Triple Point
Energy Transition
PLC

RESULTS FOR YEAR ENDED 31 MARCH 2023

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Triple Point Energy Transition PLC

19 June 2023

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Triple Point Energy Transition plc

("**TENT**" or the "**Company**" or, together with its subsidiaries, the "**Group**")

RESULTS FOR THE YEAR ENDED 31 MARCH 2023

Transformative year; our new mandate is delivering compelling opportunities; full capital commitment

9.2% NAV Total Return, full capital commitment, 1.1x cash dividend cover

The Board of Triple Point Energy Transition plc (ticker: TENT), the London listed infrastructure investment company supporting the energy transition, is pleased to announce its audited results for the year ended 31 March 2023. The Company's focus this year was on building on its new investment mandate, launched in August 2022, to seek opportunities in niche and exciting areas of the energy transition, which offer superior risk adjusted returns and diversification of revenue sources. TENT has now fully committed its existing capital, delivered a 9.2% NAV total return and full cash dividend cover.

	31 March 2023	31 March 2022
Net asset value ("NAV")	£99.4 million	£96.1 million
NAV per share	99.44 pence	96.12 pence
Dividend declared per share	5.50 pence	5.50 pence
Total NAV return[2]	9.2%	4.9%
Cash dividend cover ratio[1 2]	1.1x	0.14x
Capital committed awaiting deployment[2 3]	£44.4 million	£44.9 million
Fully invested portfolio valuation (including commitment at cost)[1]	£132.1 million	£123.6 million

[1] representative of total cash income, expenditure and financing costs for the Company and TENT Holdings (the Company's wholly owned subsidiary), divided by dividends paid in the financial year to 31 March 2023

[2] alternative performance measure

[3] portfolio commitments will be largely funded by the Group's undrawn £40 million Revolving Credit Facility ("RCF")

Financial Highlights

- Total NAV return of 9.2% for year ended 31 March 2023 (31 March 2022: 4.9%)
- Dividends declared in respect of the year ended 31 March 2023 total of 5.50 pence per Ordinary Share, fully covered by operating cashflow 1.1x (net of expenses and finance costs for TENT and TENT Holdings, the Company's wholly owned subsidiary)
    - Equivalent to a dividend yield of 9% on the share price at 31 March 2023
    - Future period earnings will benefit from the deployment of the outstanding commitment of £39.6m into the Battery Energy Storage Systems ("BESS") portfolio.
- The Company's strategic focus on investing across the spectrum of the energy transition has delivered a diversified set of income streams across the portfolio, and the Company was unaffected by the Electricity Generator Levy.
- Weighted average project life remaining of 32 years, driven by the long project life of the Hydroelectric Portfolio and debt investments providing long term contractual cashflows, with 92% of projected underlying income contractually underpinned over a 10-year period and 47% of income linked to inflation.
- TENT announced on 14 March 2023 that it had completed, via its wholly owned subsidiary TENT Holdings Limited ("TENT Holdings") a 12-month extension of its fixed rate £40 million Revolving Credit Facility (RCF) with TP Leasing Limited, extending it to 28 March 2025.

Operational highlights

- Fully committed capital across a diversified portfolio of opportunities in the energy transition sector including, hydroelectric, CHP, BESS and LED.
- Excellent portfolio performance with all asset classes contributing positively to the strong financial performance.
- New technologies added to the portfolio, increasing portfolio diversification, including:
    - BESS;
    - LED lighting; and
    - post-period end, an investment in a renewables development company, Innova Renewables.
- The Hydroelectric Portfolio performed marginally below expectations, however there was good availability during the financial year taking full advantage of the rainfall in Scotland.
- The deployment of the BESS portfolio has progressed well leading to the accession of two assets in the security of the loan facility:
    - The 20MW site at Oldham is now operational;
    - Gerrards Cross is under construction and is anticipated to be operational in 2023; and
    - Two further BESS assets scheduled to become operational in 2024.
- The CHP portfolio continues to benefit from the volatile gas and electricity wholesale market, illustrating the resilience of the economic model of these assets throughout the cycle.

Pipeline Highlights

- Strong long-term pipeline of potential investment opportunities worth £545 million including both debt and equity investments.
- Diverse range of technologies and sectors under consideration, including solar, wind, battery storage, onsite generation, energy efficiency, and hydrogen.
- The pipeline investments currently yield an average return of 9% and cover UK and European markets.

Post Period Highlights

- The Group committed a £5 million fixed rate debt investment to Innova Renewables, to help fund its development pipeline of solar, battery and energy storage systems across the UK. The facility was fully drawn on 3 April 2023.
- In June 2023, the Group deployed a further £3.9 million into the BESS portfolio, resulting in a total deployment to date of 22%.
- The Group successfully undertook the first drawdown under the RCF, partly funding the BESS deployment.

John Roberts, the Company's Chair, commented:

"The year was a transformative period for TENT. In focusing wholly on niche, but highly attractive, areas of the energy transition, we believe we have an investment strategy which will deliver robust shareholder returns throughout the cycle. The results we are announcing today amply bear out our confidence.

The Company's portfolio now includes 19 investments across attractive and key energy transition technologies comprising hydroelectric, battery storage, renewable power, solar and BESS development and LED lighting. This portfolio has proven its earnings power with full dividend cover attained on delivering the Company's dividend target of 5.50 pence per share (equating to a 9% yield on the share price as at 31 March 2023). This has all been achieved whilst avoiding any adverse impact from the Government's electricity generator levy. Further, the Company's long term revenue cash flows, of which 92% are contractually underpinned, provide strong visibility on the sustainability of the portfolio's earnings.

In addition, the Company's significant pipeline of attractive opportunities currently yield a high return, while further adding to the high level of diversification already apparent in the Company's portfolio.

Whilst our share price has been impacted by the same equity market turbulence that has affected all infrastructure investment companies, we do not believe that our share price discount to NAV is an accurate reflection of the clear attractions of the Company's differentiated strategy. The portfolio enjoys a high level of underlying committed revenue and we believe this comprises a highly attractive value opportunity for investors wishing to benefit from the global energy transition."

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Further information on the Company can be found on its website: http://www.tpenergytransition.com/

NOTES:

The Company is an investment trust which aims to invest in assets that support the transition to a lower carbon, more efficient energy system and help the UK achieve Net Zero.

Since its IPO in October 2020, the Company has made the following investments and commitments:

- **Harvest and Glasshouse**: provision of £21m of senior debt finance to two established combined heat and power ("CHP") assets, located on the Isle of Wight, supplying heat, electricity and carbon dioxide to the UK's largest tomato grower, APS Salads ("APS") - March 2021
- **Spark Steam**: provision of £8m of senior debt finance to an established CHP asset in Teesside supplying APS, as well as a further power purchase agreement through a private wire arrangement with another food manufacturer - June 2021
- **Hydroelectric Portfolio (1)**: acquisition of six operational, Feed in Tariff ("FiT") accredited, "run of the river" hydroelectric power projects in Scotland, with total installed capacity of 4.1MW, for an aggregate consideration of £26.6m (excluding costs) - November 2021
- **Hydroelectric Portfolio (2)**: acquisition of a further three operational, FiT accredited, "run of the river" hydroelectric power projects in Scotland, with total installed capacity of 2.5MW, for an aggregate consideration of £19.6m (excluding costs) - December 2021
- **BESS Portfolio**: commitment to provide a debt facility of £45.6m to a subsidiary of Virmati Energy Ltd (trading as "Field"), for the purposes of building a portfolio of four geographically diverse Battery Energy Storage System ("BESS") assets in the UK with a total capacity of 110MW - March 2022
- **Energy Efficient Lighting:** Funding of c.£2.2m to a lighting solutions provider to install efficient lighting and controls at a leading logistics company - March 2023
- **Innova:** Provision of a £5m short term development financing facility to Innova Renewables, building out a portfolio of Solar and BESS assets across the UK - March 2023

The Investment Manager is Triple Point Investment Management LLP ("Triple Point") which is authorised and regulated by the Financial Conduct Authority. Triple Point manages private, institutional, and public capital, and has a proven track record of investment in Energy Efficiency and decentralised energy projects.

Following its IPO on 19 October 2020, the Company was admitted to trading on the Premium Segment of the Main Market of the London Stock Exchange on 28 October 2022. The Company was also awarded the London Stock Exchange's Green Economy Mark.

You may view the Annual Report in due course on the Company's website. http://www.tpenergytransition.com/

Please note that page numbers in this announcement are in reference to the Annual Report.

Strategic Report
Chair's Statement

Dear Shareholder,

I am pleased to present the results for Triple Point Energy Transition plc ("TENT" or the "Company") for the year ended 31 March 2023. This is our first set of annual results reported under our new mandate and name, announced in August 2022, which consolidated the Company's focus on investing across the energy sector to support the transition to Net Zero.

Our investment mandate covers three thematic areas:

- distributed energy generation
- energy storage and distribution
- onsite energy generation and lower carbon consumption

This strategy reflects our conviction that a holistic, system-wide approach to reducing emissions across every part of the energy sector is vital to supporting the transition to Net Zero and to delivering attractive returns for our investors. We also believe that this approach gives us a highly differentiated position in our sector, offering shareholders exposure to a diversified portfolio of attractive investments in sectors and investment classes which are not typically targeted by many other investment trusts.

The past year has been marked by unprecedented challenges and opportunities in the global energy sector. The devastating war in Ukraine, which has now entered its second year, and the resulting energy crisis have exposed the vulnerabilities and risks of relying on fossil fuels, especially imported gas, for meeting our energy needs. This has also led to a cost-of-living crisis and inflation increases, putting pressure on consumers and businesses. At the same time, the events have triggered a wave of policy and market developments which are designed to accelerate the energy transition. The EU's REPowerEU plan, the US Inflation Reduction Act, China's 14th Five-Year Plan, and other initiatives by major economies have created a huge investment potential for clean energy technologies globally, through a strong regulatory framework and incentives for deployment. Moreover, global investment in clean energy technologies matched that of fossil fuels for the first time in 2022, signalling a shift in investor preferences and expectations.

