transaction approval committee.

Margaret Stephens
Non-executive Director

A E M N

Over 30 years of experience in M&A, tax advisory and infrastructure investment.

Tax partner in financial services asset management at KPMG; leadership roles in Global Infrastructure and Investments Practice.

Founder and chair of KPMG's Global Sovereign Wealth, Pensions and Infrastructure Funds Group.

Audit chair of the UK Government Nuclear Liability Fund; trustee and director until January 2024.

Board roles at AVI Japan Opportunity Trust and (until May 2025) VH Global Sustainable Energy Opportunities.

Member of the Institute of Chartered Accountants of Scotland.

Paul Le Page
Non-executive Director

M N A R

Over 20 years of board-level experience in investment funds.

Executive director and senior portfolio manager at FRM Investment Management (Man Group).

Non-executive director of TwentyFour Income Fund; interim chair of NextEnergy Solar Fund.

Audit chair of RTW Biotech Opportunities.

Former audit chair of Bluefield Solar, UK Mortgages and other listed funds.

Chartered engineer with MBA from Heriot Watt University.

Selina Sagayam
Non-executive Director

E A M N

Over 30 years of corporate finance legal experience in M&A, capital markets, financial services regulation and governance.

Former partner and chair of the global ESG practice at Gibson, Dunn & Crutcher.

Former secretary to the UK Panel on Takeovers and Mergers.

Expert in public M&A, corporate governance and ESG.

Non-executive director of The Renewables Infrastructure Group; chair of ESG committee.

Former non-executive director of Hastings Group and risk committee chair of Hastings Insurance; vice chair of Refuge, trustee of Changeworks.

Nicola Paul
Non-executive Director

A M N R

Over 30 years of experience working in the finance industry in the Channel Islands.

Fellow of the Institute of Chartered Accountants in England and Wales.

Former associate partner of Deloitte LLP.

Specialist in advising on accounting, corporate governance and risk management and control matters.

Non-executive director of Partners Group Private Equity Limited.

The Sequoia Investment Management Company team

Sequoia Investment Management Company Limited ("SIMCo") is an experienced investment adviser, which has acted as Investment Adviser to the Fund from its inception. SIMCo's management team and Investment Committee are as follows:

Randall Sandstrom
Director and CEO/CIO

Over 30 years of experience in the international and domestic credit markets and infrastructure debt markets.

Has managed global high yield and investment grade bonds, leveraged loans, ABS and money market securities.

Board of Directors, LCF Rothschild and MD of Structured Finance. Former CEO/CIO, Eiger Capital.

Head of Euro Credit Market Strategy, Morgan Stanley. Institutional Investors "All-American" senior Industrial Credit Analyst, CS First Boston (energy and transportation). Has worked in London, New York and Tokyo.

Steve Cook
Director and Head of Portfolio Management

Over 20 years of infrastructure experience.

European Head of Whole Business Securitisation and CMBS and Co-Head of Infrastructure Finance at UBS.

Head of European Corporate Securitisation at Morgan Stanley with lending and balance sheet responsibility.

Wide variety of infrastructure projects in the UK and across Europe as a lender, arranger and adviser.

Dolf Kohnhorst
Director and Co-Head of Infrastructure Debt

Over 40 years of experience in investment banking, debt capital markets and project finance commercial lending.

Head of Société Générale's Financial Institutions Group covering UK, Irish, Benelux and Scandinavian banks, insurance companies, pension funds and investment management companies.

16 years at Morgan Stanley heading Benelux and Scandinavian sales teams and DCM Structured Solutions Group.

Commercial lending to shipping, construction and project finance sectors.

Anurag Gupta
Chief Risk Officer

Over 25 years of experience in project finance, infrastructure investment and appraisal, risk management, M&A and financial advisory.

Extensive transactional experience across infrastructure sectors such as transportation, power and utilities, renewables, digitalisation and social infrastructure.

Former KPMG in Canada Infrastructure Advisory Partner and Global Sector Head of Power within the KPMG Global Infrastructure Practice; previous infrastructure industry roles in both public and private sectors in multiple geographies.

MBA (Tulane University, USA), Bachelors in Mechanical Engineering (Engineering Council, UK) and BSc (Calcutta University, India).

Statement of Directors' responsibilities

We confirm that to the best of our knowledge:

- the Unaudited Condensed Interim Financial Statements (the "Interim Financial Statements") have been prepared in accordance with IAS 34 "Interim Financial Reporting" and give a true and fair view of the assets, liabilities, financial position and profit or loss of the Fund; and
- the Interim Report, together with the Interim Financial Statements, meet the requirements of an interim management report, and include a fair review of the information required by:
  - DTR 4.2.7R of the Disclosure Guidance and Transparency Rules ("DTR") of the UK's FCA, being an indication of important events that have occurred during the period ended 30 September 2025 and their impact on the Interim Financial Statements, and a description of the principal risks and uncertainties for the remaining six months of the year; and
  - DTR 4.2.8R of the DTR of the UK's FCA, being related party transactions that have taken place during the period ended 30 September 2025 and have materially affected the financial position or performance of the Fund during that period, and any changes since the related party transactions described in the last Annual Report that could do so.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Fund's website, and for the preparation and dissemination of financial statements. Legislation in Guernsey governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Signed on behalf of the Board by:

Margaret Stephens
Director

27 November 2025

Financial statements

Financial statements

Independent Review report

to Sequoia Economic Infrastructure Income Fund Limited on Interim Financial Information

Conclusion

We have reviewed the accompanying Unaudited Condensed Statement of Financial Position of Sequoia Economic Infrastructure Income Fund Limited (the "Company") as of 30 September 2025 and the related Unaudited Condensed Interim Statement of Comprehensive Income, Unaudited Condensed Interim Statement of Changes in Shareholders' Equity, the Unaudited Condensed Interim Statement of Cash Flows for the six-month period then ended, and a summary of material accounting policies and other explanatory notes.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information does not give a true and fair view of the financial position of the entity as at 30 September 2025 and of its financial performance and its cash flows for the six-month period then ended in accordance with International Accounting Standard ("IAS") 34 'Interim Financial Reporting', as issued by the International Accounting Standards Board ("IASB").

Basis for Conclusion

We conducted our review in accordance with the International Standard on Review Engagements (UK) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" ("ISRE (UK) 2410"). A review of interim financial information consists of making inquiries, 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.

As disclosed in Note 2, the Annual Financial Statements of the Company are prepared in accordance with IFRS Accounting Standards as issued by the IASB. The Unaudited Interim Condensed Financial Statements included in this Interim Report have been prepared in accordance with IAS 34 'Interim Financial Reporting' as issued by the IASB.

Conclusions Relating to Going Concern

Based on our review procedures, which are less extensive than those performed in an audit as described in the Basis of Conclusion section of this report, nothing has come to our attention to suggest that management has inappropriately adopted the going concern basis of accounting or that management have identified material uncertainties relating to going concern that are not appropriately disclosed.

This conclusion is based on the review procedures performed in accordance with ISRE (UK) 2410, however, future events or conditions may cause the entity to cease to continue as a going concern.

Responsibilities of Directors

The Directors are responsible for the preparation and fair presentation of this interim financial information in accordance with the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

In preparing the Unaudited Condensed Interim Financial Statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Review of the Financial Information

In reviewing the Unaudited Condensed Interim Financial Statements, we are responsible for expressing to the Company a conclusion on the Unaudited Condensed Interim Financial Statements. Our conclusions, including our Conclusions Relating to Going Concern, are based on procedures that are less extensive than audit procedures, as described in the Basis for Conclusion paragraph of this report.

Use of our Report

This report is made solely to the Company in accordance with guidance contained in ISRE (UK) 2410 issued by the Financial Reporting Council. Our review work has been undertaken so that we might state to the Company's Directors those matters we have agreed to state to them in a reviewer's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's Directors as a body, for our review work, for this report, or for the conclusions we have formed.

Grant Thornton Limited
Chartered Accountants
St Peter Port, Guernsey

27 November 2025

Unaudited condensed interim statement of comprehensive income

For the period from 1 April 2025 to 30 September 2025

	Note	**Period ended 30 September 2025 (unaudited) £**	Period ended 30 September 2024 (unaudited) £
Income			
Net losses on non-derivative financial assets at fair value through profit or loss	6	**(9,748,117)**	(67,483,092)
Net gains on derivative financial assets at fair value through profit or loss	8	**7,655,980**	50,330,671
Investment income	9	**80,993,486**	94,858,567
Net foreign exchange (losses)/gains		**(266,825)**	257,226
Total income		**78,634,524**	77,963,372
Expenses			
Investment Adviser's fees	10	**4,901,958**	4,918,696
Investment Manager's fees	10	**219,247**	207,695
Directors' fees and expenses	10	**196,385**	163,293
Administration fees	10	**293,873**	246,263
Custodian fees		**111,412**	110,992
Auditor's fees		**110,819**	120,362
Legal and professional fees		**296,156**	1,223,394
Valuation fees		**372,100**	373,800
Listing, regulatory and statutory fees		**80,270**	85,283
Other expenses		**417,814**	334,326
Total operating expenses		**7,000,034**	7,784,104
Loan finance costs	14	**3,717,659**	2,020,391
Total expenses		**10,717,693**	9,804,495
Profit and total comprehensive income for the period		**67,916,831**	68,158,877
Basic and diluted earnings per Ordinary Share	13	**4.40p**	4.26p

All items in the above statement derive from continuing operations.

