

LSE Ticker	SEQI
LSE index constituency	FTSE 250
Listing date	03/03/2015
Year end	31 March
Annual dividend target	6.25 pence p.a.
Shares in issue	1,763,120,710
Share price (pence)	104.20
Market Cap	£1.84bn

Directors
Robert Jennings (Chairman)
Sandra Platts
Jan Pethick
Jon Bridel
www.seqifund.com

Sequoia Economic Infrastructure Income Fund Limited (“SEQI” or “the Company”) seeks to provide investors with regular, sustained, long-term distributions and capital appreciation from a portfolio of private debt and bond investments diversified across twelve mature jurisdictions and a range of sectors & subsectors.

The NAV for SEQI, the specialist investor in economic infrastructure debt, increased to 103.18 pence per share from the prior month’s NAV of 102.04 pence per share representing an increase of 1.14 pence per share.

A full attribution of the changes in the NAV per share is as follows:

	pence per share
February NAV	102.04
Interest income, net of expenses	0.77
FX movements, net of hedges	0.01
Increase in asset valuations	0.24
Gain from issuing shares at a premium to NAV	0.12
March NAV	103.18

Portfolio update

Spreads tightening, driven by credit improvements, was evident across various sectors in the portfolio which resulted in uplifts to valuations of the assets where Covid-19 has impacted performance and are still closely monitored by the Investment Manager.

As at 31 March 2021, the Company had cash of £124.5m and had drawn £83.9m on its £280m Revolving Credit Facility. The Company also had undrawn commitments on existing investments collectively valued at £62.7m. The Company’s invested portfolio comprised of 61 private debt investments and 11 infrastructure bonds across 8 sectors and 31 sub-sectors. It had an annualised yield-to-maturity (or yield-to-worst in the case of callable bonds) of 9.0% and a cash yield of 5.7%. The weighted average portfolio life is approximately 4.5 years. Private debt investments represented 93% of the total portfolio and 56% of the portfolio comprised floating rate assets. The weighted average purchase price of the Company’s investments was 98.9% of par. Investments which are pre-operational represented 8.1% of total assets.

The Company’s invested portfolio remains geographically diverse with 47% located across the US, 19% in the UK, 27% in Europe, and 7% in Australia/New Zealand. Currently the Company is not investing in Portugal or Italy but has selectively invested in opportunities in Spain. The Company’s pipeline of economic infrastructure debt investments remains strong and is diversified by sector, sub-sector, and jurisdiction. At month end, approximately 100% of the Company’s NAV consisted of either Sterling assets or was hedged into Sterling. The Company has adequate resources to cover margin calls on its hedging book.

On 5 March, the Company admitted 104,513,064 new ordinary shares at a price of 105.25 pence per share, raising £110m of gross proceeds. The proceeds of the issue were used to partially repay the Company’s outstanding debt on 8 March.

As announced on 10 March, the Company has published its [ESG policy](#) which is available on our website, setting out the criteria and principles applied to its investing activities. The Board looks forward to providing an update on progress in implementing these in the Company’s 2021 annual report.

The Company’s settled investment activities during March include:

- A \$40.0m purchase of Embarq corporation bonds, the third largest telecom operator in the U.S.;
- A £33.6m loan to Trident Bidco Limited, an acquisition financing facility for specialist healthcare sites in the UK;
- A \$29.7m primary loan to Piper Preston Pty Ltd, a Salt Lake Potash mining company in Australia; and
- An additional \$3.9m disbursement to Sunrun Safe Harbour, a leader in the U.S. residential solar market.

The following assets sold or prepaid in March:

- A €60.2m loan to Warnow Tunnel, a toll road that crosses the Warnow River in Rostock, Germany;
- A \$39.1m primary loan to Kaveh Ventures for the construction of a 96MW data centre in Ashburn, Virginia; and
- A £28.0m primary loan to Base Student Housing, a student accommodation building in Glasgow, Scotland.