These global developments have a direct impact on the UK and EU markets, which are the focus of our mandate. The UK and the EU are both committed to achieving Net Zero emissions by 2050 and have set ambitious targets and policies to accelerate the decarbonisation of their energy systems. The UK's Powering Up Britain, the EU's Green Deal, and the Glasgow Climate Pact are some of the key initiatives that demonstrate this commitment and provide a clear direction for our investment strategy. The UK and the EU are also facing increasing energy security concerns and rising energy costs, which create an urgent need for more domestic, diversified, and reliable sources of energy. This is where our investment portfolio can provide solutions and value for our shareholders and society.

By investing holistically across the energy sector, in assets that generate, distribute or conserve electricity or heat, we are able to capture the opportunities and mitigate the risks arising from these developments. Our three thematic areas of focus are complementary and synergistic, as they enable a lower-carbon, more resilient, and more flexible energy system. They also generate stable and predictable income for our investors, from long-term contracts with high-quality counterparties or from wholesale or merchant markets.

Investment Activity

I am delighted to report that the Company's remaining capital has been fully committed to a portfolio of broadly diversified opportunities across the energy transition sector. This achievement reflects our ability to discern and execute attractive deals in a competitive market. We have strategically utilised the funds to invest in multiple asset classes and capital structures, providing a solid defence against risks and challenges. Importantly we balance both debt and equity investments to ensure a consistent income stream, capital preservation, and capital growth.

The Group has continued to advance funds under the £45.6 million debt facility to a subsidiary of Virmati Energy Ltd, to fund a 110MW portfolio of four BESS assets (the "BESS Portfolio"). During the period, £6.2 million of the facility was utilised, with commitment fees being received in respect of the undrawn balance. Post the balance sheet date, a further £3.9 million was drawn.

The Group has also invested in new asset classes - LED lighting and solar project development - through debt financing. This further enhances our diversification, resilience to negative trends, and participation in innovative technologies.

The Group's £2.2 million investment in the installation of new Light Emitting Diodes ("LEDs") in several warehouses of an investment-grade global logistics company, has led to a c.58% reduction in the warehouses' energy consumption.

These investments not only showcase our commitment to advancing this important energy transition industry but also enable us to leverage the stability of debt financing to support projects which reduce energy waste and drive sustainability.

Portfolio Performance

The portfolio continued to deliver a strong performance with all asset classes contributing positively to the financial performance of the Company.

The Hydroelectric Portfolio performed marginally below expectations. The annual generation performance was c.5% lower than forecast, due to a local grid curtailment of some of the schemes in March 2023. One scheme has commenced development of water storage capacity and is progressing to the next stage. This provides the opportunity to increase the annual generation capacity by 1,250 MWh and allows the scheme to target periods of peak load generation through a controlled release of the flow.

The deployment of the BESS Portfolio has progressed during the year, with the asset located in Oldham now operational and the asset located in Gerrards Cross under construction and expected to reach commercial operations in late 2023. The third and fourth projects are expected to be operational during 2024. Once fully deployed, the BESS assets will contribute to reduce grid constraints and allow the inclusion of more renewable energy generators to the energy mix.

The CHP Portfolio continues to benefit from the volatile gas and electricity wholesale market which illustrates the resilience of the economic model of these assets, as they benefit from dual revenue sources (wholesale market and private offtake of heat and power).

Financing

The Group, via its wholly owned subsidiary, TENT Holdings Limited ("TENT Holdings"), has a £40 million Revolving Credit Facility ("RCF") with TP Leasing Limited, and in March 2023, we completed a 12-month extension of the RCF to 28 March 2025. The interest rate charged is a fixed rate coupon of 6% pa on drawn amounts.

TP Leasing Limited is an established private credit and asset leasing business which is managed by the Investment Manager and, as a result, is deemed to be a related party as defined in the Listing Rules. The extension to the RCF was deemed to be a "smaller related party transaction" for the purposes of LR11.1.10R and, therefore, was undertaken in accordance with the relevant requirements of the Listing Rules.

The Group will make use of the RCF to fund its committed portfolio. The Group will follow a prudent approach to gearing with a target medium-term gearing of up to 40% of Gross Asset Value ("GAV") and a maximum gearing that will not exceed 45% of GAV at the time of drawdown, in line with the Company's borrowing policy.

As at 31 March 2023, the RCF had not been drawn, however it is expected that the RCF will be fully utilised during 2024.

Financial Results

During the year, TENT achieved a total profit and comprehensive income of £8.8 million (31 March 2022: £4.8 million), which is reflective of the growing investment portfolio that has increased in value by 14% in the financial year. Further information on profitability and financial performance can be found on pages 128 to 153.

The Company generated a total NAV return for shareholders of 9.2%, in excess of the Company's target. The NAV per share is 99.44 pence per share as at 31 March 2023 (31 March 2022: 96.12 pence per share), an annual growth rate of 3.5%, which was made possible through a combination of robust contractual revenues and the revaluation of the investment portfolio.

TENT has delivered a dividend of 5.5 pence per share for the year, which was cash covered 1.1x (31 March 2022: 0.14x). The enhancement in coverage reflects the full deployment of the IPO proceeds in the financial year. As a result, cash income generation has increased approximately 300% to £9.0 million (31 March 2022: £2.2 million).

Share Price

During the year, as part of a number of actions to improve the share price liquidity and attract new investors, the Board decided to migrate to the Premium Segment of the Main Market of the London Stock Exchange, having been listed on the Specialist Fund Segment since the IPO in October 2020. The Company commenced trading on the Premium Segment on 28 October 2022.

The Board continues to monitor the Company's share price, which has suffered following the mini budget in September 2022 and in the higher interest rate environment. At the financial year end, the Company's share price was 62.5 pence, representing a 37% discount to NAV (31 March 2022: 84.5 pence, representing a 12% discount to NAV). The Board believes that the discount to NAV is unwarranted, is driven in large part by illiquidity of the shares and does not reflect the quality of the Group's portfolio, the robust nature of contractual earnings, and the future potential of its strategy.

The Board is concerned by the continuing level of share price discount to NAV and continues to consider ways to address the discount.

The Investment Manager has been actively engaging with stock market analysts, existing and potential new shareholders and has an active investor relations programme planned for the remainder of 2023.

In accordance with the Investment Management Agreement, the Investment Manager has used 20% of the annual investment management fee (net of relevant taxes) to acquire Ordinary Shares in the Company. The Investment Manager purchased the following Ordinary Shares during the financial year:

- 28 September 2022 - 41,550 Ordinary Shares at an average price of 80.86 pence per share
- 22 December 2022 - 57,616 Ordinary Shares at an average price of 80.00 pence per share

As at 31 March 2023, including other shares purchased in the year, the Investment Manager held a total of 1,042,157 Ordinary Shares in the Company, representing approximately 1.0% of the total issued share capital.

Dividends

The Board is pleased to confirm the dividend in respect of the quarter to 31 March 2023 of 1.375 pence per share, payable on or around 14 July 2023 to holders of Ordinary Shares on the register on 30 June 2023, bringing the total annual dividend to the target of 5.50 pence per share. Cash received in the Company's wholly owned subsidiary TENT Holdings, from the investee companies by way of distributions, which includes interest and dividends, was £9.0 million. After operating and finance costs, the cash flow within the Company and TENT Holdings was £5.9 million, cash covering the dividends paid during the year of 5.50 pence per share by 1.1x.

The Company has set a dividend target of 5.50 pence per share for the year ending 31 March 2024[1].The Company notes that the deployment of the loans to the BESS Portfolio and Innova is expected to provide further income with which to cover dividends over the course of FY24.

Notes:

[1] The dividend and return targets stated are Pounds Sterling denominated returns targets only and not a profit forecast. There can be no assurance that these targets will be met, and they should not be taken as an indication of the Company's

expected future results.

Environmental, Social and Governance ("ESG")

The Company has adopted an approach to ESG which reflects the importance of sustainability to the investment policy and to maximise the potential for our ESG considerations to add value to the portfolio.

Throughout the year there has been a focus on developing relationships with asset owners (where we have debt investments) and O&M contractors (where we own the asset) to improve data collection and identify where discussion may lead to improved action and ESG management of our portfolio. Climate and Net Zero analysis are also a key priority with significant time allocated to the evolution of these activities, which have been captured in our voluntary reporting against the TCFD framework. The Board continues to engage fully to support and seek progress on these fast evolving and important areas. The Sustainability Report contains full details on the approach including reporting aligned with a range of relevant industry frameworks and best practice.

Summary & Outlook

The energy market is undergoing a seismic transformation, driven by the urgent need for decarbonisation and a growing emphasis on energy security and independence. The Company's broader investment mandate positions it for success in this rapidly evolving landscape by diversifying its portfolio across three thematic areas: distributed energy generation, onsite energy generation and lower carbon consumption, and energy storage and distribution. This approach not only mitigates risk and enhances resilience but also supports the Net Zero pathway, presenting a favourable outlook for the Company's investment prospects.

The Company is well-positioned to capitalise on the immense potential arising from the ambitious renewable energy targets and various legislative initiatives in the UK and EU markets, such as Powering Up Britain and REPowerEU. These programmes aim to unlock a vast amount of investments and create a favourable environment for the growth of clean energy technologies, opening up a market worth $5.3 trillion across Europe[2]. By investing in innovative solutions for the decarbonisation of buildings and transport and leveraging its expertise in cutting-edge sectors such as battery storage, green hydrogen, and LED lighting, the Company aims to drive transformative change and contribute to the global shift towards a low-carbon economy. The Company also intends to pursue market-driven unsubsidised projects that can offer higher returns with lower risks, as they are less exposed to policy changes and provide increased flexibility. These projects further diversify the Group's portfolio compared to other peers in the space and differentiate the risk profile.