The accompanying notes on pages 34 to 52 form an integral part of the Unaudited Condensed Interim Financial Statements.

Unaudited condensed interim statement of changes in Shareholders' equity

For the period from 1 April 2025 to 30 September 2025

Unaudited	Note	**Share capital £**	**Retained losses £**	**Total £**
At 1 April 2025		**1,664,593,419**	**(225,404,819)**	**1,439,188,600**
Total comprehensive income for the period		**—**	**67,916,831**	**67,916,831**
Share buybacks	12	**(13,203,100)**	**—**	**(13,203,100)**
Dividends paid during the period	5	**—**	**(53,139,727)**	**(53,139,727)**
At 30 September 2025		**1,651,390,319**	**(210,627,715)**	**1,440,762,604**

For the period from 1 April 2024 to 30 September 2024

Unaudited	Note	Share capital £	Retained losses £	Total £
At 1 April 2024		1,720,452,093	(196,169,547)	1,524,282,546
Total comprehensive income for the period		—	68,158,877	68,158,877
Share buybacks	12	(39,489,172)	—	(39,489,172)
Dividends paid during the period	5	—	(55,098,669)	(55,098,669)
At 30 September 2024		1,680,962,921	(183,109,339)	1,497,853,582

The accompanying notes on pages 34 to 52 form an integral part of the Unaudited Condensed Interim Financial Statements.

Unaudited condensed interim statement of financial position

At 30 September 2025

	Note	30 September 2025 (unaudited) £	31 March 2025 (audited) £
Non-current assets			
Non-derivative financial assets at fair value through profit or loss	6	**1,472,850,973**	1,479,215,419
Current assets			
Cash and cash equivalents		**5,606,333**	7,523,136
Trade and other receivables	7	**2,113,486**	2,411,179
Derivative financial assets at fair value through profit or loss	8	**14,385,350**	17,669,291
Total current assets		**22,105,169**	27,603,606
Total assets		**1,494,956,142**	1,506,819,025
Current liabilities			
Trade and other payables	15	**3,529,661**	3,596,055
Derivative financial liabilities at fair value through profit or loss	8	**17,454,233**	7,181,087
Total current liabilities		**20,983,894**	10,777,142
Non-current liabilities			
Loan payable	14	**33,209,644**	56,853,283
Total liabilities		**54,193,538**	67,630,425
Net assets		**1,440,762,604**	1,439,188,600
Equity			
Share capital	12	**1,651,390,319**	1,664,593,419
Retained losses		**(210,627,715)**	(225,404,819)
Total equity		**1,440,762,604**	1,439,188,600
Number of Ordinary Shares	12	**1,538,099,673**	1,555,061,936
Net asset value per Ordinary Share		**93.67p**	92.55p

The Unaudited Condensed Interim Financial Statements on pages 30 to 52 were approved and authorised for issue by the Board of Directors on 27 November 2025 and signed on its behalf by:

Margaret Stephens
Director

The accompanying notes on pages 34 to 52 form an integral part of the Unaudited Condensed Interim Financial Statements.

Unaudited condensed interim statement of cash flows

For the period from 1 April 2025 to 30 September 2025

	Note	Period ended 30 September 2025 (unaudited) £	Period ended 30 September 2024 (unaudited) £
Cash flows from operating activities			
Profit for the period		**67,916,831**	68,158,877
Adjustments for:			
Net losses on non-derivative financial assets at fair value through profit or loss	6	**9,748,117**	67,483,092
Net gains on derivative financial assets at fair value through profit or loss	8	**(7,655,980)**	(50,330,671)
Investment income	9	**(80,993,486)**	(94,858,567)
Net foreign exchange losses/(gains)		**266,825**	(257,226)
Loan finance costs	14	**3,717,659**	2,020,391
Increase in trade and other receivables (excluding prepaid finance costs and investment income)		**(203,677)**	(31,397)
Decrease in trade and other payables (excluding accrued finance costs, investment income and share buybacks)		**(50,909)**	(172,166)
		(7,254,620)	(7,987,667)
Cash received on settled forward contracts		**22,552,172**	18,591,478
Cash paid on settled forward contracts		**(829,404)**	(23,139)
Cash received on disposal of interest rate swaps		**–**	5,323,394
Interest rate swap interest paid		**(509,701)**	(336,338)
Cash investment income received		**48,041,384**	50,989,194
Purchases of investments	6	**(251,427,683)**	(171,987,458)
Sales of investments	6	**280,996,114**	190,903,350
Net cash inflow from operating activities		**91,568,262**	85,472,814

	Note	Period ended 30 September 2025 (unaudited) £	Period ended 30 September 2024 (unaudited) £
Cash flows from financing activities			
Proceeds from loan drawdowns	14	**129,694,283**	35,277,121
Loan repayments	14	**(153,540,476)**	(15,495,491)
Payments of loan finance costs		**(3,396,757)**	(3,311,373)
Share buybacks		**(13,050,412)**	(40,369,048)
Dividends paid[1]	5	**(53,139,727)**	(55,098,669)
Net cash outflow from financing activities		**(93,433,089)**	(78,997,460)
Net (decrease)/increase in cash and cash equivalents		**(1,864,827)**	6,475,354
Cash and cash equivalents at beginning of period		**7,523,136**	7,507,495
Effect of foreign exchange rate changes on cash and cash equivalents during the period		**(51,976)**	(56,916)
Cash and cash equivalents at end of period		**5,606,333**	13,925,933

1. Excludes non-cash transactions. For details refer to note 5.

The accompanying notes on pages 34 to 52 form an integral part of the Unaudited Condensed Interim Financial Statements.

Notes to the unaudited condensed interim financial statements

For the period from 1 April 2025 to 30 September 2025

1. General information

Sequoia Economic Infrastructure Income Fund Limited ("SEQI" or the "Fund") was incorporated and registered in Guernsey under the Companies (Guernsey) Law, 2008 on 30 December 2014. SEQI's registration number is 59596 and it is regulated by the Guernsey Financial Services Commission as a registered closed-ended collective investment scheme under The Registered Collective Investment Scheme Rules and Guidance 2021. SEQI trades on the Main Market of the London Stock Exchange. Following the 2024 UK listing reforms, the Fund was automatically mapped into the Equity Shares (Commercial Companies) ("ESCC") category, having previously held a premium listing on the Official List since its admittance on 3 March 2015.

The Fund makes its investments principally through its subsidiary domiciled in Luxembourg, Sequoia IDF Asset Holdings S.A. (the "Luxembourg Subsidiary"). It controls the Luxembourg Subsidiary through a holding of 100% of its shares, and further invests in the Luxembourg Subsidiary through the acquisition of Variable Funding Notes ("VFNs") issued by the Luxembourg Subsidiary.

The Luxembourg Subsidiary has established three Delaware-domiciled investment holding entities (the "Underlying Subsidiaries"), which it controls through holdings of 100% of their shares, as follows:

- Fussell Circus Capital, Inc.
- Mears Square Advisors, Inc.
- Bajtos Lane Management, Inc.

SEQI has also established two subsidiaries domiciled in the United Kingdom, Yotta Bidco Limited and Gadwall Holdings Limited (the "UK Subsidiaries"). It controls the UK Subsidiaries through holdings of 100% of their shares.

Through the Luxembourg Subsidiary and the UK Subsidiaries (together "the Subsidiaries"), the Fund invests in a diversified portfolio of senior and subordinated economic infrastructure debt investments.

With effect from 28 January 2015, Sequoia Investment Management Company Limited (the "Investment Adviser") was appointed as the Investment Adviser and FundRock Management Company (Guernsey) Limited (the "Investment Manager") was appointed as the Investment Manager.

2. Material accounting policies

Basis of preparation and statement of compliance

These Unaudited Condensed Interim Financial Statements (the "Interim Financial Statements") have been prepared in accordance with International Accounting Standard ("IAS") 34 "Interim Financial Reporting", as required by DTR 4.2.4R of the UK's FCA, with the Listing Rules of the London Stock Exchange ("LSE") and with applicable legal and regulatory requirements. They do not include all the information and disclosures required in Annual Financial Statements and should be read in conjunction with SEQI's Annual Financial Statements for the year ended 31 March 2025.

The accounting policies applied in these Interim Financial Statements are consistent with those applied in the Annual Financial Statements for the year ended 31 March 2025, which were prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB").

Going concern

The Directors have reviewed the Fund's holdings in cash and cash equivalents and investments, including a consideration of the impact on the portfolio of the market uncertainty related to the continuing conflicts in Ukraine and the Middle East and of the economic policies of the current US administration. The Directors reassess SEQI's principal and emerging risks on an ongoing basis, and have considered the impact on SEQI's liquidity arising from margin calls relating to its forward foreign exchange positions.