Company information

SEQI seeks to provide investors with regular, sustained, long-term distributions and capital appreciation from a diversified portfolio, across a range of jurisdictions, sectors and sub-sectors, of senior and subordinated economic infrastructure debt investments.

SEQI’s policy is not to invest any of its assets in equity products, including other listed closed-ended investment funds. As such, the Company considers its shares to be eligible investments, under the FCA’s Listing Rule 15.4.5, for other listed closed-ended investment funds.

Portfolio information

NAV per share (pence)	103.18
Premium / (Discount)	1.0%
Total gross assets	£1.9bn
Total net assets	£1.8bn
Invested portfolio as a % of NAV	94.3%
Total portfolio, including committed amounts, as a % of NAV	97.7%
Portfolio yield-to-maturity / yield-to-worst	9.0%
Dividend	Quarterly
Next expected dividend declaration	April 2021
Ongoing charge ratio ⁽¹⁾⁽²⁾	0.89%
Of which, the Investment Adviser’s fee ⁽¹⁾	0.68%
% of Investment Adviser’s fee relative to Invested Assets ⁽¹⁾	0.68%

Investment Adviser

Sequoia Investment Management Company
www.seqimco.com

Randall Sandstrom	r.sandstrom@seqimco.com +44 (0)20 7079 0483
Dolf Kohnhorst	d.kohnhorst@seqimco.com +44 (0)20 7079 0482
Greg Taylor	g.taylor@seqimco.com +44 (0)20 7079 0486
Steve Cook	s.cook@seqimco.com +44 (0)20 7079 0481
Anurag Gupta	a.gupta@seqimco.com +44 (0)20 7079 0496

Fund Service Providers

Administrator	Praxis Fund Services Limited
AIFM	International Fund Mgmt Ltd
Auditors	KPMG
Brokers	Jefferies International Ltd
Custodian	Bank of New York Mellon

(1) For the twelve months ending 31/12/20.

(2) The OCR is calculated in line with AIC guidance and will differ from the PRIIP’s OCR as defined under the PRIIPs regulation due to borrowing costs being included under PRIIPs and as disclosed in the KID document which is available on the Company’s website.

(3) Net of currency hedges.

Performance since IPO

SEQI	1 month	3 months	6 months	1 year	2 years	ITD ⁽²⁾
S/price	-1.3%	-5.1%	-0.2%	10.9%	-7.8%	4.2%
TR	-1.3%	-3.7%	2.7%	17.6%	3.2%	41.9%
NAV	1.1%	2.9%	6.0%	13.2%	11.7%	43.4%

(1) NAV performance includes dividends paid; (2) From inception-to-date (ITD)