On behalf of the Board, I remain confident in the Company's ability to continue generating sustainable income and capital growth for our shareholders. We would like to extend the Board's thanks to shareholders for their ongoing support and belief in our differentiated investment case.

Notes:

[2] Europe's Path to Clean Energy: A $5.3 Trillion Investment Opportunity | BloombergNEF (bnef.com)

John Roberts
Chair
16 June 2023

Strategy and Business Model

The Company's purpose is to invest into infrastructure assets that contribute to the energy transition and generate a stable and growing long-term income stream for investors.

	Originate	**Invest**	**Operate and optimise**	**Hold**
Overview	TENT originates across the spectrum of the energy transition.	TENT invests across the capital structure of an energy transition investment.	TENT operate and optimise assets based on a two pronged approach.	TENT's strategy is to hold investments to maturity.
Competitive Advantage	This enables the Company to identify the most attractive risk and return characteristics of opportunities across the energy transition space. This typically means that TENT invests in more niche areas of the transition and avoids areas with elevated valuations, such as subsidised large scale UK solar and wind generation. TENT seeks to build long-term partnerships with developers and partners to secure repeat deal flow.	In certain technologies such as CHP or BESS, investing in debt may enable TENT to achieve better risk adjusted returns than equity. In others, inflation protected contracts in more established technologies, such as hydro-electric power, may offer more attractive equity opportunities.	Firstly, TENT seeks to have exposure to strong management teams in an energy sub sector. For example, it has backed one of the leading renewables developers in the UK, Innova Renewables. Working with a diverse range of specialist management. teams across a range of energy sub sectors provides further diversification to investors. Secondly, the Investment Manager's inhouse portfolio management team actively manages the investments, identifying opportunities to enhance performance and mitigate risks.	This long-term stewardship approach enables TENT to more successfully originate opportunities, with a view to aligning interests with project counterparties over the investment period.

Risk Management	read more about our rigorous approach to risk management on page 76
Governance	read about our approach to governance on page 88

Changes to the Company's Investment Policy

Following approval at the Company's AGM on 25 August 2022, the Company revised its Investment Policy, shifting focus from solely Energy Efficiency investments in the United Kingdom towards a broader spectrum of Energy Transition Assets in both the UK and Europe. This revision to the Investment Policy reflects a strategic adaptation to the evolving energy market and global trends. By focusing on Energy Transition Assets and expanding its geographical scope, the Company is positioning itself to capitalise on the growing demand for sustainable and renewable energy solutions. This is in line with global efforts to combat climate change and transition towards a low-carbon economy. It allows the Group to invest in innovative businesses that are contributing to the energy transition, thereby potentially enhancing the Company's portfolio and returns.

Investment Objective
The Company's Investment Objective is to generate a total return for investors comprising sustainable and growing income and capital growth.

Investment Policy
The Company intends to achieve its investment objective by investing in a diversified portfolio of Energy Transition Assets typically via the acquisition of equity in, or the provision of debt financing to, the relevant Investee Company. The Company may invest in opportunities in the United Kingdom (and the Crown Dependencies) and Europe.

The Group will invest in a range of Energy Transition Assets which meet the following criteria:

- contribute towards the energy transition to lower, or zero, carbon emissions
- are established technologies
- contribute to the generation of stable and predictable income across the Company's portfolio, as a whole, arising from:
  - long-term revenues based on availability, usage, consumption or energy savings-based contracts with good quality industrial, governmental, and corporate Counterparties or off-takers (as assessed by the Investment Manager's due diligence processes), including Counterparties which represent multiple end-users; or
  - assets with income from wholesale or merchant sources (including, but not limited to, battery energy storage, pumped storage or other power storage and discharge systems and renewable power assets), typically where the Investee Company benefits from an option to put in place a long term fixed contractual price if it deems it necessary to do so and where operated by a reputable operator; and
- entitle the Company to receive cash flows over the medium to long-term in Developed Country Currencies. The Company may, but does not intend to, enter into any currency hedging arrangements.

The Group's portfolio of Energy Transition Assets will predominantly comprise operational Energy Transition Assets. It will invest in either single assets or portfolios of multiple assets.

Subject to the investment restrictions set out below, the Group may, also invest in assets that are in the Development Phase or the Construction Phase, either directly or through funding of a third-party developer, where such investments will deliver an attractive risk adjusted return.

In addition, the Company may invest in or acquire minority interests in companies with a strategy that aligns with the Company's overarching investment objective, such as developers, operators or managers of Energy Transition Assets ("**Other Related Companies**").

The Group will seek to diversify its commercial exposure through contractual relationships, directly or indirectly (through the Investee Company), with a range of different Counterparties and off-takers, as appropriate to the relevant investment.

Investments may be acquired from a single or a range of vendors and the Group may also enter into joint venture arrangements alongside one or more co-investors, where the Group retains control or has strong minority protections. Recognising the different risk profiles and business models of the various technologies, the Group can invest across both debt and equity investments. Debt investments will include market standard downside protections including, but not limited to, cash reserve accounts, security and have robust contractual and covenant protections.

Investment restrictions

The Company will invest and manage its assets with the objective of spreading risk and, in doing so, will maintain the following investment restrictions:

- no single debt commitment or debt investment to fund, via an Investee Company, one or more Energy Transition Asset(s) will represent more than 20 per cent. of Adjusted Gross Asset Value. No single equity investment into an Energy Transition Asset directly or via an Investee Company, will represent more than 20 per cent. of Adjusted Gross Asset Value except, where the Group has control over an Investee Company which holds multiple Energy Transition Assets and such assets are standalone economic operations, between which risk can be apportioned separately, this restriction shall apply to each individual Energy Transition Asset;
- the aggregate maximum exposure to any Counterparty will not exceed 20 per cent. of Adjusted Gross Asset Value (and where an Energy Transition Asset derives revenues from more than one source, the relevant Counterparty exposure in each case shall be calculated by reference to the proportion of revenues derived from payments received from the Counterparty, rather than any other source). This restriction does not apply to circumstances where all, or substantially all, of the revenue generated by an Energy Transition Asset is derived through connection to the wholesale electricity market, for example, transmission or distribution networks, where there are multiple potential off-takers;
- the aggregate maximum exposure to assets in the Development Phase and the Construction Phase will not exceed, 25 per cent. of Adjusted Gross Asset Value, provided that, within this limit, the aggregate maximum exposure to assets in the Development Phase will not exceed 5 per cent. of Adjusted Gross Asset Value, and the aggregate exposure to any one Developer will not exceed 10 per cent. of Adjusted Gross Asset Value. The restriction on Construction Phase assets will not apply to assets where on-site commissioning is expected to be completed within a period of three months and any equipment on order is sufficiently insurance wrapped;
- at least 70 per cent. of the value of the Group's portfolio of Energy Transition Assets will comprise United Kingdom based investment;

- the Group will not invest more than 5 per cent. of Adjusted Gross Asset Value, in aggregate, in the acquisition of minority stakes in Other Related Companies, and at all times such investments will only be made with appropriate minority protections in place;
- neither the Group nor any of the Investee Companies will invest in any UK listed closed-ended investment companies; and
- the Company will not conduct any trading activities which are significant in the context of the Group as a whole.

Compliance with the above investment limits will be measured at the time of investment or in the case of commitment at the time of commitment, and noncompliance resulting from changes in the price or value of assets following investment will not be considered as a breach of the investment limits.

For the purposes of the foregoing, the term "Adjusted Gross Asset Value" shall mean the aggregate value of the total assets of the Company as determined using the accounting principles adopted by the Company from time to time as adjusted to include any third-party debt funding drawn by, or available to, any unconsolidated Holding Entity.

Borrowing Policy

The Directors intend to use gearing to enhance the potential for income returns and long-term capital growth, and to provide capital flexibility. However, the Company will always follow a prudent approach for the asset class with regards to gearing, and the Group will maintain a conservative level of aggregate borrowings.

Gearing will be employed either at the level of the Company, at the level of any Holding Entity or at the level of the relevant Investee Company and any limits set out in this document shall apply on a look-through basis. The Company's target medium term gearing for the Wider Group will be up to 40 per cent. of Gross Asset Value, calculated at the time of drawdown.

The Group may enter into borrowing facilities at a higher level of gearing at the Investee Company or Holding Entity, provided that the aggregate borrowing of the Wider Group shall not exceed a maximum of 45 per cent. of Gross Asset Value, calculated at the time of drawdown.

Debt may be secured with or without a charge over some or all of the Wider Group's assets, depending on the optimal structure for the Group and having consideration to key metrics including lender diversity, cost of debt, debt type and maturity profiles. Intra-group debt between the Company and (i) Holding Entities and/or (ii) Investee Companies subsidiaries will not be included in the definition of borrowings for these purposes.

Hedging and Derivatives

The Company will not employ derivatives for investment purposes. Derivatives may however be used for efficient portfolio management.

The Wider Group will only enter into hedging contracts (in particular, in respect of inflation, interest rate, currency, electricity price and commodity price hedging) and other derivative contracts when they are available in a timely manner and on acceptable terms. The Company reserves the right to terminate any hedging arrangement in its absolute discretion. Any such hedging transactions will not be undertaken for speculative purposes. The Company can, but does not intend to, enter into any currency hedging.

Cash management

The Company may hold cash on deposit for working capital purposes and awaiting investment and, as well as cash deposits, may invest in cash equivalent investments, which may include government issued treasury bills, money market collective investment schemes, other money market instruments and short-term investments in money market type funds ("Cash and Cash Equivalents"). There is no restriction on the amount of Cash and Cash Equivalents that the Company may hold and there may be times when it is appropriate for the Company to have a significant Cash and Cash Equivalents position.

Key Performance Indicators ("KPIs")

The Company sets out below its KPIs which it uses to track the performance of the Company over time against the objectives as described in the Strategic Report on pages 14 to 85.

The Board believes that the KPIs detailed below provide shareholders with sufficient information to assess how effectively the Company is meeting its objectives. The Board monitors these KPIs on an ongoing basis.