In conducting this review, the Board has also considered the sustainability of the environmental and social impact of the Fund's activities. SEQI has a strong balance sheet, with a low level of gearing. The higher interest rate environment of recent years has impacted on the fair values of fixed-rate investments; however, such losses as have been incurred – which have and will reverse as the investments move closer to maturity and their valuations accrete to par – are unrealised, and therefore have no direct effect on the solvency of the business. The risk of realised losses arising through loans defaulting is limited to a few specific investments, representing a small proportion of the Fund's investment portfolio. The Directors also note that the interest income cash flow of the Fund continues to be sufficient to cover operating costs and to pay SEQI's target dividend.

As a result of this review, the Directors have concluded that it is appropriate to adopt the going concern basis in preparing the Interim Financial Statements, as SEQI, despite the current challenging economic environment, retains a strong balance sheet and adequate financial resources to continue in operational existence for at least 12 months from the date of approval of these Interim Financial Statements and to meet its liabilities as they fall due.

Notes to the unaudited condensed interim financial statements continued

For the period from 1 April 2025 to 30 September 2025

2. Material accounting policies continued

Significant judgements and estimates

There have been no changes to the significant accounting judgements, estimates and assumptions from those applied in SEQI's Annual Financial Statements for the year ended 31 March 2025.

Amended accounting standards effective and adopted

- IAS 1 (amended), "Presentation of Financial Statements" (amendments regarding the classification of liabilities and of debt with covenants, effective for periods commencing on or after 1 January 2024).

The Directors consider that the adoption of this amended standard has had no material impact on SEQI's Financial Statements.

New and amended accounting standards applicable to future reporting periods

The following relevant IFRSs, which have not been applied in these Financial Statements, were in issue at the reporting date but not yet effective:

- IFRS 7 (amended), "Financial Instruments: Disclosures" (effective for accounting periods commencing on or after 1 January 2026);
- IFRS 9 (amended), "Financial Instruments" (effective for accounting periods commencing on or after 1 January 2026); and
- IFRS 18, "Presentation and Disclosures in Financial Statements" (effective for accounting periods commencing on or after 1 January 2027).

The amendments to IFRS 7 and IFRS 9 were published in May 2024 and relate to the classification and measurement of financial instruments.

The Directors do not anticipate that the adoption of the amendments to IFRS 7 and IFRS 9 in future periods will have a material impact on SEQI's Financial Statements.

IFRS 18 sets out requirements for the presentation and disclosure of information in financial statements to help ensure they provide relevant information that faithfully represents an entity's assets, liabilities, equity, income and expenses. The Directors are currently assessing the impact that the adoption of this standard in future periods will have on SEQI's financial statements.

In addition, the International Sustainability Standards Board ("ISSB") published the following Sustainability Disclosure Standards in June 2023, effective for accounting periods commencing on or after 1 January 2024:

- IFRS S1, "General Requirements for Disclosure of Sustainability-related Financial Information"; and
- IFRS S2, "Climate-related Disclosures".

IFRS S1 sets out overall requirements with the objective to require an entity to disclose information about its sustainability-related risks and opportunities.

IFRS S2 sets out the requirements for identifying, measuring and disclosing information about climate-related risks and opportunities.

The purpose of both standards is to provide information that is useful to primary users of general purpose financial reports in making decisions relating to providing resources to the entity.

These standards have not been formally endorsed by Guernsey, the UK or the EU and have therefore not yet been adopted by SEQI.

The Directors will assess the impact that the adoption of these two new standards in future periods will have on SEQI's Financial Statements when there is greater clarity on the implementation of these standards into applicable laws.

3. Segmental reporting

The Chief Operating Decision Maker, which is the Board, is of the opinion that SEQI is engaged in a single segment of business, through its investment in the Subsidiaries, being investment in senior and subordinated infrastructure debt instruments and related and/or similar assets, with the aim of providing sustained long-term distributions and capital appreciation. The financial information used by the Chief Operating Decision Maker to manage the Group presents the business as a single segment.

Segment information is measured on the same basis as that used in the preparation of SEQI's Annual Financial Statements for the year ended 31 March 2025.

The Fund receives no revenues from external customers. Other than the UK Subsidiaries, which are United Kingdom companies, the Luxembourg Subsidiary, which is a Luxembourg company, and its Underlying Subsidiaries, which are Delaware companies, the Fund holds no non-current assets in any geographical area other than Guernsey.

4. Financial risk management

SEQI's financial risk management objectives and policies are consistent with those disclosed in its Annual Financial Statements for the year ended 31 March 2025.

Notes to the unaudited condensed interim financial statements continued

For the period from 1 April 2025 to 30 September 2025

5. Dividends

In the absence of any significant restricting factors, the Board expects to pay dividends totalling 6.875p per Ordinary Share per annum. SEQI pays dividends on a quarterly basis.

SEQI declared and paid the following dividends on its Ordinary Shares during the period ended 30 September 2025:

Period to	Payment date	Dividend rate per Ordinary Share (p)	Dividends declared and paid (£)	Record date	Ex-dividend date
31 March 2025	**30 May 2025**	**1.71875**	**26,636,577**	**2 May 2025**	**1 May 2025**
30 June 2025	**22 August 2025**	**1.71875**	**26,503,150**	**25 July 2025**	**24 July 2025**
			53,139,727		

On 16 October 2025, SEQI declared a dividend of 1.71875p per Ordinary Share in respect of the quarter ended 30 September 2025. The dividend was paid on 21 November 2025.

SEQI declared and paid the following dividends on its Ordinary Shares during the period ended 30 September 2024:

Period to	Payment date	Dividend rate per Ordinary Share (p)	Dividends declared and paid (£)	Record date	Ex-dividend date
31 March 2024	23 May 2024	1.71875	27,754,247	26 April 2024	25 April 2024
30 June 2024	23 August 2024	1.71875	27,344,422	26 July 2024	25 July 2024
			55,098,669		

Under Guernsey law, SEQI can pay dividends in excess of its retained earnings provided it satisfies the solvency test prescribed by the Companies (Guernsey) Law, 2008. The solvency test considers whether SEQI is able to pay its debts when they fall due, and whether the value of its assets is greater than its liabilities. SEQI satisfied the solvency test in respect of all dividends declared or paid in the period.

The Directors are authorised to offer Shareholders a scrip dividend alternative instead of cash. However, during the current and prior periods, due to the continuing discount of SEQI's share price to the NAV, no scrip dividends were paid.

Notes to the unaudited condensed interim financial statements continued

For the period from 1 April 2025 to 30 September 2025

6. Non-derivative financial assets at fair value through profit or loss

SEQI's non-derivative assets at fair value through profit or loss comprise the following:

	30 September 2025 (unaudited) £	31 March 2025 (audited) £
VFNs issued by the Luxembourg Subsidiary	1,530,165,037	1,572,602,915
Luxembourg Subsidiary equity at fair value through profit or loss	107,501,598	104,402,452
UK Subsidiaries equity at fair value through profit or loss	989,272	967,088
VFN interest paid in advance by the Luxembourg Subsidiary to SEQI	(165,804,934)	(198,757,036)
Non-derivative financial assets at fair value through profit or loss at the end of the period/year	**1,472,850,973**	1,479,215,419

The following table provides a reconciliation of the movements in non-derivative assets at fair value through profit or loss during the period:

	Period ended 30 September 2025 (unaudited) £	Year ended 31 March 2025 (audited) £
Cost at the start of the period/year	1,525,193,587	1,505,935,819
VFNs purchased during the period/year	251,427,683	302,401,710
VFNs redeemed during the period/year	(280,996,114)	(285,143,942)
Investment in UK Subsidiary	–	2,000,000
Cost at the end of the period/year	1,495,625,156	1,525,193,587
Cumulative net unrealised losses of the Fund on non-derivative financial assets at the end of the year (see table on page 38)	(22,774,183)	(45,978,168)
Non-derivative financial assets at fair value through profit or loss at the end of the period/year	**1,472,850,973**	1,479,215,419

The following table provides a reconciliation of the financial assets at fair value through profit or loss of the Subsidiaries to SEQI's financial assets at fair value through profit or loss:

	30 September 2025 (unaudited) £	31 March 2025 (audited) £
Subsidiaries' non-derivative financial assets at fair value through profit or loss	1,366,226,685	1,423,647,101
Subsidiaries' net current assets	106,624,288	55,568,318
Company's non-derivative financial assets at fair value through profit or loss	**1,472,850,973**	1,479,215,419

None of the Subsidiaries' non-derivative financial assets at fair value through profit or loss are subject to any special arrangements arising from their illiquid nature.

