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| LSE Ticker | SEI |
| 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 | 1,261,353,491 |
| Share price (pence) | 113.40 |
| Market Cap | £1.43bn |

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| 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 thirteen mature jurisdictions and a range of sectors & subsectors.

SEQI NAV movements

The NAV for SEQI, the specialist investor in economic infrastructure debt, increased to 104.03p from the prior month’s NAV of 102.66p per share (being the 28 June cum-income NAV of 104.22 less the dividend of 1.5625 pence per share declared in respect of the quarter ended 28 June 2019). The changes in NAV arose primarily through:

- Interest income net of expenses of 0.52p;
- An increase of 0.59p in asset valuations; and
- Unhedged FX gains of 0.26p.⁽³⁾

Company update

As at 31 July 2019, the Company had cash of £100.9m and outstanding drawings on its Revolving Credit Facility of £101.6m. The Company also had undrawn commitments, and four additional investments in settlement, collectively valued at £135.9m.

The Company’s invested portfolio comprised 59 private debt investments and 16 infrastructure bonds across 8 sectors and 28 sub-sectors and had an annualised yield-to-maturity (or yield-to-worst in the case of callable bonds) of 8.2% and a weighted average life of approximately 4.4 years. Private debt investments represented 88.3% of the total portfolio and 70.5% of the portfolio comprised floating rate assets. The weighted average purchase price of the Company’s investments was 95.2% of par. Investments which are pre-operational represented 16.4% of total assets.

The Company’s invested portfolio remains geographically diverse with 45% located across the US, 16% in the UK, 31% in Europe, and 8% 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 99% of the Company’s NAV consisted of either Sterling assets or was hedged into Sterling. The Company has adequate resources to cover the cash costs associated with its hedging activities. During July, the actual hedge ratio fell below the Company’s target hedge ratio while it was securing a new FX trading line (which is now in place). This resulted in a modest FX gain during the month.

The Company’s settled investment activities during July include:

- A £31.7m secondary loan acquisition of Aliwin Plus SL, a portfolio of operational solar PV plants in the Cáceres region of Spain;
- A \$30m secondary loan to Flight Senior Secured, a company that operates in the e-vehicle space, predominantly based in the US but with customers around the globe;
- A \$25m primary senior secured loan to Great River Hydro, a company that operates a portfolio of hydro-powered electricity generation assets across New England in the US;
- An additional \$809k disbursement to Bourzou Equity LLC, a company created for the construction of a data centre in Virginia; and
- An additional €155k disbursement to Hatch Student Housing in Cork, Ireland.

The following investments were sold or called/repaid in July:

- \$43.0m of GenOn Energy’s variable rate 2039 bonds backed by a portfolio of power generation assets in the US; and
- £3.0m of Heathrow Airport’s 3.875% 2027 bonds.

Market summary

A total of 73 project finance transactions closed in July throughout the Company’s eligible jurisdictions, worth \$12.7bn in aggregate. Notable transactions outside of the Company’s investment activities during the month include:

- A €281.64m financing of the 391MW Nunez de Balboa solar PV plant in Spain;
- A €236m financing of the rolling stock and operation of the Charles de Gaulle Express project in Paris; and
- A £1.96bn refinancing of the Beatrice offshore wind farm in north-eastern Scotland.

The US July jobs report was positive, with 164,000 jobs added, keeping the unemployment rate at 3.7%. As expected, the US Federal Reserve cut interest rates by 0.25%. In announcing the rate cuts, the Fed chairman cited weak global growth and the impact of the trade war with China.

Overall eurozone economic growth was 0.2% in Q2, with an estimated inflation rate of just 1.1%. The ECB is believed to be considering another round of rate cuts and bond purchases in response to weak economic data.

The UK economy is continuing to struggle amid Brexit uncertainty and the global slowdown. Business investment fell in Q2, with an overall 0.2% contraction in the economy, the first contraction since 2012.

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

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|--|---------------|
| NAV per share (pence) | 104.03 |
| Premium | 9.0% |
| Total gross assets | £1.5bn |
| Total net assets | £1.3bn |
| Invested portfolio as a % of NAV | 103.9% |
| Total portfolio, including committed amounts, as a % of NAV | 114.2% |
| Portfolio yield-to-maturity / yield-to-worst | 8.2% |
| Dividend | Quarterly |
| Next expected dividend declaration | Oct 2019 |
| Ongoing charge ratio ⁽¹⁾⁽²⁾ | 0.99% |
| Of which, the Investment Adviser’s fee ⁽¹⁾ | 0.75% |
| % of Investment Adviser’s fee relative to Invested Assets ⁽¹⁾ | 0.74% |

Investment Adviser

Sequoia Investment Management Company
www.seqimco.com

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|-----------------|--|
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Fund Service Providers

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|----------------------|------------------------------|
| Administrator | Praxis Fund Services Limited |
| AIFM | International Fund Mgmt Ltd |
| Auditors | KPMG |
| Brokers | Stifel Nicolaus Europe Ltd |
| Custodian | Bank of New York Mellon |

(1) For the twelve months ending 28/06/19.
(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⁾ |
|--------------------------|---------|----------|----------|--------|---------|--------------------|
| Share price | -0.2% | -0.4% | 1.7% | 0.4% | 2.2% | 13.4% |
| Total share price return | 1.2% | 1.0% | 4.5% | 5.9% | 13.8% | 41.8% |
| NAV ⁽¹⁾ | 1.2% | 2.8% | 5.4% | 9.3% | 15.7% | 32.7% |