KPI AND DEFINITION	RELEVANCE TO STRATEGY	PERFORMANCE	COMMENT
Dividends per share (share)[3] Dividends paid to shareholders and declared in relation to the year.	The dividend reflects the Company's ability to deliver a low-risk income stream from the portfolio.	The Company is paying a 5.50 pence per share dividend in respect of the year ended 31 March 2023 (5.50 pence per share for the period to 31 March 2022).	The Company's target was to pay a dividend of 5.50 pence per share in respect of the year to 31 March 2023, which it achieved.
Total NAV return (%)[4] NAV growth and dividends paid per share in the year.	The total NAV return measure highlights the gross return to investors including dividends paid.	9.2% (4.9% for the year to 31 March 2022).	Total NAV return for the year ended 31 March 2023 is 1.2% above the target of 7% - 8%. NAV return was generated through dividends paid of 5.7% and capital growth of 3.5%.

NAV per share (pence) NAV divided by number of shares outstanding as at the period end.	The NAV per share shows our ability to grow the portfolio and to add value to it throughout the lifecycle of our assets.	99.44 pence per share. (96.12 pence per share for the year to 31 March 2022).	NAV of £99.5 million or 99.44 pence per share as at 31 March 2023.
Cash dividend cover[3,4] Operational cash flow divided by dividends paid to shareholders during the year.	Reflects the Company's ability to cover its dividends from the income received in its wholly owned subsidiary, TENT Holdings, from the portfolio companies.	1.1x. The Company delivered a dividend for the year cash covered 1.1x (0.14x for the year to 31 March 2022).	The Company has successfully paid a cash covered dividend and has experienced the advantages of a full year of income since the IPO proceeds were fully deployed and committed.
Contractual Revenue Average percentage of underlying forecast income contractually underpinned over the next 10 years.	The forecasted revenue contractually underpinned and due to the Group encompassing two key components: interest payments on debt facilities and government subsidies received by the equity investee companies.	92% of forecasted income is contractually underpinned and due to the Group over the next 10 years.	The Group has stable and predictable income stream from interest payments and government subsidies, ensuring the financial stability and growth of the organisation.
Ongoing Charges Ratio ("OCR")[4] Annualised ongoing charges (i.e., excluding acquisition costs and other non-recurring items, such as the premium listing application costs) divided by the average published undiluted NAV in the period, calculated in accordance with Association of Investment Companies guidelines.	Ongoing charges shows the effect of the operational expenses incurred by the Company.	1.94% annualised (1.38% for the year to 31 March 2022).	Company level budgets are approved annually by the Board and actual spend is reviewed quarterly. This is a key measure of our operational performance. Keeping costs low supports our ability to pay dividends. The increase in OCR has mainly been driven by the increase in management fees. In the prior financial year, the management fee calculation was 0.9% of deployed IPO proceeds until 10 December 2021. At this date 75% of net IPO proceeds had been deployed and the investment management fee calculation changed to 0.9% of NAV.
Avoided emissions[4] The carbon emissions avoided by the Company's investments.	A measure of our success in investing in projects that have a positive environmental impact through a decrease in CO_2 emissions compared to an equivalent asset.	27,112 tonnes CO_2 avoided in the year ended 31 March 2023 (17,074 tonnes CO_2 avoided for the year to 31 March 2022).	The tCO_2 avoided has increased compared to end of year 2022 as expected, due to continued deployment and the inclusion of full-year data for the Hydroelectric Portfolio.
Gross loan to value ("LTV")[4] The proportion of our GAV that is funded by borrowings.	The LTV measures the prudence of our financing strategy, balancing the potential amplification of returns and portfolio diversification that come with using debt against the need to successfully manage risk.	0% (0% for the year to 31 March 2022).	The Group will follow a prudent approach to gearing with a target medium-term target gearing of up to 40% of GAV and a maximum gearing that will not exceed 45% of GAV, at the time of drawdown. On full drawdown of the RCF, the gross LTV is expected to be around 30%, based on prevailing NAV and all the existing commitments.

Notes:

[3]Investors should note that references to "dividends" and "distributions" are intended to cover both dividend income and income which is designated as an interest distribution for UK tax purposes and therefore subject to the interest streaming regime applicable to investment trusts.

[4]Alternative Performance Measure.

Investment Manager's Report

Review of the Period

The past year has been significant for the Company, marked by fully committing all of the Group's remaining capital, broadening of the Company's investment mandate with the change in Company name to reflect this, as well as the migration of the Company's shares to trading on the Premium Segment of the Main Market of the London Stock Exchange.

These events reflect our strategic vision and ambition to drive sustainable growth and positive impacts in today's challenging energy market.

A diversified mandate provides numerous advantages, such as greater flexibility to invest in a wide array of opportunities and the ability to adapt to market changes. This diversification mitigates risk and allows us to stay competitive in the face of emerging technologies and regulatory shifts.

The Group's strategic investments are unaffected by the Electricity Generator Levy. Our successful transactions to date have demonstrated the Investment Manager's expertise, showcasing our experience in managing a range of asset classes and capital structures, whilst building a compelling pipeline. In the deals closed to date, 92% of the Group's revenues are contracted for the next ten years, with 47% of the Group's revenues being linked to inflation, providing a high level of visibility and security over the Group's income stream.

As we continue to expand our portfolio, during the financial year we have ventured into new asset classes and capital structures, for example receivables financing of LED lighting and solar and BESS project development through a debt structure. These investments not only underscore our commitment to advancing innovative technologies but also allow us to leverage the stability of debt financing to support projects that drive energy transition and sustainability, whilst generating ongoing contractual returns for the Group at an attractive risk adjusted rate.

The investment trust market as a whole has had a challenging year, and this compounded with the scale and illiquidity of the Company's shares has driven its discount to NAV. We do not believe that the Company's discount to NAV is reflective of the quality of the Group's portfolio.

Investments

LED

During the period, the Group's lighting service partner completed multiple projects installing LED lighting at logistics warehouses, totalling c.£2.2 million. Starting in September 2022, the Group has received monthly repayments for its fixed rate receivables financing, with "hell or high water"[5] income contracted over the next five years.

Solar Development Financing

In March 2023 the Group committed to providing a £5 million development debt facility to Innova Renewables Limited, ("Innova"), part of the Innova group, one of the UK's leading solar and BESS developers and operators. The facility will be used to develop ground-mounted solar and BESS assets across the UK. The facility has a 12-month term and delivers fixed rate contractual returns to investors that are materially higher than the Group's target return of 7-8% pa, reflecting the flexibility of the Group's investment strategy. The facility was fully drawn on 3 April 2023.

BESS Portfolio

In March 2022, the Group committed £45.6 million fixed rate debt facility to fund a portfolio of four geographically diverse BESS assets in the UK. The debt facility is provided to a subsidiary of Virmati Energy Ltd and £6.3 million was drawn at 31 March 2023, with a further drawdown subsequent to the balance sheet date of £3.9 million, resulting in 78% of the facility remaining undrawn. It is expected that the facility will be fully drawn in 2024.

Portfolio Overview

Tech Exposure[6]		
CHP	19.0%	25.1
Hydro	41.1%	54.3
BESS	34.5%	45.6
LED	1.6%	2.1
Development	3.8%	5.0
Total	**100%**	**132.1**

Investment Type[6]		
Debt	58.9%	77.8
Equity	41.1%	54.3
Total	**100%**	**132.1**

Lifecycle Stage[6]		
Operating	66.4%	87.7
Construction	3.7%	4.9
Commitments awaiting deployment	26.1%	34.5
Development	3.8%	5.0
Total	**100%**	**132.1**

Asset Exposure[6]		
Harvest	7.0%	9.2
Glasshouse	6.9%	9.2
Spark Steam	5.1%	6.7
Achnacarry	18.5%	24.4
Choire A Bhalachain	3.4%	4.6
Elementary Energy	2.6%	3.4
Ladaidh	6.1%	8.1
Luaidhe	3.6%	4.7
Phocachain	6.9%	9.1
BESS Drawn	4.7%	6.2
BESS Commitment	29.8%	39.4

LED	1.6%	2.1
Development	3.8%	5.0
Total	**100%**	**132.1**

Underlying Counterparty Exposure[6]		
Non-Investment Grade (Unrated)	57.4%	75.7
Investment Grade (Rated)	42.6%	56.3
Total	**100%**	**132.1**

Notes:

[5] With an absolute payment obligation.

[6] Weighted on the sum of underlying portfolio held at fair value and commitments waiting deployment held at cost.

Portfolio performance

CHP Portfolio

In 2021 the Group made fixed rate debt investments into a portfolio of three Combined Heat and Power ("CHP") Energy Service Centre Companies ("ESCos) which deliver heat and power to glasshouses leased by a large-scale tomato grower. These ESCos have continued to perform above the budget in the financial year. This demonstrates the benefits of the economic model underlying these projects, which generate revenues from both the wholesale electricity market and/or direct offtake of heat and power by the glasshouse occupiers.

The benefit of the CHP assets' business model is that it has two countercyclical sources of revenue, thereby providing a stable income which, in turn, underpins the loan repayments to the Group, as highlighted this year. Under ordinary conditions, where energy prices are lower than they are currently, the revenues generated by the CHP projects are predominantly from the demand from the tomato producers which purchase the heat and power produced by the CHP assets to operate their glasshouses. However, during times of higher energy prices, the electricity produced by the CHP assets during peak load periods is able to be exported and provides the projects with significant revenues from the wholesale electricity market instead.

In December 2022, following a difficult trading period, the company leasing the glasshouses underwent a change of ownership resulting in a stronger counterparty for the Group. The recapitalised tomato grower has boosted the management team to support and reposition the business. This provided an opportunity for the Group to renegotiate some of the terms of the facility agreement and introduce more reporting requirements.

The duality of the model also underpins the dual purpose of the assets in supporting the grid by providing electricity during the peak demand periods and supporting the UK local food supply at a time when both sectors were challenged by their respective constraints.