SEQI's net gains/(losses) on non-derivative financial assets at fair value through profit or loss in the period comprises the following:

	Period ended 30 September 2025 (unaudited) £	Period ended 30 September 2024 (unaudited) £
Unrealised foreign exchange losses on VFNs	(12,869,447)	(55,269,003)
Unrealised gains/(losses) on revaluation of the Subsidiaries	3,121,330	(12,214,089)
Net losses on non-derivative financial assets at fair value through profit or loss	**(9,748,117)**	(67,483,092)

Notes to the unaudited condensed interim financial statements continued

For the period from 1 April 2025 to 30 September 2025

6. Non-derivative financial assets at fair value through profit or loss continued

On a look-through basis, the Fund's cumulative net losses on non-derivative financial assets at fair value through profit or loss as at 30 September 2025 comprises the following:

	Period ended 30 September 2025 (unaudited) £	Year ended 31 March 2025 (audited) £
Subsidiaries		
Investment income during the period/year	**62,514,290**	121,564,594
Net return on financial assets and liabilities during the period/year, including foreign exchange and VFN interest payable	**(31,566,091)**	(142,086,376)
Net other income during the period/year	**5,125,233**	11,007,337
Subsidiaries' gains/(losses) during the period/year	**36,073,432**	(9,514,445)
Subsidiaries' losses brought forward	**(95,387,497)**	(85,873,052)
Subsidiaries' losses carried forward at the end of the period/year	**(59,314,065)**	(95,387,497)
Company		
Unrealised foreign exchange gains on VFNs brought forward	**49,409,329**	73,108,908
Unrealised foreign exchange losses on VFNs during the period/year	**(12,869,447)**	(23,699,579)
Net losses on non-derivative financial assets at fair value through profit or loss carried forward at the end of the period/year	**(22,774,183)**	(45,978,168)

Fair value measurement

IFRS 13 requires that a fair value hierarchy be established that prioritises the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under IFRS 13 are as follows:

- Level 1: inputs that are quoted market prices (unadjusted) in active markets for identical instruments;
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted for identical or similar instruments in markets that are considered less than active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data;
- Level 3: inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instruments' valuations. This category includes instruments that are valued based on quoted prices for similar instruments but for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement. Assessing the significance of a particular input to the fair value measurement requires judgement, considering factors specific to the asset or liability.

The determination of what constitutes "observable" requires significant judgement. Observable data is considered to be market data that is readily available, regularly distributed or updated, reliable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

SEQI's investment in the Subsidiaries, through the acquisition of shares and the issue of VFNs, is classified within Level 3, as it is not traded and contains unobservable inputs. The Board considers that the NAVs of the Subsidiaries are representative of their fair value.

Notes to the unaudited condensed interim financial statements continued

For the period from 1 April 2025 to 30 September 2025

6. Non-derivative financial assets at fair value through profit or loss continued

Fair value measurement continued

	30 September 2025 (unaudited)			
	Level 1 £	**Level 2 £**	**Level 3 £**	**Total £**
Assets				
Non-derivative financial assets at fair value through profit or loss	**—**	**—**	**1,472,850,973**	**1,472,850,973**
Derivative financial assets at fair value through profit or loss	**—**	**14,385,350**	**—**	**14,385,350**
Total	**—**	**14,385,350**	**1,472,850,973**	**1,487,236,323**
Liabilities				
Derivative financial liabilities at fair value through profit or loss	**—**	**17,454,233**	**—**	**17,454,233**
Total	**—**	**17,454,233**	**—**	**17,454,233**

	31 March 2025 (audited)			
	Level 1 £	Level 2 £	Level 3 £	Total £
Assets				
Non-derivative financial assets at fair value through profit or loss	—	—	1,479,215,419	1,479,215,419
Derivative financial assets at fair value through profit or loss	—	17,669,291	—	17,669,291
Total	—	17,669,291	1,479,215,419	1,496,884,710
Liabilities				
Derivative financial liabilities at fair value through profit or loss	—	7,181,087	—	7,181,087
Total	—	7,181,087	—	7,181,087

There have been no transfers between levels of the fair value hierarchy during the period. Such transfers are recognised at the end of the reporting period in which the change has occurred.

Notes to the unaudited condensed interim financial statements continued

For the period from 1 April 2025 to 30 September 2025

6. Non-derivative financial assets at fair value through profit or loss continued

Fair value measurement continued

The investments held by the Subsidiaries in the underlying portfolio are classified within the fair value hierarchy as follows:

	30 September 2025 (unaudited)			
	Level 1 £	Level 2 £	Level 3 £	Total £
Assets				
Non-derivative financial assets at fair value through profit or loss	—	**74,167,818**	**1,292,058,867**	**1,366,226,685**

	31 March 2025 (audited)			
	Level 1 £	Level 2 £	Level 3 £	Total £
Assets				
Non-derivative financial assets at fair value through profit or loss	—	130,364,306	1,293,282,795	1,423,647,101

During the period, no assets were transferred between levels of the fair value hierarchy. Transfers between levels of the fair value hierarchy are recognised at the end of the reporting period during which the change has occurred.

The Subsidiaries' Level 3 investment valuations are calculated by discounting future cash flows at a yield appropriate to comparable infrastructure loans or bonds (with such yield assessed primarily from publicly available sources and secondarily in consultation with brokers and syndicate desks). Spread data will also be cross-referenced to recently priced primary market transactions if possible. When identifying comparable loans or bonds, for the purpose of assessing market yields, structural and credit characteristics and project type are also considered.

The equity investments arising from the restructuring of a borrower group during the prior year have been fair valued principally on a discounted cash flow basis.

The following tables summarise the significant unobservable inputs the Fund used to value its Subsidiaries' underlying investments categorised within Level 3 at 30 September 2025 and at 31 March 2025. The tables are not intended to be all-inclusive but instead capture the significant unobservable inputs relevant to the determination of fair values.

Notes to the unaudited condensed interim financial statements continued

For the period from 1 April 2025 to 30 September 2025

6. Non-derivative financial assets at fair value through profit or loss continued

Fair value measurement continued

30 September 2025 (unaudited)

Type	Sector	Fair value £	Primary valuation technique	Significant unobservable inputs	Range input
Private debt	**Accommodation**	**110,226,744**	**Discounted cash flow**	**Discount rate**	**6.5%-16.1%**
Private debt	**Power**	**276,622,063**	**Discounted cash flow**	**Discount rate**	**4.6%-17.3%**
Private debt	**Renewable energy**	**156,960,119**	**Discounted cash flow**	**Discount rate**	**4.5%-9.9%**
Private debt	**Digitalisation**	**323,322,297**	**Discounted cash flow**	**Discount rate**	**4.3%-8.7%**
Private debt	**Transport**	**87,568,183**	**Discounted cash flow**	**Discount rate**	**5.9%-7.6%**
Private debt	**Transport assets**	**143,233,510**	**Discounted cash flow**	**Discount rate**	**4.4%-7.3%**
Private debt	**Utilities**	**97,191,234**	**Discounted cash flow**	**Discount rate**	**8.4%-15.0%**
Private debt	**Other**	**88,744,682**	**Discounted cash flow**	**Discount rate**	**4.4%-12.0%**
Private debt	**Other**	**8,190,035**	**Third-party valuation**	**Valuation**	**N/A**
		1,292,058,867			

31 March 2025 (audited)

Type	Sector	Fair value £	Primary valuation technique	Significant unobservable inputs	Range input
Private debt	Accommodation	98,574,073	Discounted cash flow	Discount rate	6.6%-20.0%
Private debt	Power	201,636,778	Discounted cash flow	Discount rate	4.6%-27.4%
Private debt	Renewable energy	127,693,512	Discounted cash flow	Discount rate	4.5%-9.9%
Private debt	Digitalisation	349,605,969	Discounted cash flow	Discount rate	4.8%-10.3%
Private debt	Transport	84,887,844	Discounted cash flow	Discount rate	5.7%-7.1%
Private debt	Transport assets	143,326,643	Discounted cash flow	Discount rate	5.2%-7.3%
Private debt	Utilities	148,481,370	Discounted cash flow	Discount rate	4.8%-15.0%
Private debt	Other	139,076,606	Discounted cash flow	Discount rate	4.4%-12.0%
		1,293,282,795			

Notes to the unaudited condensed interim financial statements continued

For the period from 1 April 2025 to 30 September 2025

6. Non-derivative financial assets at fair value through profit or loss continued

Fair value measurement continued

The following table shows the Directors' best estimate of the sensitivity of the Subsidiaries' Level 3 investments to changes in the principal unobservable input, with all other variables held constant.

	Possible reasonable change in discount/ interest rate	30 September 2025 effect on net assets and profit or loss £	31 March 2025 effect on net assets and profit or loss £
Fixed-rate investments	+3%	**(55,314,095)**	(62,809,544)
Floating-rate investments	+3%	**21,087,321**	23,044,469
		(34,226,774)	(39,765,075)
Fixed-rate investments	-3%	**63,761,292**	72,608,289
Floating-rate investments	-3%	**(20,477,098)**	(21,846,259)
		43,284,194	50,762,030

The possible changes in the discount/interest rate of 3% (31 March 2025: 3%) are regarded as reasonable in view of the current level of global interest rates.

The sensitivity analysis relating to the fixed-rate investments represents a measure of the fair value interest rate risk attached to the Subsidiaries' Level 3 investments, based on changes in the discount rates used to value the investments, whilst the sensitivity analysis relating to the floating-rate investments represents a measure of the cash flow interest rate risk, based on changes in base rates or other interest rate benchmarks attached to the investments.

Valuation techniques for the investment portfolio of the Subsidiaries

With effect from 18 April 2017, SEQI engaged PricewaterhouseCoopers LLP ("PwC") as Valuation Agent, with responsibility for reviewing the valuations applied by the Investment Adviser in relation to the acquisition of loans and bonds on a monthly basis. The principles and techniques utilised by the Investment Adviser and reviewed by PwC during the period in calculating the valuations are described below.

