

SDCL Energy Efficiency Income Trust plc

Factsheet – February 2021



Overview

SDCL Energy Efficiency Income Trust plc ("SEEIT") is a first of its kind investment company focused on investments in energy efficiency assets located primarily in the UK, Continental Europe and North America. SEEIT is managed by Sustainable Development Capital LLP ("SDCL")* A rapidly growing segment of the infrastructure market, energy efficiency investments involve the efficient supply or reduction in demand for energy in return for contractual service payments.

SEEIT's investment objective is to generate attractive total returns for investors comprising stable dividend income and capital preservation, with the opportunity for capital growth.

Portfolio and Investment Highlights¹

| |
|---|
| c. £600 million diversified portfolio |
| Current portfolio: 34 energy efficiency projects, majority operational |
| Acquisitions since 30 September 2020: Singapore Energy Efficiency (Oct 2020) £2m; Gasnätet (Oct 2020) £107m; Onyx ² (December 2020) £112m; Primary Energy 15% follow on (December 2020) £26m |
| Well diversified by technology, sector, geography, credit and regulatory risk |

Breakdown of portfolio by lifecycle stage³ and credit counterparty⁴

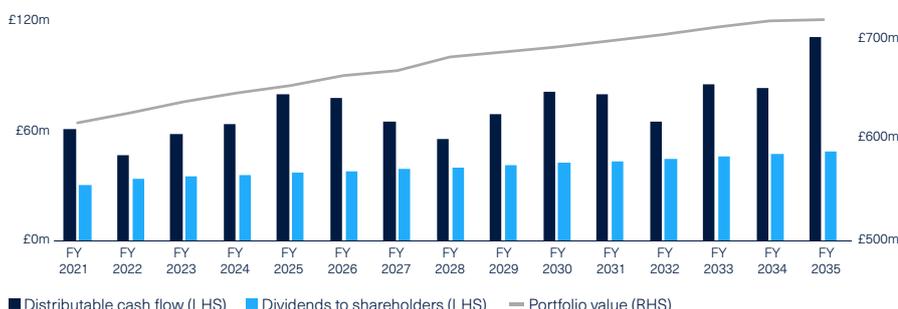


Environmental, Social and Governance

On 1 October 2020, SEEIT released its first Environmental, Social and Governance Report, for the year ended 31 March 2020, available [here](#). Highlights for the year include:



Illustration of Projected Cash Flows⁵



Key Assumptions

- Initial portfolio value of c.£600m & no further equity issued
- Excess distributable cashflows re-invested at return of 7.5% p.a.
- No additional operational upsides, economies, efficiencies, downsides or unbudgeted costs
- Target dividend of 5.5p for YE March-21 and progressive dividend growth thereafter
- No change to economic assumptions, FX or discount rates

Projections

- Earnings cover for dividend projected to be more than 1x
- Cash cover for dividend projected to be more than 1.3x
- Reinvestment of excess cash plus modest structural gearing projected to enhance capital value over time

Ordinary Shares

| | |
|---------|--------------|
| ISIN: | GB00BGHVZM47 |
| SEDOL: | BGHVZM4 |
| Ticker: | SEIT |

Overview – at 1 February 2021

| | |
|---|--|
| Share Price: | 107.5p |
| Market Cap: | £566 million |
| Shares in Issue: | 526,143,739 |
| Total Return Target (as set at IPO): | 7-8% Net IRR |
| Target Dividend (year to March 2021): | 5.5p |
| Dividends Paid: | Quarterly (Typically: Mar/Jun/Sep/Dec) |
| Consolidated Borrowings (company and portfolio): | c. 40% of NAV |
| Portfolio Weighted Average Discount Rate (30 September 2020): | 7.5% |

As at 30 September 2020

| | |
|------------|--------|
| NAV/Share: | 102.0p |
|------------|--------|

Non-Executive Board of Directors

| | |
|------------------------------|----------------|
| Chair: | Tony Roper |
| Audit & Risk Chair: | Helen Clarkson |
| Senior Independent Director: | Chris Knowles |
| Remuneration Chair: | Emma Griffin |

Investment Manager SDCL

| | |
|--------------------|------------------|
| CEO: | Jonathan Maxwell |
| CFO: | Eugene Kinghorn |
| Managing Director: | Purvi Sapre |

| | |
|--------------|------|
| Established: | 2007 |
|--------------|------|

| | |
|------------|----|
| Employees: | 40 |
|------------|----|

Sustainable Development Capital LLP, One Vine Street, London, W1J 0AH

SDCL is a signatory to the United Nations Principles for Responsible Investment (UNPRI).