This year, the CHP Portfolio avoided 18,098 tCO_2 equivalent emissions[7].

Hydroelectric Portfolio

The financial year ended 31 March 2023 marked the first full year of ownership of the Hydroelectric Portfolio. During the period, the nine hydroelectric schemes performed below expectation. The annual generation performance of the portfolio was closely aligned to the long-term energy yield forecast, with a variance of less than 5%. The marginal variance was due to a temporary period of curtailment imposed on certain schemes by the local grid operator in March 2023.

Portfolio performance since the commissioning of the nine assets has been reliable and closely corroborates with the power generation forecasts based on historical rainfall data. Accordingly, the average annual generation performance over the last six years is within 1% of the P50 estimate.

With the current high level of technical availability and reliable forecasting at our disposal, it has become imperative for us to focus on pursuing optimisation to maximise the scheme's potential. Loch Blair is the largest generator of the Hydroelectric Portfolio in MWh per year and we have focused on optimising this scheme. The optimisation will involve construction of a small dam upstream of the intake. The reservoir created will attenuate peak rainfall which combined with a control of the release of the flow feeding the existing plant will increase the annual generation. This will enable the scheme to target the peak load period of the tariff in the PPA, increasing revenues from the power wholesale.

All Feed-in-Tariff revenues enjoy annual indexation to UK RPI. This has resulted in Feed in Tariff rates being adjusted upwards by RPI of 13.40% in 2023. 3.00% is forecast from 2024 to 2031 and 2.40% is forecast thereafter, which has given an uplift to revenues and underpins the highly defensive and attractive nature of this portfolio.

Considering the robustness of our projected revenues, which are safeguarded by a dependable generation forecast and the Feed-in Tariff, our management team is actively evaluating prospects to enhance profitability related to the sale of electricity in the wholesale market, with various options available.

The portfolio generated 18,965 MWh of renewable energy and avoided 8,866 tCO_2 equivalent emissions. Please see page 51 of the Sustainability Report for further detail.

The total generation of the portfolio remains under the threshold of the Electricity Generation Levy and therefore the Group will not be subject to the increased tax rate in the coming years.

BESS Portfolio

The BESS Portfolio has a total capacity of 110MW. The first BESS asset, located in Oldham, a one-hour duration battery project, reached its Commercial Operation Debut ("COD") on 1 December 2022. It is located in the North of England and has a total capacity of 20MW.

The second asset, at Gerrards Cross, located at the border of Greater London, is also a one hour duration 20MW project and is under construction with the COD expected in late 2023. The remaining two BESS assets are located in Scotland (two-hour duration battery; total capacity 50MW) and Wales (two-hour duration battery; total capacity 20MW) and are expected to commence construction in summer 2023 and to be operational in 2024.

While these projects are greenfield projects, the construction risk is mitigated through the modular nature of the design where high value components (the batteries) are manufactured off-site and delivered ready to install. This reduces the risk of interface issues and construction delay. The bespoke elements of the projects, mainly the power step-up and export to the grid, are similar to other renewable energy and conventional generation projects. Given the relatively conservative loan to cost ratio the construction risks are substantially borne by the equity investors.

Notes:

[7] details of calculation can be found in Annex 1 - Reporting Principles and Methodologies

Portfolio Valuation

The Investment Manager is responsible for conducting the fair market valuation of the Group's investments. The Company engages Mazars LLP as an external, independent, and qualified valuer to assess the validity of the discount rates used by the Investment Manager in the determination of fair value. During the financial year the Company transitioned to reporting quarterly financial updates and portfolio valuations, reporting for the periods 30 September, 31 December and 31 March in 2022/23.

For non-market traded investments (being all the investments in the current portfolio), the valuation is based on a discounted cash flow ("DCF") methodology and adjusted in accordance with the International Private Equity Valuation Guidelines where appropriate to comply with IFRS 13, given the special nature of portfolio investments.

The valuation of each investment within the portfolio is determined through the application of a suitable discount rate, which accounts for the perceived risk to the investment's future cash flows and by applying this discount rate, the present value of the investment's expected cash flows is derived. The Investment Manager exercises its judgement in assessing the expected future cash flows from each investment based on the project's expected life and the financial model produced by each project entity. In determining the appropriate discount rate, the Investment Manager considers the relative risks associated with the revenues. For the year ending 31 March 2023, the discount rates range from 5.6% to 8.3% pa. (31 March 2022: range from 5% to 8%).

The valuation of the portfolio by the Investment Manager and reviewed and supported by the Directors as at 31 March 2023 was £90.1 million (31 March 2022: £78.8 million).

Valuation movements

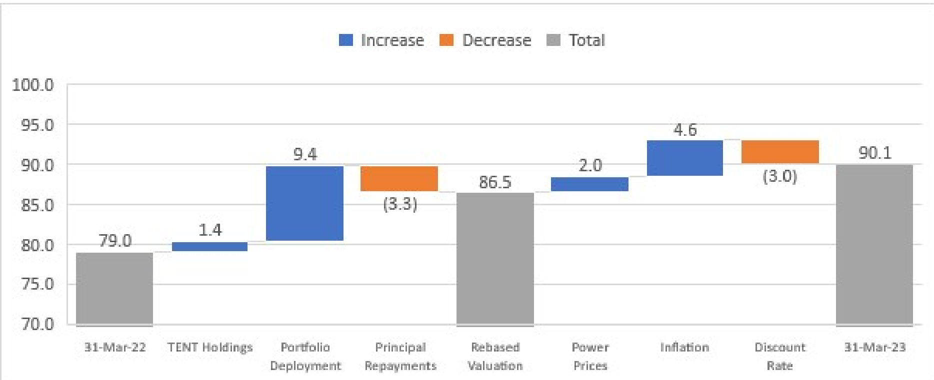
Although UK gilt rates have increased over the past 12 months, the CHP Portfolio has been held at par during the financial year. This is supported by the underlying trading performance of the portfolio, exceeding budget for the second year in a row at a revenue and profit level, which flowed through to higher debt servicing cover ratios. Furthermore, during the financial year, the borrowers' on-site customer was acquired and benefited from a cash injection and balance sheet restructure. This reduction in counterparty risk broadly offset increased movements in the risk-free rate and the Company believes the discount rate applied is consistent with market pricing for investments of this nature.

During the financial year, the Group deployed 13.7% of the committed debt proceeds into the BESS portfolio and it is expected that during 2023 and 2024 the remaining commitment will be drawn.

The valuation of the debt financing for the receivables from the energy-efficient lighting portfolio has largely stayed consistent throughout the financial year, with only a negligible change. This stability reflects the high quality of the counterparties involved and the associated risk-return ratio.

Due to the debt investments being valued at or close to par, the fair value movements observed during the financial year primarily stem from the equity investment into the Hydroelectric Portfolio. A breakdown of the movement in the Directors' portfolio valuation is detailed and explained below.

Valuation Movement in the year to 31 March 2023 (£millions)



The opening valuation as at 31 March 2022 was £79.0 million. When considering the in year cash investments through the Company's wholly owned subsidiary, the rebased valuation was £86.5 million. Each movement between the valuation at the start of the financial year and the rebased valuation is considered in turn below:

Inflation

The war in Ukraine, in addition to the multiple primary impacts felt in Ukraine itself, has driven an increase in energy and commodity prices. This, along with supply chain bottlenecks has continued to place significant upward pressure on inflation.

During the financial period, inflation forecasts for 2022 and 2023 have increased significantly and as a result have caused a valuation uplift of £4.6 million. The methodology adopted in relation to inflation, for both RPI and CPI, follows the latest available (March 2023) Office for Budget Responsibility forecast for the 12 months from the 31 March 2023 valuation date. Thereafter, a long-term 3.00% assumption is made in relation to RPI, dropping to 2.40% in 2031 to reflect the 0.60% reduction as RPI is phased out and replaced with CPI.

The Company's long-term assumption for CPI remains at 2.25%. We also model a power curve indexation assumption, as wholesale power prices are not intrinsically linked to consumer prices, of 3.00%.

Power Prices

The valuation as at 31 March 2023 applies long-term, forward looking power prices from a leading third-party consultant. A blend of the two most recent quarters' central case forecasts are taken and applied, consistent with the approach applied in previous periods. The Company adopts this approach due to the unpredictability and fluctuations in power price forecasts. Where fixed price arrangements are in place, the valuation model reflects this price for the relevant time period and subsequently reverts to the power price forecast using the methodology described. The updated power price forecast has been accretive to the valuation of the Hydroelectric Portfolio by £2.0 million in the year ended 31 March 2023. The Company notes that the outlook for power prices is expected to decline over the course of FY24, however the power price forecast for the Hydroelectric Portfolio are underpinned by the Feed-in-Tariff export rate.

Discount Rates

A range of discount rates are used when calculating the fair value of the portfolio valuations and are representative of the view of the Investment Manager and Board, who benefit from Company's independent valuer's guidance. The discount rates are indicative of the rate of return in the market for assets with similar characteristics and risk profiles. The weighted average discount rate of the investments made as at 31 March 2023 is 6.6%, an increase of 46 basis points since 31 March 2022. The weighted average discount rate of the deployed and committed portfolio as at 31 March 2023 is 7.2%.

During the financial year, the discount rate increase has caused a reduction in the valuation in the Hydroelectric Portfolio of £3.0 million. The discount rate movement is reflective of the significant increase in gilt yields since the prior financial year, and although the yields fell between the peak in September 2022 and the year end, they remain higher than they were at the start of the financial year.

Investment Obligations

At 31 March 2023, the Group had two outstanding investment commitments totalling £44.4 million, one in relation to the BESS Portfolio which has a total capacity of 110MW and a second with a leading solar, battery and energy storage systems developer for a 12-month development finance facility.

The committed investment into the BESS Portfolio totals £45.6 million, via a fixed rate debt facility, of which £6.2 million has been drawn and £39.4 million remains committed at the financial year end, with a further £3.9 million being deployed in June 2023.