Performing portfolio assets

Valuations of performing portfolio loans and bonds are based on actual market prices (bid-side prices) obtained from third-party brokers and syndicate desks if available (such brokers to be agreed with the Investment Adviser); if such prices are not available, then valuations are calculated by discounting future cash flows at a rate equivalent to a yield appropriate to comparable infrastructure loans or bonds (with such yield assessed primarily from publicly available sources and secondarily in consultation with brokers and syndicate desks). Spread data will also be cross-referenced to recently priced primary market transactions if possible.

When identifying comparable loans or bonds, for the purpose of assessing market yields, the following will be taken into account:

- project type: jurisdiction, sector, project status, transaction counterparties such as construction companies, facility management providers;
- structural characteristics: maturity and average life, seniority, secured/unsecured, amortisation profile, cash sweeps, par versus discount; and
- credit characteristics: credit ratios (e.g. equity cushion, asset cover/LTV, debt service coverage ratios or equivalent, debt/EBITDA), ratings and ratings trajectory.

In calculating the net present value of future cash flows on loans with uncertain cash flows (such as cash-sweep mechanisms), "banking base case" cash flows are used unless there is clear evidence that the market is using a valuation based upon another set of cash flows.

In the case of discount loans with step-up margins, the assumption will be that market discounts are calculated on a yield-to-worst basis, unless there is clear evidence that the market convention for that loan is different.

For variable rate loans and bonds, for the purposes of projecting cash flows, the market convention of simple compounding to the next interest payment date is used and swap rates for subsequent interest payments, unless there is clear evidence that the market convention for that loan or bond is different.

The equity investments arising from the restructuring of a borrower group during the prior year have been fair valued principally on a discounted cash flow basis.

Notes to the unaudited condensed interim financial statements continued

For the period from 1 April 2025 to 30 September 2025

6. Non-derivative financial assets at fair value through profit or loss continued

Valuation techniques for the investment portfolio of the Subsidiaries continued

Non-performing portfolio assets

Valuations of non-performing portfolio loans and bonds are based on actual market prices obtained from third-party brokers if available, otherwise the net present value of future expected loan cash flows will be calculated, estimated on the basis of the median outcome and discount rate that reflects the market yield of distressed/defaulted loans or bonds.

In assessing the median outcome cash flows, a project/corporate model that reflects the distressed state of the project will be used in order to assess a range of potential outcomes for expected future cash flows with regard to, for example, interest or principal recoveries and timing. The Investment Adviser will work closely with the Valuation Agent and they will have access to the Investment Adviser's own model, analysis and internal valuations. These valuations are subject to a high degree of management oversight and ultimate approval by the Investment Manager.

In the opinion of the Investment Adviser, as at 30 September 2025, there were two non-performing assets in the portfolio (31 March 2025: two) with a total value of £8.2 million (31 March 2025: £15.1 million). For further details, please refer to the Investment Adviser's report.

Finalising the net asset value

Once the appropriate position price has been determined to be applied to each investment, the calculation of the Subsidiaries' net asset value is finalised through the following steps:

- conversion of each investment into GBP based on month-end foreign exchange rates;
- reconciliation of any interest accrued since issue of the most recent coupon; and
- aggregation of the investments into a single Fund NAV position statement (clean and dirty price).

7. Trade and other receivables

	30 September 2025 (unaudited) £	31 March 2025 (audited) £
Prepaid loan finance costs	1,791,781	2,293,151
Other prepaid expenses	321,705	118,028
Total trade and other receivables	**2,113,486**	2,411,179

8. Derivative financial instruments at fair value through profit or loss

SEQI's derivative financial instruments at fair value through profit or loss comprise the following assets and liabilities:

	30 September 2025 (unaudited) £	31 March 2025 (audited) £
Forward foreign exchange contract assets	14,385,350	17,669,291
Forward foreign exchange contract liabilities	(14,797,740)	(4,034,017)
Interest rate swap liabilities	(2,656,493)	(3,147,070)
Net derivative (liabilities)/assets at fair value through profit or loss	**(3,068,883)**	10,488,204

The net gains on derivative financial instruments during the period comprise both realised and unrealised gains and losses as follows:

	Period ended 30 September 2025 (unaudited) £	Period ended 30 September 2024 (unaudited) £
Net realised gains on forward foreign exchange contracts	21,722,768	18,568,339
Net unrealised (losses)/gains on forward foreign exchange contracts	(14,047,664)	30,368,120
Net realised gains on interest rate swaps	–	5,323,394
Net unrealised gains/(losses) on interest rate swaps	490,577	(3,592,844)
Interest paid on interest rate swaps	(509,701)	(336,338)
Net gains on derivative financial instruments	**7,655,980**	50,330,671

Notes to the unaudited condensed interim financial statements continued

For the period from 1 April 2025 to 30 September 2025

8. Derivative financial instruments at fair value through profit or loss continued

Forward foreign exchange contracts

As at 30 September 2025, SEQI had the following outstanding commitments in respect of open forward foreign exchange contracts, by currency and by counterparty.

30 September 2025 (unaudited)

Selling currency	Currency amount	Buying currency	GBP amount £	Unrealised gains £	Unrealised losses £	Net unrealised gains/(losses) £
USD	914,165,420	GBP	697,235,719	13,856,478	(2,825,678)	11,030,800
EUR	553,710,000	GBP	481,425,975	455,646	(10,646,847)	(10,191,201)
CHF	45,000,000	GBP	42,014,453	—	(1,194,947)	(1,194,947)
			1,220,676,147	14,312,124	(14,667,472)	(355,348)

Buying currency	Currency amount	Selling currency	GBP amount £	Unrealised gains £	Unrealised losses £	Net unrealised gains £
USD	124,582,878	GBP	75,648,646	—	(125,242)	(125,242)
EUR	29,223,715	GBP	27,008,564	73,226	(5,026)	68,200
			102,657,210	73,226	(130,268)	(57,042)
			1,118,018,937	14,385,350	(14,797,740)	(412,390)

30 September 2025 (unaudited)

Counterparty	Unrealised gains £	Unrealised losses £	Net unrealised gains/(losses) £
Goldman Sachs	4,985,006	(2,341,909)	2,643,097
ING	235,751	(994,502)	(758,751)
Macquarie	2,682,791	(5,933,596)	(3,250,805)
Morgan Stanley	3,015,235	(2,739,573)	275,662
Nomura	3,466,567	(2,788,160)	678,407
	14,385,350	(14,797,740)	(412,390)

Notes to the unaudited condensed interim financial statements continued

For the period from 1 April 2025 to 30 September 2025

8. Derivative financial instruments at fair value through profit or loss continued

Forward foreign exchange contracts continued

31 March 2025 (audited)

Selling currency	Currency amount	Buying currency	GBP amount £	Unrealised gains £	Unrealised losses £	Net unrealised gains/(losses) £
USD	824,300,000	GBP	644,694,641	8,157,535	(2,818,277)	5,339,258
EUR	539,500,000	GBP	467,266,108	8,812,181	(1,215,740)	7,596,441
CHF	45,000,000	GBP	42,014,453	595,663	—	595,663
			1,153,975,202	17,565,379	(4,034,017)	13,531,362

Buying currency	Currency amount	Selling currency	GBP amount £	Unrealised gains £	Unrealised losses £	Net unrealised gains £
USD	10,000,000	GBP	7,723,200	21,138	—	21,138
EUR	18,300,000	GBP	15,244,480	82,774	—	82,774
			22,967,680	103,912	—	103,912
			1,131,007,522	17,669,291	(4,034,017)	13,635,274

31 March 2025 (audited)

Counterparty	Unrealised gains £	Unrealised losses £	Net unrealised gains £
Goldman Sachs	633,368	(24,957)	608,411
ING	4,044,472	—	4,044,472
Macquarie	2,311,174	(911,224)	1,399,950
Morgan Stanley	1,287,100	(1,431,474)	(144,374)
Nomura	8,087,388	—	8,087,388
RBSI	1,305,789	(1,666,362)	(360,573)
	17,669,291	(4,034,017)	13,635,274

All forward foreign exchange positions during the period were held with Goldman Sachs International, ING Bank, Macquarie Bank ("Macquarie"), Morgan Stanley, Nomura Bank International or Royal Bank of Scotland International as noted above. There are no master netting arrangements in place. The forward foreign exchange positions at the period/year end have various maturity dates ranging from 10 November 2025 to 13 September 2027 (31 March 2025: 10 April 2025 to 10 February 2027).

Notes to the unaudited condensed interim financial statements continued

For the period from 1 April 2025 to 30 September 2025

8. Derivative financial instruments at fair value through profit or loss continued

Interest rate swaps

On 23 October 2023, the Fund entered into an interest rate swap transaction with Macquarie to receive a fixed rate of 4.512% on an amount of USD 90 million against three-month CME Term SOFR, commencing on 29 December 2023 and continuing quarterly until the termination date of 20 October 2030. This transaction was repriced on 17 September 2024 with the Fund receiving a fixed rate of 2.948%.

On 7 May 2024, the Fund entered into an interest rate swap transaction with Macquarie to receive a fixed rate of 4.320% on an amount of £30 million against three-month compounded SONIA, commencing on 30 June 2024 and continuing quarterly until the termination date of 7 November 2030.

On 28 March 2025, the Fund entered into an interest rate swap transaction with Macquarie to receive a fixed rate of 3.617% on USD 70 million against weighted-average SOFR, commencing on 30 June 2025 and continuing quarterly until the termination date of 31 March 2032.