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

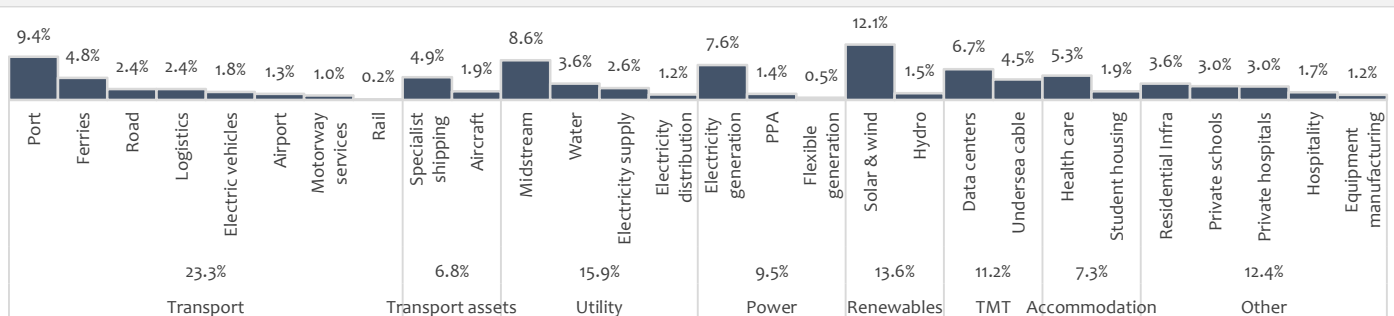
Portfolio summary ⁽³⁾

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|--------------------------|-------------------------------------|-------------------------------|--------------------------------------|----------------------------------|---------------------------------------|--------------------------------------|-----------------------------------|
| 75 Investments | £60.8m Largest investment | £18.2m Average size | 5.9 years Average maturity | 4.4 years Average life | 1.3 Portfolio mod. duration | 37% Average equity cushion | 16.4% Construction risk |
|--------------------------|-------------------------------------|-------------------------------|--------------------------------------|----------------------------------|---------------------------------------|--------------------------------------|-----------------------------------|

| Estimated portfolio sensitivities | Change in NAV | NAV movements since IPO | Pence per share |
|-------------------------------------|---------------|----------------------------------|-----------------|
| Interest rates +0.5% ⁽⁵⁾ | -0.7% | Interest income ⁽⁶⁾ | 29.85 |
| Interest rates -0.5% | 0.8% | Expenses | -5.29 |
| Interest rates +1.0% | -1.4% | Market movements | 2.14 |
| Interest rates -1.0% | 1.6% | Acquisition costs ⁽⁷⁾ | -2.76 |
| Euro +/- 5% (against GBP) | ± 0.0% | FX movements ⁽⁸⁾ | 4.13 |
| Dollar +/- 5% (against GBP) | ± 0.1% | Dividends | -24.56 |
| Dollar up 5% and Euro down 5% | ± 0.1% | Subscriptions | 2.49 |

Top holdings

| Investment name | Ccy | Type | Ranking | Value £m ⁽¹⁾ | Sector | Sub-sector | Yield ⁽²⁾ |
|------------------------------|-----|---------|---------|-------------------------|------------|--------------------|----------------------|
| Hawaiki Mezzanine Loan | USD | Private | Mezz | 60.8 | TMT | Undersea cable | 11.6 |
| Salt Creek Midstream | USD | Private | Senior | 56.5 | Utility | Midstream | 8.3 |
| Tracy Hills TL 2025 | USD | Private | Senior | 49.1 | Other | Residential infra | 10.4 |
| Scandlines Mezzanine 2032 | EUR | Private | HoldCo | 47.6 | Transport | Ferries | 5.8 |
| Euroports 2nd Lien 2026 | EUR | Private | Mezz | 45.4 | Transport | Port | 7.8 |
| Adani Abbot HoldCo 2021 | AUD | Private | HoldCo | 42.3 | Transport | Port | 8.8 |
| Bannister Senior Secured | GBP | Private | Senior | 42.1 | Accomm. | Health care | 8.0 |
| Kaveh Senior Secured TL 2021 | USD | Private | Senior | 40.9 | TMT | Data centers | 7.8 |
| Whittle Schools B | USD | Private | Senior | 40.7 | Other | Private schools | 11.1 |
| Bizkaia TL 2021 | EUR | Private | HoldCo | 38.9 | Power | Elec. generation | 7.7 |
| Aquaventure | USD | Private | Senior | 36.8 | Utility | Water | 8.1 |
| Bulb Senior TL 2021 | GBP | Private | Senior | 35.0 | Utility | Electricity supply | 7.2 |
| Project Warsaw | EUR | Private | Senior | 32.7 | Renewables | Solar & wind | 5.8 |
| Sunrun Hera 2017-B | USD | Private | Mezz | 32.3 | Renewables | Solar & wind | 7.8 |
| Seaport TL B | USD | Private | Senior | 31.9 | Transport | Port | 8.2 |



- (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.

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|--------------------------|--------------|----------------|------------|-----------|
| Debt type ⁽⁴⁾ | Private 88% | Public 12% | | |
| Interest type | Floating 70% | Fixed 30% | | |
| Ranking | Senior 60% | Mezz 23% | HoldCo 17% | |
| Region | UK 16% | N. America 45% | Europe 31% | Aus/NZ 8% |
| Currency net of hedges | GBP 99% | | | |

Disclaimer

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