The solar PV development finance fixed rate debt facility with Innova is for £5.0 million and was fully drawn on 3 April 2023.

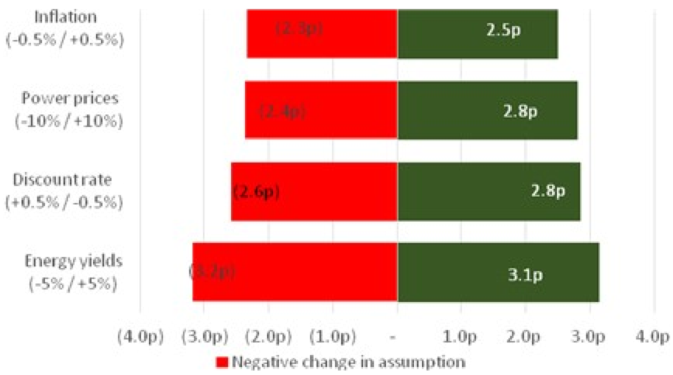
Fully invested portfolio valuation

The valuation of the portfolio on a fully invested basis can be derived by adding the valuation at 31 March 2023 and the expected outstanding commitments are as follows:

	£ million
Underlying Portfolio valuation as at 31 March 2023	87.7
Valuation of TENT Holdings Limited as at 31 March 2023	2.4
Future investments committed at cost	44.4
Portfolio valuation once fully invested	**134.5**

Key Sensitivities

The following chart illustrates the sensitivity of the Company's NAV per share to changes in key input assumptions (with labels indicating the impact on the NAV in pence per share of the sensitivities). The total portfolio is affected by changes in the discount rate, whereas the other sensitivities pertain only to the Hydroelectric Portfolio.



For each of the sensitivities, it is assumed that potential changes occur independently of each other with no effect on any other base case assumption, and that the number of investments in the portfolio remains static throughout the modelled life.

Financial Review

The Company applies IFRS 10 and qualifies as an investment entity. IFRS 10 requires that investment entities measure investments, including subsidiaries that are themselves investment entities, at fair value except for subsidiaries that provide investment services which are required to be consolidated.

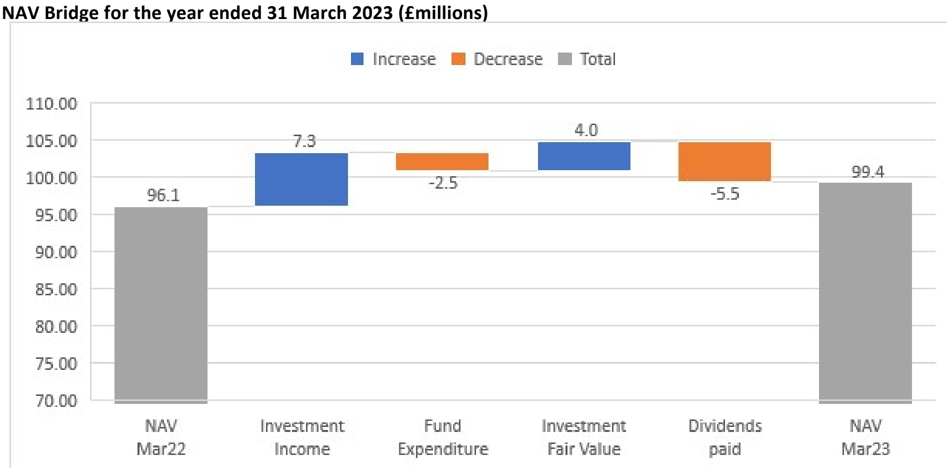
The Company's single, wholly owned subsidiary, TENT Holdings, is the ultimate holding company for all the Company's investments.

It is, itself, an investment entity and is therefore measured at fair value.

NAV

The Company's NAV and investment portfolio valuations are now calculated on a quarterly basis on 30 June, 30 September, 31 December and 31 March each year. Valuations are prepared by the Investment Manager and reviewed by Mazars LLP. The other assets and liabilities of the Company are calculated by the Administrator. The NAV is reviewed and approved by the Board. All variables relating to the performance of the underlying assets are reviewed and incorporated in the process of identifying relevant drivers of the DCF valuation.

NAV Bridge for the year ended 31 March 2023 (£millions)



The movement in NAV was driven by investment income of £7.3 million representing the interest and dividend income to TENT, via TENT Holdings, the Company's sole wholly owned subsidiary through which investments are purchased and measured at fair value. Income was offset by investment management fees and other expenses, as well as dividends paid to investors. The Investment portfolio benefited from an increase in valuation, resulting in an unrealised fair value gain of £4.0 million. The NAV at 31 March 2023 has increased by £3.3 million.

Operating Results

The profit before tax of the Company has increased by 85% during the financial year to £8.8 million (31 March 2022: £4.8 million), with earnings per share of 8.81 pence (31 March 2022: 4.76 pence).

Operating Expenses and Ongoing Charges

The operating expenses for the year ended 31 March 2023 amounted to £2.5 million (31 March 2022: £1.3 million). During the financial year the Company incurred one-off expenditure of £0.6 million in relation to the application to trading on the Premium Segment of the Main Market of the London Stock Exchange.

During the financial year the management fee was calculated based on NAV and in the prior financial year the management fee was partly calculated in reference to deployed funds. In accordance with the terms of the Investment Management Agreement once 75% of the net IPO proceeds were deployed (achieved in December 2021), the annual fee is calculated based on the Net Asset Value of the Company.

The Company's OCR is 1.94% (31 March 2022: 1.38%). The primary factor contributing to the increase is the management fee charge, as described above. The ongoing charge ratio has been calculated as an annualised ongoing charge (excluding non-recurring items), divided by the average Net Asset Value in the period. With the exception of the management fee, the operating expenses of the Company are predominantly fixed and predetermined. As a result, as the scale of the fund increases, the Operating Cost Ratio (OCR) is expected to decline.

Cash Dividend Cover

The Company measures dividend cover on a look through basis, by consolidating the income and operating expenses of its sole wholly owned subsidiary, TENT Holdings. The below table summarises the cash income, cash expenses and finance costs incurred by the Company and TENT Holdings in the financial year ended 31 March 2023. The cash flow statement for the Company alone does not capture the total income and expenses of the Group as the interest income, financing costs and further expenses are received and paid for by TENT Holdings.

In the year, the Company has delivered a cash dividend cover of 1.1x (2022: 0.14x). However, it is important to note that this calculation includes one-off expenditure associated with the migration to trading to the Premium Segment of the Main Market of the London Stock Exchange and excluding the impact of this exceptional one-off expenditure, the dividend cover increases to 1.2x.

The below table outlines the cash income and expenditure of the Company and its wholly owned subsidiary TENT Holdings:

	31 March 2023 £millions
Consolidated cash income	9.0
Consolidated operating Cash Expenses and Finance Costs	(3.0)

Dividends paid per Statement of Changes in Equity	5.5
Cash dividend cover	**1.1x**

Gearing and Liquidity

At the year ending 31 March 2023, the Group had cash balances of £11.2 million (31 March 2022: £17.4 million).

The Group has a committed £40 million RCF in place and intends utilise the facility to fund the commitments to the BESS Portfolio.

Environmental, Social and Governance

The Investment Manager is committed to promoting ESG when assessing investment opportunities and has been a signatory to the United Nations' Principles for Responsible Investing ("PRI") since 2019.

In addition, the Investment Manager is a certified B Corp which formalises its consideration of social and environmental impact.

We have continued to focus on our ESG impact through the TENT portfolio and during the year we enhanced the portfolio from an ESG perspective through, for example, health and safety audits conducted across the assets.

The overall TENT portfolio generated 18,965 MWh of renewable energy and avoided 27,122 tonnes of CO_2 in the year ended 31 March 2023.

The Group targets a wide range of assets that contribute to energy transition and the Investment Manager and Board believe that TENT's investments are well-aligned to the energy transition through the resulting avoided carbon. The Company also recognises the importance of continuing to reduce the emissions intensity of assets and will continue to track a pathway to Net Zero and will report on reduction in emissions intensity of the assets each year, along with continued reporting of avoided emissions. The Investment Manager, with the oversight of the Board, has also conducted extensive analysis to determine its ability to set an overarching Net Zero target, to reduce its emissions intensity in line with the accepted scientific consensus on reducing global temperature rises to 1.5°c. At this time there is currently no established methodology, or combination of methodologies, available to show the Net Zero alignment of the diversified asset base that the Company holds. The Investment Manager will continue to actively monitor this position for future reporting.

Pipeline

Sector	Pipeline £millions	% of Total Pipeline	Weighted Average Return
Distributed	55	10%	6.4%
Efficient Storage	254	47%	7.6%
Onsite Generation/Demand Reduction	236	43%	10.6%
Total	**545**	**100%**	**8.8%**

The current pipeline comprises opportunities that would deliver an average yield of 8.8%, indicating a high potential to further support the dividend cover and deliver a progressive dividend return to shareholders. The pipeline includes both debt and equity opportunities, covering a range of technologies and sectors in the Company's three thematic areas. Potential investments include BESS, onsite generation, low-carbon energy consumption, and green hydrogen.

The pipeline also includes early-stage development, mid-stage development, pre-construction projects, and operational assets. This means that the Company can use the pipeline to select a balanced set of investments to deliver attractive risk-adjusted returns to investors while also considering risk-return profiles and time horizons. By investing a small part of the portfolio in early-stage development, the Company can create value by taking projects from concept to consent, capturing a larger proportion of the project margin.

The pipeline includes several joint venture opportunities, outright project purchases, and alternative debt funding structures, including senior and mezzanine. This enhances the benefit of diversifying capital deployment, allowing the Company to strike the right balance of risk and return. The pipeline offers multiple types of investment opportunities, which have different implications on capital allocation and portfolio composition. By engaging in JV opportunities, the Company can share risks and rewards with other partners, while leveraging their expertise and resources. By pursuing outright project purchases, the Company can gain full ownership and control over the assets, as well as optimise their design and operation. By providing alternative debt funding structures, the Company can generate attractive returns with lower risks than equity investments.