On 26 September 2025, the Fund entered into an interest rate swap transaction with Macquarie to receive a fixed rate of 4.026% on an amount of £50 million against three-month compounded SONIA, commencing on 30 September 2025 and continuing quarterly until 30 September 2035. The contract contains a mandatory early termination break effective on 30 September 2032, meaning that on this date the present value of the remaining cash flows is exchanged in lieu of the remaining three years of cash flows.

As at 30 September 2025, the interest rate swaps were valued at -£2,656,493 (31 March 2025: -£3,147,070), in accordance with valuations provided by the counterparty.

9. Investment income

	Period ended 30 September 2025 (unaudited) £	Period ended 30 September 2024 (unaudited) £
Investment income on financial assets carried at amortised cost:		
Cash and cash equivalents	**169,927**	138,921
Investment income on non-derivative financial assets at fair value through profit or loss:		
Cash VFN interest income received	**47,871,457**	50,850,273
Movement in VFN interest balance (see note 6)	**32,952,102**	43,869,373
	80,993,486	94,858,567

The Fund's investment income on non-derivative financial assets at fair value through profit or loss (VFN interest) is derived from its investment in VFNs issued by its Luxembourg Subsidiary and comprises the net of the Luxembourg Subsidiary's revenue (principally interest on loans and bonds) and realised gains on investments, less expenses, realised investment losses and investment book cost impairment losses.

During the current period and prior years, impairments in the Luxembourg Subsidiary to the book costs of certain non-performing and underperforming loans have negatively impacted the amount of VFN interest income recognised in the books of the Fund. It should be noted however that such book cost impairments have no effect on the Fund's NAV – as all of the Subsidiaries' investments are measured at fair value – nor on the VFN interest cash flows arising on the Fund's investments in the VFNs.

10. Related parties and other material contracts

Transactions with Investment Manager and Investment Adviser

Investment Manager

FundRock Management Company (Guernsey) Limited (the "Investment Manager") was appointed as the Investment Manager with effect from 28 January 2015. With effect from 1 December 2016, the Investment Manager was entitled to receive a management fee for AIFM services calculated as follows:

- if the Fund's NAV is less than £200 million, 0.075% per annum of the value of the NAV; plus
- if the Fund's NAV is more than £200 million and less than £400 million, 0.05% per annum of the NAV not included above; plus
- if the Fund's NAV is more than £400 million and less than £500 million, 0.04% per annum of the NAV not included above; plus
- if the Fund's NAV is more than £500 million, 0.015% per annum of the NAV not included above.

The fee is subject to an annualised minimum of £80,000 applied on a monthly basis and is payable monthly in arrears. With effect from 2 May 2017, the management fee was capped at £320,000 per annum, subject to an annual inflationary increase (with effect from 1 May 2025: £436,440; with effect from 1 May 2024: £420,463).

The Investment Management Agreement can be terminated by either party giving not less than six months' written notice.

Investment Adviser

Sequoia Investment Management Company Limited (the "Investment Adviser") was appointed as the Investment Adviser with effect from 28 January 2015. With effect from 1 September 2018, the Investment Adviser is entitled to receive from the Fund a base fee calculated as follows:

- 0.74% of the market value of the investments (excluding committed but not yet invested investments and cash) owned by the Subsidiaries up to £1 billion; plus
- 0.56% of the market value of the investments (excluding committed but not yet invested investments and cash) owned by the Subsidiaries in excess of £1 billion.

All such fees are payable quarterly. Subject to market conditions, 10% of the Investment Adviser's fee is applied in subscribing for Ordinary Shares in SEQI, which the Investment Adviser shall retain with a three-year rolling lock-up (such that those Ordinary Shares may not be sold or otherwise disposed of by the Investment Adviser without the prior consent of SEQI before the third anniversary of the date of issue of the relevant Ordinary Shares). However, in recent years, due to the discount of SEQI's Ordinary Share price to NAV, the Investment Adviser's fees have been paid entirely in cash, with an obligation on the part of the Investment Adviser to use one-tenth of the fee to acquire Ordinary Shares in the market.

Notes to the unaudited condensed interim financial statements continued

For the period from 1 April 2025 to 30 September 2025

10. Related parties and other material contracts continued

Transactions with Investment Manager and Investment Adviser continued

Investment Adviser continued

On 28 April 2025, the Investment Adviser acquired 318,381 Ordinary Shares in the market in relation to fees payable for the quarter ended 31 March 2025.

On 4 July 2025 and 7 July 2025, the Investment Adviser disposed of 3,200,000 Ordinary Shares in the market. On 29 July 2025, the Investment Adviser acquired 308,300 Ordinary Shares in the market in relation to fees payable for the quarter ended 30 June 2025.

On 23 October 2025, the Investment Adviser acquired 305,000 Ordinary Shares in the market in relation to fees payable for the quarter ended 30 September 2025.

The Investment Advisory Agreement can be terminated by either party giving not less than six months' written notice. The Investment Adviser's appointment will be automatically terminated upon termination of the Investment Manager's appointment under the Investment Management agreement.

Directors' fees

During the period, the Directors' fee entitlements were as follows:

- the Chair of the Board of Directors is entitled to a fee of £90,000 (2024: £78,000) per annum in remuneration for their service as Chair;
- the remaining Directors are entitled to a basic fee of £55,000 each per annum (2024: £50,000 per annum) in remuneration for their services as Directors;
- with effect from 1 April 2025, Margaret Stephens is entitled to a fee of £13,000 per annum (2024: N/A) in respect of her role as Chair of the Audit Committee;
- Tim Drayson is entitled to a fee of £7,500 per annum (2024: £6,300) in respect of his role as Chair of the Risk Committee;
- with effect from 1 April 2025, Selina Sagayam is entitled to a fee of £7,500 per annum (2024: N/A) in respect of her role as Chair of the Sustainability and Stakeholder Engagement Committee; and
- Paul Le Page is entitled to a fee of £7,500 per annum (2024: £10,000) in respect of his roles as Chair of the Remuneration and Nomination Committee and Chair of the Management Engagement Committee and to a fee of £5,000 per annum (2024: £4,000) in respect of his role as SID.

All Directors contribute 1% of their fees to support the Fund's carbon offsetting initiatives.

Ordinary Shares held by related parties

The shareholdings of the Directors in SEQI were as follows:

	30 September 2025 (unaudited)		31 March 2025 (audited)	
Name	Number of Ordinary Shares	Percentage of Ordinary Shares in issue	Number of Ordinary Shares	Percentage of Ordinary Shares in issue
James Stewart (with his spouse)	80,815	0.01%	80,815	0.01%
Tim Drayson	207,000	0.01%	207,000	0.01%
Margaret Stephens	24,519	0.00%	24,519	0.00%
Paul Le Page	30,000	0.00%	—	—
Selina Sagayam	—	—	—	—
Nicola Paul	—	—	—	—

As at 30 September 2025, the Investment Adviser held an aggregate of 4,370,812 Ordinary Shares (31 March 2025: 6,944,131 Ordinary Shares), which is 0.28% (31 March 2025: 0.45%) of the issued share capital.

As at 30 September 2025, the members of the Investment Adviser's founding team held an aggregate of 835,656 Ordinary Shares (31 March 2025: 835,656 Ordinary Shares), which is 0.05% (31 March 2025: 0.05%) of the issued share capital.

Notes to the unaudited condensed interim financial statements continued

For the period from 1 April 2025 to 30 September 2025

10. Related parties and other material contracts continued

Ordinary Shares held by related parties continued

As at 30 September 2025, the Investment Manager held an aggregate of 50,000 Ordinary Shares (31 March 2025: 50,000 Ordinary Shares), which is 0.00% (31 March 2025: 0.00%) of the issued share capital.

On 2 October 2025, James Stewart acquired a further 12,843 Ordinary Shares.

Other material contracts

Administrator

Apex Fund and Corporate Services (Guernsey) Limited (the "Administrator") was appointed as the Administrator with effect from 28 January 2015. With effect from 1 June 2016, the Administrator is entitled to receive a base fee, calculated as follows and paid monthly:

- if the Fund's NAV is less than £300 million, 0.07% per annum of the value of the NAV; plus
- if the Fund's NAV is more than £300 million and less than £400 million, 0.05% per annum of the NAV not included above; plus
- if the Fund's NAV is more than £400 million, 0.04% per annum of the NAV not included above.

The base fee is subject to a minimum of £65,000 applied on a monthly basis and was capped at £300,000 per annum, subject to an annual inflationary increase (with effect from 1 May 2025: £400,366; with effect from 1 May 2024: £375,556). The Administrator is also entitled to a fee for company secretarial services based on time costs.

The Administration Agreement can be terminated by either party giving not less than 90 days' written notice.

Luxembourg Subsidiary Administrator

With effect from 28 January 2015, TMF Luxembourg S.A. (the "Luxembourg Subsidiary Administrator") was appointed as the administrator of the Luxembourg Subsidiary. During the calendar year 2025, the Luxembourg Subsidiary Administrator will receive an estimated amount in recurring and ad hoc fees from the Luxembourg Subsidiary of €92,545 (£80,839) (2024: €90,288 (£77,209) during the calendar year 2024).