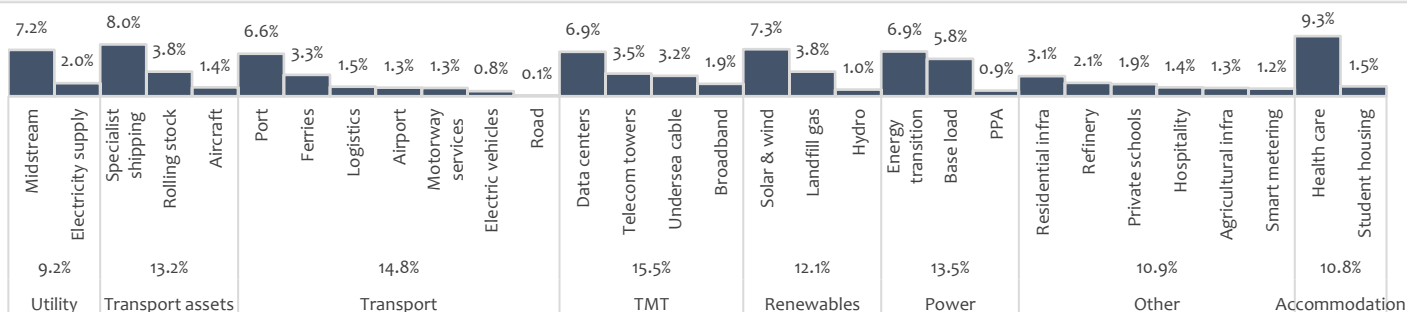
Portfolio summary ⁽³⁾

72 Investments	£65.0m Largest investment	£23.8m Average size	5.6 years Average maturity	4.5 years Average life	2.3 Portfolio mod. duration	34% Average equity cushion	8.1% Construction risk
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Estimated portfolio sensitivities	Change in NAV	NAV movements since IPO	Pence per share
Interest rates +0.5% ⁽⁵⁾	-1.0%	Interest income ⁽⁶⁾	42.65
Interest rates -0.5%	1.0%	Expenses	-7.34
Interest rates +1.0%	-1.9%	Market movements	0.21
Interest rates -1.0%	2.1%	Acquisition costs ⁽⁷⁾	-3.50
Euro +/- 5% (against GBP)	± 0.0%	FX movements ⁽⁸⁾	3.36
Dollar +/- 5% (against GBP)	± 0.0%	Dividends	-33.93
Dollar up 5% and Euro down 5%	± 0.0%	Subscriptions	3.71

Top holdings

Investment name	Ccy	Type	Ranking	Value £m ⁽¹⁾	Sector	Sub-sector	Cash-on-cash yield (%)	Yield (%) ⁽²⁾
Infinis Energy	GBP	Private	Senior	65.0	Renewables	Landfill gas	5.00	5.00
Madrid Metro	EUR	Private	HoldCo	64.9	Transport assets	Rolling stock	1.30	5.40
AP Wireless Junior	EUR	Private	Mezz	59.8	TMT	Telecom towers	4.22	6.12
Hawaiki Mezzanine Loan	USD	Private	Mezz	54.5	TMT	Undersea cable	8.57	9.60
Hawkeye Solar HoldCo	USD	Private	HoldCo	53.4	Renewables	Solar & wind	8.25	8.25
Tracy Hills TL 2025	USD	Private	Senior	53.4	Other	Residential infra	8.11	8.11
Expedient Data Centers	USD	Private	Senior	46.6	TMT	Data centers	5.63	5.80
Euroports 2nd Lien 2026	EUR	Private	Mezz	43.2	Transport	Port	7.79	7.86
Care4U Senior Secured	EUR	Private	Senior	43.1	Accommodation	Health care	6.00	6.00
Adani Abbot HoldCo 2021	AUD	Private	HoldCo	42.2	Transport	Port	5.62	20.27
Scandlines Mezzanine	EUR	Private	HoldCo	42.1	Transport	Ferries	0.00	9.12
Bannister Senior Secured	GBP	Private	Senior	41.6	Accommodation	Health care	6.54	6.75
Project Camden	EUR	Private	HoldCo	38.3	Power	Base load	7.50	7.50
Kenai HoldCo 2024	EUR	Private	HoldCo	37.6	Power	Base load	0.00	12.38
Sacramento Data Centre	USD	Private	Senior	37.2	TMT	Data centers	0.00	11.00



(1) Excluding accrued interest;

(2) Yield to maturity / worst;

(3) All information based on settled investments only;

(4) Percentage of invested assets (excluding cash), due to rounding this may not total 100%;

(5) A simultaneous parallel shift in EUR, GBP and USD yield curves;

(6) PIK interest and fee income were previously recorded as capital gains, and have been retroactively applied up and including this month's NAV movements;

(7) Non-cash cost of marking the acquired position to the "bid" side of the price. Assumed to be 0.5% for bonds and 1.0% for loans;

(8) Net of currency hedges

(9) c.100% GBP hedged

Debt type (4)	Private 93%	Public 7%		
Interest type	Floating 56%	Fixed 44%		
Ranking	Senior 55%	Mezz 16%	HoldCo 29%	
Region	UK 19%	N. America 47%	Europe 27%	Aus/NZ 7%
Currency net of hedges (9)	GBP 100%			

Disclaimer

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