Outlook

Energy System Transformation

The transition towards Net Zero emissions by 2050, propelled by the ambitious targets and robust policies of the UK and EU, is precipitating a profound transformation in the energy system. This shift, from centralised fossil fuel-based sources to decentralised, renewable, and flexible energy systems, creates substantial opportunities for investors well-positioned to navigate these changes.

The intermittency of renewable energy sources and increased electrification of assets presents a complex dynamic of challenges and opportunities. Balancing grid stability against the unpredictability of energy supply and demand necessitates innovative solutions. The Company's diversified mandate provides a robust framework to navigate these uncertainties, mitigate risk, and tap into alternative sources of income, enhancing resilience.

Decarbonisation of buildings and transport, sectors with significant contributions to greenhouse gas emissions and energy consumption, represents a key component of this transition. Strategic investment decisions today in these sectors will shape the emissions trajectory for the coming decades.

Company Strategy

In addition to optimising the existing portfolio and maximising its value for shareholders, the long-term strategy of the Company is designed to capitalise on the opportunities presented by the energy transition as soon as additional capital is available. The unique mandate allows for investments across three thematic areas aligned with the key drivers of energy system transformation, offering potential for significant value creation.

The Company will strengthen its focus on distributed energy generation, specifically on renewable and lower-carbon assets. Emerging technologies such as green hydrogen and carbon capture are recognised for their potential, and the Company will actively assess the viability of investing in these areas.

Energy storage and its distribution form critical parts of the Company's strategy. By investing in assets like battery storage systems, the Company aims to support the increased integration of renewable energy sources into the grid, which is becoming increasingly important in the context of volatility in energy supply and demand.

The Company's commitment to onsite energy generation and lower carbon consumption underscores its dedication to driving energy transition and reducing emissions. By investing in solutions such as rooftop solar and demand reduction measures, the aim is to decrease dependence on grid connections, mitigating risks associated with grid availability and volatile power prices.

In a market environment characterised by falling power prices, the Company's diversified mandate offers a significant advantage. This approach provides insulation from single-technology risks and enables income generation from a wide range of sources. The Company is confident that its strategic focus will continue to drive shareholder value and contribute positively to the global transition to a low-carbon economy.

Jonathan Hick
TENT Fund Manager
16 June 2023

Sustainability Report

Introduction

This report provides a summary of the Group's sustainability outcomes, approach and ambition (as implemented by the Investment Manager). The report includes Environmental, Social and Governance performance, with a particular focus on how the Group's investments align with its energy transition theme. It also provides detail on the Investment Manager's credentials and resources to implement this process.

TENT's approach to sustainability is predicated on the belief that a low carbon economy and a Net Zero future can only be achieved through the adoption of transition technologies: technologies which offer decarbonised energy, support decarbonisation, or enable existing economic activity to continue whilst reducing carbon footprint, until more radical carbon-free solutions become available. As a result, ensuring carbon avoided against an appropriate counterfactual is essential to the selection of every investment.

To implement a meaningful energy transition strategy, it is also essential that assets are considered for possible unintended negative social and environmental impacts, which may undermine their energy transition benefits. Or where possible, that the opportunity to improve the ESG performance of an asset is implemented. ESG analysis is used throughout the investment process to manage this consideration, and to improve outcomes where possible.

Selecting assets for avoided carbon and energy transition alignment

For an asset to qualify as a TENT investment, it must be possible to demonstrate that its operation results in avoided carbon, relative to the expected status quo or other sensible or relevant counterfactual. There is no current industry methodology for quantifying avoided carbon. TENT approaches this challenge by ensuring transparency in our assessment and a willingness to continue to critically reflect on how these calculations are made, can be justified, and can be improved. Details of the counterfactual approach are provided in the Methodology and Principles section, Annex 1.

Data is collected during the due diligence stage of a deal to determine an estimate of avoided carbon over the lifetime of the asset, accounting where necessary for shifting counterfactuals such as a decarbonising grid. This estimate is refined throughout the deal process, and then tracked and refined further as necessary during exposure to the asset. Agreement is sought early on from the O&M or other asset manager to ensure the relevant carbon data is provided. The alignment of the asset to a recognised energy transition pathway is also assessed. In the UK, the alignment of assets to the Balanced Pathway from the Climate Change Committee's 6th Budget is assessed.

The table details how each of the operational assets contributes to the theme of energy transition, through avoided carbon or renewable energy generation.

		Lifetime avoided carbon estimation (tCO_2)[8]	Avoided carbon for reporting period (tCO_2)	Renewable Energy Generation (MWh)
CHP	Harvest	53,000	5,396	
	Glasshouse	49,000	7,900	
	Spark Steam	23,000	4,802	
Hydroelectric		186,000	8,865	18,965
BESS	Oldham	3,000	-10	
Lighting	LED project	620	158	

Data is for the year ended 31 March 2023, or from the point of acquisition, if the investment was made during the course of the year.

Managing wider ESG risk and opportunity

The Company recognises it is important to balance supporting assets which will result in avoided carbon with the potential wider impacts on environment and society. Failure to take due care could result in unintended negative impacts as a result of the investment decisions taken by the Company. ESG integration helps to manage this risk and also identify where improved practice can be implemented to drive positive outcomes for people and planet.

The Investment Manager's approach to ESG integration is to ensure it is embedded at each stage of the investment process. Each step of the investment process represents an opportunity to consider how ESG factors may influence the short and long-term success of a project.

Notes:

8 Avoided carbon for the reporting period is based on estimated energy savings from the point of investment.

Topics of assessment

While the approach to ESG must take into account the individual nature of the target asset, for example, its size and type, region, operational environment and stage of project cycle, there are common measures that can be systematically applied to calculate the longevity of an infrastructure asset's value. For responsible infrastructure investments, the following areas are considered relevant:

Environmental
We consider use, generation type, and carbon intensity of energy, along with water use and its pollution. We also look at levels of waste generated, avoided and disposed of approach to raw material sourcing and supply chain sustainability, and build in impacts on biodiversity and habitat by understanding management and protection measures. Carbon analysis is also carried out to ensure the asset will avoid emissions compared to an appropriate counterfactual.

Social
We consider the asset quality and fit with a more sustainable economy, including relevance/appropriateness to the locality. We seek reassurance of good customer and stakeholder relations, including management of land rights, accessibility, and social inclusion of access to the asset. We expect strong management and reporting of health and safety (during and after build) as well as good labour management. This includes staff wellbeing, good diversity and inclusion practices, appropriate training, and presence of fair pay, including reassurance of the absence of modern slavery.

Governance
We scrutinise management, at the level where it is most material to the success of the asset, to promote accountability and responsiveness to stakeholders by addressing issues such as Boards and senior management, pay structure, ownership and accounting practices. We also look for evidence of best practice in approaches to tax policy, management of bribery and corruption and conflicts of interest.

Climate analysis
Within initial deal scanning and on-going pre acquisition due diligence, the Investment Manager considers the implications of climate change on the long-term value of the Company. Details on the approach to date in the management of climate change are captured in our voluntary reporting under the Task Force on Climate related Financial Disclosure (TCFD) framework.

Operational ESG outcomes:

The following information provides high-level outcomes of the ESG credentials within TENT's investments.

		Environmental			Social			Governance		
		Environ-mental incidents	Health & Safety incidents (Riddor/ non-Riddor)	Workers receive living wage	Modern slavery policy in place	Local employ-ment	Apprentice-ships	H&S policy review/ Audit[9]	Gender Diversity of SPV directors (% female)	O&M contractors review/ audit
CHP Portfolio	Harvest	Non reported	Non reported	Y	Y	2	0	Y	0	n/a[10]
	Glasshouse	Non reported	Non reported	Y	Y	2	1	Y	0	n/a[10]
	Spark Steam	Non reported	Non reported	Y	Y	1	0	Y	0	n/a[10]
Hydroelectric Portfolio		0	0/0	Y	N	5[11]	0.25[11]	Y (external)	0	Y
BESS Portfolio	Oldham	0	0/4[12]	Y[13]	Y	0	0	Y	0	Y
	Gerrards Cross	0	0/0	Y[13]	Y	0	0	Y	0	Y
Lighting	LED Project	1[14]	0/2[15]	Y	Y	0	0	Y	0	n/a[16]

Operational ESG outcomes for each of the Group's investments. Reporting at the asset level unless stated otherwise.

Notes:

9 Audit reviews conducted internally unless stated otherwise
10 On-going long-term contract
11 Number reported in full time equivalent positions - the TENT O&M contracts represent circa 20% time equivalent of a 25 person workforce and 2 apprentices at the O&M level
12 Non Riddor incidents: Incorrect site discharging; fire alarm reset without incident, site lost communication briefly;

attempted site break in

[13]Refers to pay levels within the O&M

[14]Broken fluorescent tube

[15]Non Riddor incidents: Broken tube fragments falling to floor; computer monitor accidentally damaged

[16]No maintenance in contract

The portfolio is regularly reviewed for opportunities to improve these ESG credentials and look for other opportunities to create additional social or environmental opportunities or risk management. The details below provide further insight on some specific outcomes linked to particular environmental and social themes, or particular assets.