Custodian

With effect from 27 February 2015, The Bank of New York Mellon (the "Custodian") was appointed as the Custodian. The Custodian is entitled to receive fees, as agreed from time to time, for services provided as portfolio administrator, depositary, calculating agent, account bank and custodian.

The Custodian Agreement can be terminated by either party giving not less than 60 days' written notice.

The amounts charged for the above-mentioned fees during the period ended 30 September 2025 and outstanding at 30 September 2025 are as follows:

	Charge for the period ended 30 September 2025 (unaudited) £	**Amounts outstanding at 30 September 2025 (unaudited) £**	Charge for the period ended 30 September 2024 (unaudited) £	Amounts outstanding at 31 March 2025 (audited) £
Investment Adviser's fee	**4,901,958**	**2,417,822**	4,918,696	2,445,667
Investment Manager's fee	**219,247**	**—**	207,695	—
Directors' fees and expenses	**196,385**	**—**	163,293	—
Administration fee	**293,873**	**60,000**	246,263	20,000
Sub-administration fee[1]	**84,789**	**—**	53,524	780
Fees payable to the Custodian[1]	**303,928**	**56,823**	411,004	143,362
	6,000,180	**2,534,645**	6,000,475	2,609,809

1. Includes expenses of both SEQI and the Subsidiaries.

Notes to the unaudited condensed interim financial statements continued

For the period from 1 April 2025 to 30 September 2025

10. Related parties and other material contracts continued

Loan collateral

With effect from 17 July 2024, security for a revolving credit facility of £300 million with JP Morgan Chase Bank, N.A., London Branch was provided by, inter alia, a charge over SEQI's bank accounts, the shares it holds in the Luxembourg Subsidiary and its assets.

11. Tax status

SEQI is exempt from Guernsey income tax and is charged an annual exemption fee of £1,600 (2024: £1,600) under The Income Tax (Exempt Bodies) (Guernsey) Ordinance 1989.

12. Share capital

SEQI's Ordinary Shares and C shares are classified as equity. Incremental costs directly attributable to the issue of Ordinary Shares and C Shares are recognised as a deduction in equity and are charged to the relevant share capital account. There were no C Shares in issue during either the current period or prior year.

SEQI undertakes that it shall ensure that its records and bank accounts are operated in such a way that the assets attributable to the Ordinary Shares and the C Shares can be separately identified. On the conversion of C Shares to Ordinary Shares, C Shareholders shall be allocated an appropriate number of Ordinary Shares, calculated by reference to the conversion ratio.

SEQI's authorised share capital is represented by an unlimited number of Shares of nil par value, to which are attached the following rights:

(b) Dividends: Ordinary Shareholders and C Shareholders are entitled to receive, and participate in, any dividends or other distributions resolved to be distributed from their respective pools of assets in respect of any accounting period or other period, provided that no calls or other sums due by them are outstanding.

(c) Winding up: On a winding up, the Ordinary Shareholders and C Shareholders shall be entitled to the surplus assets remaining in their respective pools of assets after payment of creditors.

(d) Voting: Ordinary Shareholders have the right to receive notice of and to attend, speak and vote at SEQI's general meetings and each holder being present in person or by proxy shall upon a show of hands have one vote and upon a poll one vote in respect of every Ordinary Share held. C Shareholders have no right to attend or vote at any SEQI meeting, except that the consent of C Shareholders is required for any alteration to SEQI's Memorandum or Articles; for the passing of any resolution to wind up SEQI; and for the variation or abrogation of the rights attached to the C Shares.

SEQI may acquire its own Ordinary Shares, up to a maximum number of 14.99% per annum of the ordinary and C Shares in issue.

Issued share capital

Ordinary Shares	Period ended 30 September 2025 (unaudited) Number	Year ended 31 March 2025 (audited) Number
Share capital at the beginning of the period/year	1,555,061,936	1,625,484,274
Share capital bought back and held in treasury	(16,962,263)	(70,422,338)
Total share capital at the end of the period/year	**1,538,099,673**	1,555,061,936

Issued share capital	Period ended 30 September 2025 (unaudited) £	Year ended 31 March 2025 (audited) £
Share capital at the beginning of the period/year	1,664,593,419	1,720,452,093
Share capital bought back and held in treasury	(13,203,100)	(55,858,674)
Total share capital at the end of the period/year	**1,651,390,319**	1,664,593,419

The number of Ordinary Shares in issue disclosed in the above table excludes Ordinary Shares bought back into treasury. As at 30 September 2025, SEQI had a total of 1,614,192,555 Ordinary Shares in issue (31 March 2025: 1,614,192,555), of which 76,092,882 Ordinary Shares were held in treasury (2024: 59,130,619).

No Ordinary Shares were issued during the period (31 March 2025: no Ordinary Shares issued).

During the period, SEQI acquired 16,962,263 of its own Ordinary Shares at an average cost of 77.84p per Ordinary Share. These Ordinary Shares were taken into treasury.

Subsequent to the period end, SEQI has acquired and taken into treasury a further 24,439,448 of its own Ordinary Shares at an average price of 78.91p per Ordinary Share.

13. Basic and diluted earnings per Ordinary Share

	Period ended 30 September 2025 (unaudited)	Period ended 30 September 2024 (unaudited)
Profit for the financial period	£67,916,831	£68,158,877
Weighted average number of Ordinary Shares	1,544,526,026	1,599,265,910
Basic and diluted earnings per Ordinary Share	**4.40p**	4.26p

The weighted average number of Ordinary Shares is based on the number of Ordinary Shares in issue during the period under review, as detailed in note 12.

There was no dilutive effect for potential Ordinary Shares during the current period.

Notes to the unaudited condensed interim financial statements continued

For the period from 1 April 2025 to 30 September 2025

14. Loan payable

During the prior year, SEQI successfully refinanced its existing multi-currency revolving credit facility ("RCF") of £325 million, which was held with the Royal Bank of Scotland International Limited ("RBSI") as lead arranger and was due to mature on 12 November 2024.

The new multi-currency RCF of £300 million is provided by JP Morgan Chase Bank, N.A., London Branch ("JPM"), has an accordion facility of £50 million and matures in July 2027. The proceeds of the loan are to be used in or towards the making of investments in accordance with the Fund's investment policy.

The loan imposes an interest cover test and is secured by, inter alia, a charge over SEQI's bank accounts, the shares it holds in the Subsidiaries and its assets. In accordance with SEQI's investment policy, any borrowings undertaken will not exceed 20% of the value of SEQI's assets less its liabilities. Should the value of the underlying assets held in the Subsidiaries fall below a certain level, further margin calls may be made by JPM, however no margin calls were made during the current period.

Period ended 30 September 2025 (unaudited)	EUR facility GBP	GBP facility GBP	USD facility GBP	Total GBP
JPM RCF				
Balance brought forward	20,438,934	–	36,414,349	56,853,283
Cash flows				
Drawdowns	116,232,654	4,000,000	9,461,629	129,694,283
Repayments	(105,064,492)	(4,000,000)	(44,475,984)	(153,540,476)
Non-cash changes				
Foreign exchange revaluations	1,602,548	–	(1,399,994)	202,554
Balance carried forward	33,209,644	–	–	33,209,644

Notes to the unaudited condensed interim financial statements continued

For the period from 1 April 2025 to 30 September 2025

14. Loan payable continued

For the year ended 31 March 2025	EUR facility £	GBP facility £	USD facility £	Total £
RBSI RCF				
Balance brought forward	—	—	—	—
Cash flows				
Drawdowns	—	15,000,000	—	15,000,000
Repayments	—	(15,495,491)	—	(15,495,491)
Non-cash changes				
Capitalised interest and loan fees	—	495,491	—	495,491
Closing balance	—	—	—	—
JPM RCF				
Cash flows				
Drawdowns	40,408,753	—	37,084,367	77,493,120
Repayments	(20,043,484)	—	—	(20,043,484)
Non-cash changes				
Capitalised interest and loan fees	47,320	—	—	47,320
Foreign exchange revaluations	26,345	—	(670,018)	(643,673)
Balance carried forward	20,438,934	—	36,414,349	56,853,283

Interest on the JPM facility is charged at a rate of SONIA (for Sterling), SOFR (for US Dollars) or EURIBOR (for Euro) (or equivalent) plus 1.9% per annum (31 March 2025: SONIA (or equivalent) plus 2.0% per annum). Loan interest of £3,216,289 (2024: £1,301,377) and upfront, facility and break fees of £501,370 (2024: £719,014) have been charged on the loan during the period.

The carrying value of the loan is considered to be a reasonable approximation of its fair value.

Notes to the unaudited condensed interim financial statements continued

For the period from 1 April 2025 to 30 September 2025

15. Trade and other payables

	30 September 2025 (unaudited) £	31 March 2025 (audited) £
Investment Adviser's fee payable	**2,417,822**	2,445,667
Share buybacks payable	**152,688**	—
Loan interest payable	**632,189**	800,362
Other payables	**326,962**	350,026
	3,529,661	3,596,055

16. Commitments

As at 30 September 2025, £228.9 million (31 March 2025: £193.4 million) was committed by the Subsidiaries to new or existing investments. These commitments will be settled from the existing cash reserves of the Fund and the Subsidiaries or through drawdowns from the RCF.