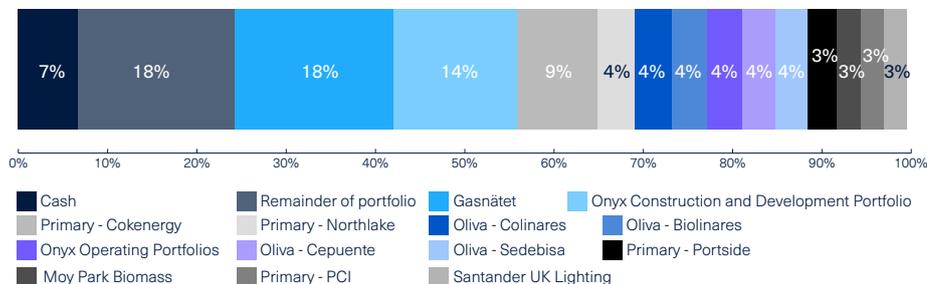
*SDCL is authorised and regulated in the United Kingdom by the Financial Conduct Authority.

www.seeitplc.com



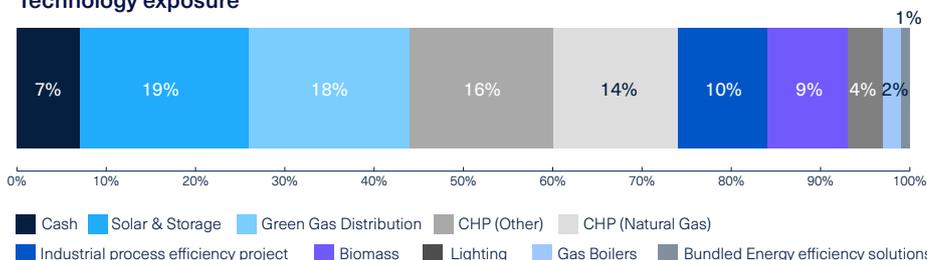
Portfolio Overview³

Project exposure



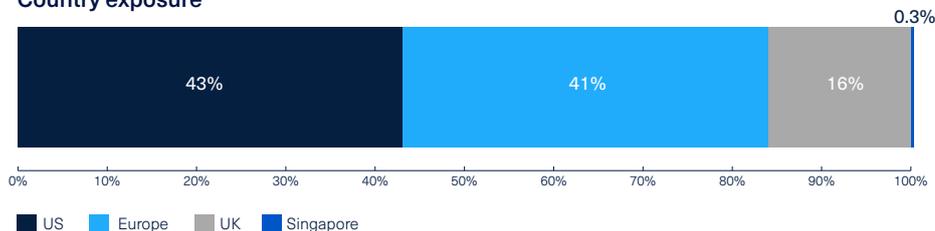
Technology³

Technology exposure



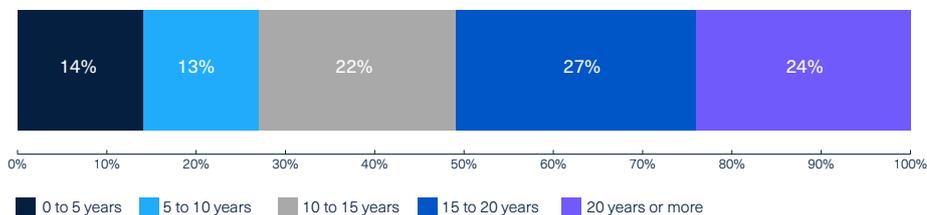
Market³

Country exposure⁶



Contract Length⁴

Term



¹ As at 31 December 2020.

² Exchanged contracts, but not yet completed. Completion expected in February 2021.

³ Presented on a Gross Asset Value ("GAV") basis as at the latest published valuation date (30 September 2020) with post period investments held at cost. Includes undrawn commitment for Onyx for which the Purchase and Sale Agreement was executed on 23 December 2020 and completion expected in February 2021. FX rates updated to 31 December 2020.

⁴ Presented on a Portfolio Value basis as at the latest published valuation date (30 September 2020) with post period investments held at cost. Includes undrawn commitment for Onyx for which the Purchase and Sale Agreement was executed on 23 December 2020 and completion expected in February 2021. FX rates updated to 31 December 2020.

⁵ Note: The chart above is for illustrative purposes only, assuming a 14 year weighted average portfolio term and does not represent a forecast. There can be no assurance that these cash flows will be met. The hypothetical cash flows do not take into account any unforeseen costs, expenses or other factors which may affect the portfolio assets and therefore the impact on the cash flows to the Company. As such, the graph above should not, in any way, be construed as forecasting the actual cash flows or actual returns from the portfolio.

⁶ SEEIT's hedging strategy seeks to reduce impact on NAV from material movements in foreign exchange rates and to provide stability and predictability of near-term Sterling cash flows.

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Important Information

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