17. Subsequent events

On 2 October 2025, James Stewart acquired 12,843 Ordinary Shares in SEQI.

On 16 October 2025, SEQI declared a dividend of 1.71875p per Ordinary Share in respect of the quarter ended 30 September 2025. The dividend was paid on 21 November 2025.

On 23 October 2025, the Investment Adviser acquired 305,000 Ordinary Shares in the market in relation to fees payable for the quarter ended 30 September 2025.

Subsequent to the period end, SEQI has acquired and taken into treasury a further 24,439,448 of its own Ordinary Shares at an average price of 78.91p per Ordinary Share.

These Interim Financial Statements do not take into account the Autumn 2025 UK budget announcement due to timing. Should any matters relevant to the Fund be subsequently identified, these will be communicated separately in due course.

There have been no other significant events since the period end which would require revision of the figures or disclosures in these Interim Financial Statements.

Additional information

Additional information

Officers and advisers

Directors

James Stewart
(Independent non-executive Chair)

Tim Drayson
(Independent non-executive Director)

Margaret Stephens
(Independent non-executive Director)

Paul Le Page
(Independent non-executive Director)

Selina Sagayam
(Independent non-executive Director, appointed 1 April 2025)

Nicola Paul
(Independent non-executive Director, appointed 1 July 2025)

Registered Office

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Investment Adviser

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Administrator and Secretary

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Luxembourg Subsidiary Administrator

TMF Luxembourg S.A.

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Independent Auditor

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Joint Broker

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Teneo

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Appendix – Alternative Performance Measures

used in the Interim Report

NAV per share

NAV per share is a calculation of a company's NAV divided by the number of shares in issue and provides a measure of the value of each share in issue.

	30 September 2025 (unaudited)	31 March 2025 (audited)
NAV	£1,440,762,604	£1,439,188,600
Number of Ordinary Shares in issue	1,538,099,673	1,555,061,936
NAV per Ordinary Share	93.67p	92.55p

Share (discount)/premium to NAV

Share (discount)/premium to NAV is the amount by which a company's share price is lower/higher than its NAV per share, expressed as a percentage of the NAV per share, and provides a measure of a company's share price relative to the NAV.

	30 September 2025 (unaudited)	31 March 2025 (audited)
NAV per Ordinary Share	93.67p	92.55p
Closing share price	77.90p	78.30p
Ordinary Share discount	(16.8)%	(15.4)%

Total NAV/share price return

Total NAV return/total share price return are calculations showing how the NAV/share price per share has performed over a period of time, taking into account dividends paid to shareholders. It is calculated on the assumption that dividends are reinvested at the prevailing NAV/share price on the last day of the month that the shares first trade ex-dividend. This provides a useful measure to allow shareholders to compare performances between investment funds where the dividend paid may differ.

		Period ended 30 September 2025	
Unaudited		Total NAV return	Total share price return
Opening NAV/share price per Ordinary Share	(a)	92.55p	78.3p
Closing NAV/share price per Ordinary Share	(b)	93.67p	77.90p
Dividends paid	(c)	3.4375p	3.4375p
Weighted average NAV/share price per Ordinary Share	(d)	90.42p	77.18p
Dividend adjustment factor	(e)	1.0380	1.0445
Adjusted closing NAV/share price per Ordinary Share	(f)	97.23p	81.37p
Total NAV/share price return for the period (f / a -1)		5.0%	3.8%
Annualised NAV/share price return		10.1%	7.7%

Appendix – Alternative Performance Measures continued

used in the Interim Report

Total NAV/share price return continued

Unaudited		Period ended 30 September 2024 Total NAV return	Total share price return
Opening NAV/share price per Ordinary Share	(a)	93.77p	81.10p
Closing NAV/share price per Ordinary Share	(b)	95.03p	80.20p
Dividends paid	(c)	3.4375p	3.4375p
Weighted average NAV/share price per Ordinary Share	(d)	92.66p	78.08p
Dividend adjustment factor	(e)	1.0371	1.0440
Adjusted closing NAV/share price per Ordinary Share	(f)	98.56p	83.73p
Total NAV/share price return for the period (f / a -1)		5.1%	3.2%
Annualised NAV/share price return		10.2%	6.4%

Cash dividend cover

Cash dividend cover is the ratio of a company's operating cash flow divided by its total dividend payments, and is used as a measure of the extent to which a company is able to generate sufficient cash flow to pay its dividends.

The Fund's dividend cash cover calculation for the period ended 30 September 2025 was as follows:

Item	**Period ended 30 September 2025 £m**	Period ended 30 September 2024 £m
Cash interest received	**60.90**	62.37
Consent fees received in cash	**–**	0.47
Prepayment fees	**0.77**	0.66
Upfront fees/discounts amortised	**3.44**	4.96
Cash expenses	**(11.58)**	(10.31)
Net cash income	**53.53**	58.15
Cash dividends paid	**53.14**	55.10
Dividend cash cover	**1.01x**	1.06x

Appendix – Alternative Performance Measures continued

used in the Interim Report

Annualised dividend yield

The dividend yield of a company can provide a useful measure of the income yield of an investment in the company, and is calculated by dividing the total annualised dividends per share paid by the company in the period by the company's current share price.

SEQI's annualised dividend yield for the period ended 30 September 2025 was as follows:

	Period ended 30 September 2025	Period ended 30 September 2024
Annualised dividends per Ordinary Share paid in the period	6.875p	6.875p
Share price at the end of the period	77.90p	80.10p
Annualised dividend yield	**8.8%**	8.6%

Portfolio yield-to-maturity/gross portfolio return

The yield-to-maturity of an individual debt instrument is calculated using a formula involving its annual interest payout, face value, current price and number of years to maturity. Portfolio yield-to-maturity is the weighted average of these yields-to-maturity, or total annualised returns, in a portfolio of interest-bearing investments, discounted for the time value of money and based on the assumption that the investments are held to their maturity. This provides a useful measure of likely projected returns on a portfolio. This measure is applied in this Interim Report to the portfolio of investments held in the Subsidiaries.

Construction risk

Construction risk is the proportion by value of investments held in a portfolio that relate to construction projects. This provides a useful measure of the degree of exposure of the Fund to the increased risk associated with lending to projects that are pre-operational. This measure is applied in this Interim Report to the portfolio of investments held in the Subsidiaries.

	30 September 2025	31 March 2025
Investments exposed to construction risk	£159,922,318	£176,222,310
Total investments held in the Subsidiaries	£1,366,226,685	£1,423,647,101
Construction risk	**11.7%**	12.4%

Average equity cushion

An equity cushion exists in relation to a debt investment if there is collateral within the borrower available to the lender that exceeds the amount of the outstanding debt. The average equity cushion percentage of the portfolio of investments held in the Subsidiaries is the percentage of the total excess borrower collateral available divided by the total outstanding portfolio debt. This is a useful quantification of the degree of security available to the Fund in case of default by borrowers.

	30 September 2025	31 March 2025
Total excess borrower collateral available	£520,668,990	£548,826,768
Total investments held in the Subsidiary	£1,366,226,685	£1,423,647,101
Equity cushion	**38%**	39%

Appendix – Alternative Performance Measures continued
used in the Interim Report

Modified duration

The modified duration of a debt instrument provides a useful measure of the sensitivity of the debt instrument's value to changes in interest rates, and is calculated by dividing the instrument's price by the change in the instrument's yield caused by a 1% change in interest rates. This measure is applied in this Interim Report to the portfolio of investments held in the Subsidiaries. The modified duration of the portfolio of 2.1 (31 March 2025: 1.9) indicates that a 1% increase in interest rates would cause the value of the portfolio to fall by 2.1% (31 March 2025: 1.9%).

Ongoing charges ratio ("OCR")

The OCR of an investment company is the annual percentage reduction in shareholder returns as a result of recurring operational expenditure. Ongoing charges are classified as those expenses which are likely to recur in the foreseeable future, and which relate to the operation of the company, excluding investment transaction costs, financing charges and gains or losses on investments. The OCR is calculated as the total ongoing charges for a period divided by the average net asset value over that period.

	12-month period ended 30 September 2025 (unaudited)		
	SEQI £	The Subsidiaries £	Total £
Total expenses	**20,279,799**	**665,414**	**20,945,213**
Non-recurring expenses	**(6,765,149)**	**(199,287)**	**(6,964,436)**
Total ongoing expenses	**13,514,650**	**466,127**	**13,980,777**
Average NAV			**1,454,130,008**
Ongoing charges ratio (using AIC methodology)			**0.96%**

	12-month period ended 30 September 2024 (unaudited)		
	SEQI £	The Subsidiaries £	Total £
Total expenses	20,565,656	2,106,773	22,672,429
Non-recurring expenses	(6,971,092)	(1,152,242)	(8,123,334)
Total ongoing expenses	13,594,564	954,531	14,549,095
Average NAV			1,521,814,877
Ongoing charges ratio (using AIC methodology)			0.96%

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About Sequoia Economic Infrastructure Income Fund Limited

SEQI seeks to provide investors with regular, sustained, long-term distributions and capital appreciation from a diversified portfolio of senior and subordinated economic infrastructure debt investments. SEQI is advised by Sequoia Investment Management Company Limited.

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Notes

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