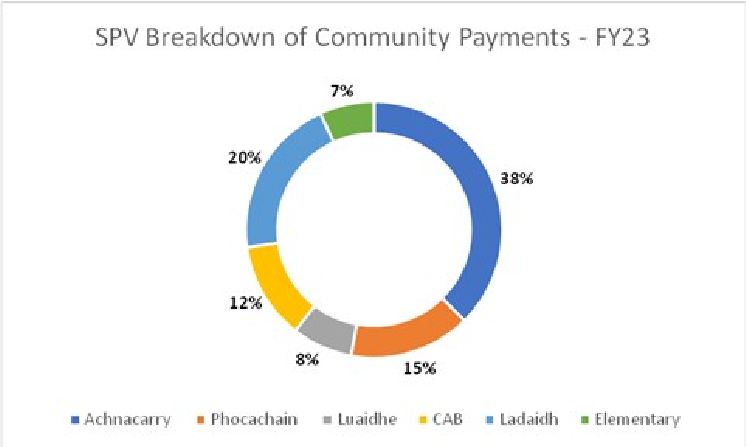
TENT is committed to the health and safety of employees, contractors and the public. Over the period, the Investment Manager has conducted a two-tiered audit process to assess the Hydroelectric Portfolio. The first step consisted of a site visit by the technical adviser whereby some observations and recommendations were highlighted. The second step involved a desktop review by a specialised health and safety consultancy who confirmed that the observations had been recognised by the O&M service and were already progressing with improvements. The consultancy concluded from the audit that there were no major concerns regarding the current O&M service and that significant assurance can be taken that there is no significant or ongoing health and safety risks. TENT will continue to arrange periodic health and safety audits and continue to monitor the progress of corrective actions. The BESS, CHP and LED portfolios continue to report on health and safety requirements as per the reporting agreements. The owners carried out internal H&S audits in the period.

Recognising the need for a responsible supply chain in BESS

BESS assets have an important role to providing much-needed resiliency to an ever more renewable grid. Despite this positive impact, there are potential ESG risks, in particular, within the supply chain of BESS assets, that the Investment Manager has aimed to mitigate: human rights issues may exist within mineral supply chains, embodied emissions are significant, and circular end-of-life options for the assets are not well established. To minimise the risk of human rights issues in the supply chain, agreements are in place at the Gerrards Cross site to ensure that the EPC contractor conducts appropriate supply chain due diligence to establish supply chain transparency compliance with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals. Additionally, all battery cells in use avoid the use of the riskiest mineral, cobalt. This transparency, combined with waste and emissions data collection for the construction phase of the assets, will be used to refine a lifecycle carbon assessment of the assets, to identify emissions hotspots and reduce embodied emissions for future projects. The Facility Agreement with the borrower further includes an interest rate reduction in the period where cells are disposed of, to fund responsible recycling.

Widening the value of the Hydroelectric Portfolio to benefit local communities

The Hydroelectric Portfolio contributes to local communities with payments averaging around £42,000 per year. These funds are used to support community projects including teaching Gaelic in primary schools, community woodlands preservation, heritage societies, village upkeep such as updating fire alarms systems and roof repairs. One particular community has used the contribution to provide grants to students attending tertiary education who would otherwise struggle with considerable travel costs from living in a remote location.



Investment Manager's credentials and approach

The Investment Manager is a purpose-led investor, committed to responsible investment and aligning the funds it manages to sustainability themes.

TPIM became signatories to the PRI in 2019 and will receive their first public star rating in November 2023. The Investment Manager is also B Corp certified since December 2022 with a score of 97.6.

Responsibility for the ESG integration strategy sits with the Head of Sustainability. There are a number of oversight functions in place to ensure the effective implementation of ESG by investment teams with the support of the Sustainability Team.

The Investment Manager operates a Sustainability Group which consists of senior partners and managers from across the Investment Manager. This group meets monthly to discuss sustainability initiatives. The Sustainability Group is chaired by TPIM's Co-Managing Partner; and both Managing Partners sit on the group. The Sustainable Investment Subgroup (SISG) reports to the Sustainability Group. The SISG consists of senior investment team members from across the Investment Manager. This SISG meets every eight weeks to share best practice, latest industry activity and ESG ideas from across the business. It can also be called to review an investment opportunity for critical debate should it present a complex sustainability profile.

During the reporting period, one investment opportunity was presented to the SISG to discuss more complex sustainability and responsible investment themes associated with the opportunity. Based on this review process, the deal was supported and ultimately progressed to funding.

The Sustainability Team conducts an annual ESG monitoring programme to assess the effectiveness of ESG integration for TENT. The ESG integration policy is reviewed, including opportunities for development and evolution. The findings of this audit are presented to the Sustainability Group for discussion and further action if appropriate and is also reported to the TENT Board.

The Sustainability Team are also subject to quarterly risk reviews by the risk team, and any identified sustainability risks are recorded on the TPIM risk register and on TENT's risk register where relevant, which are both reviewed quarterly by the Investment Manager's Risk Committee. The Head of Sustainability also sits on the Risk Committee to ensure that the Investment Manager's outlook for risk appropriately considers sustainability issues.

The Board is actively engaged in discussion in relation to sustainability risks and opportunities facing portfolio companies and assets, through information provided by the investment team and sustainability team, including deep dives into sustainability integration, engagement, target setting and performance.

For further details on Investment Manager Governance processes please refer to page 63 of the Annual Report.

The transparency of TENT's sustainability activities is an important aspect of the Investment Manager's commitment. The data provided reflects avoided carbon and alignment to the energy transition theme and disclosures in line with a number of external frameworks and regulations. TENT is not currently required to report against any of these frameworks, however the Investment Manager and Board recognise the importance of structured and comparable sustainability information for the Group and as such follows a range of reporting frameworks. These frameworks have their limitations and challenges in interpretation and the Investment Manager looks to implement a value-adding approach to TENT which is not driven solely by frameworks.

Framework based reporting

Respecting latest reporting requirements and to demonstrate clearly how the Company and the Investment Manager align with relevant frameworks, the Annual Report provides reporting according to the following:

I. Intended approach to Sustainable Disclosure Regulation (SDR)
II. Principles for Responsible Investments (PRI)
III. UN Sustainable Development Goals (SDGs)
IV. Sustainable Financial Disclosure Regulation (SFDR)
V. Task Force on Climate-related Financial Disclosure (TCFD)

Section 172(1) Statement

The Board is committed to promoting the long-term success of the Company whilst conducting business in a fair, ethical, and transparent manner.

The Board makes every effort to understand the views of the Company's key stakeholders and to take into consideration these views as part of its decision-making process. Our key stakeholders are our shareholders, the Investment Manager, our service providers, the asset-level service counterparties, the investee companies/borrowers and our lenders. Information on our stakeholder engagement, including how the Board keeps itself informed about stakeholder's views and how we take their views into account in decision-making, can be found on pages 74 to 75 of the Annual Report.

The majority of the key stakeholder groups interface with the Company primarily through the Investment Manager. The Investment Manager is responsible for communicating stakeholder concerns to the Board, such that they can input on actions as required.

As an investment company, the Company does not have any employees and conducts its core activities through third-party service providers. The Board seeks to ensure each service provider has an established track record and is required to have in place suitable policies and procedures to ensure they maintain high standards of business conduct, treat shareholders fairly, and employ corporate governance best practice.

The following disclosure describes how the Directors have had regard to the matters set out in section 172(1) (a) to (f) when performing their duty under s172 and forms the Directors' statement required under section 414CZA of the Act.

The likely consequence of any decision in the long term The nature of our business means that the Board have to consider the long-term impact of their decisions, given that the Company's investments are generally held for the long term. The Board hold a strategy day annually, which allows for the effectiveness of past decisions to be assessed and to consider the actions of the Company going forward.	Please refer to the Investment Objectives and business model on pages 20 to 24

The interests of the Company's employees As a closed-ended investment company, the Company does not have any employees but maintains close working relationships with the Investment Manager and Administrator.	Please refer to stakeholder engagement section on pages 74 to 75
The need to foster the Company's business relationships with suppliers, customers and others The Company's primary suppliers are our service providers, principally the Investment Manager and Administrator. The Board engages regularly with both, as well as at its Board meetings.	Please refer to stakeholder engagement section on pages 74 to 75
The impact of the Company's operations on the community and the environment Having a positive environmental impact is central to the Company's operations, given that its strategy is to invest in assets, support the transition to a lower carbon economy, and help the UK achieve Net Zero.	Please refer to the sustainability report on pages 50 to 54
The desirability of the Company maintaining a reputation for high standards of business conduct The Directors have a duty to promote the success of the Company for the benefit of shareholders. As such they are dedicated to ensuring the maintenance of high standards of business conduct and corporate governance.	Please refer to page 88 of the Corporate Governance Statement
The need to act fairly as between members of the Company The Board actively engages with shareholders and considers their interests when setting the Company's strategy.	Please refer to stakeholder engagement section on pages 74 to 75

Principal Decisions

Principal decisions have been defined as those that have a material impact to the Group and its key stakeholders. In taking these decisions, the Directors considered their duties under section 172 of the Act. Below we provide describe some of the principal decisions made by the Board in the year and demonstrate how the Board took account of stakeholders' interest in making those decisions.

Migration to the Premium Segment of the Main Market of the London Stock Exchange

With effect from 28 October 2022, the Company migrated the trading of its shares to the Premium Segment of the Main Market of the London Stock Exchange and listed on the FCA's Official List. In its decision making process, the Board considered the associated costs of the migration and the expected benefits. The Company's shareholders, were the key stakeholder impacted by this decision and the Board gave due consideration to their interests, concluding that it was in the best interests of the Company and its shareholders, as it would provide the opportunity to increase the diversity of the shareholder base and improve liquidity of the Company's shares.

Net Zero planning

During the year the Board had multiple discussions regarding sustainability and has held workshops with the Investment Manager and the Carbon Trust to discuss the approach to Net Zero planning and setting targets. In considering Net Zero planning, the Board considered the interests of shareholders and also the Investee Companies and Borrowers in which the Group has invested. The decisions made by the Board in respect to Net Zero planning will directly impact the Investee Companies and Borrowers. The Investment Manager has been continuously engaged with those key stakeholders to support them in providing data and reporting required by the Company. Further the Board recognises the ever growing importance of sustainability to its shareholders and therefore considers tracking progress towards Net Zero to be aligned with shareholder interests.

Risk appetite

The Board has an established risk appetite, which was updated during the year, to reflect the updated Investment Policy and to better align the categories with those in the risk register. In updating the risk appetite, the Board considered the interests of the shareholders, the Investment Manager and the lenders. The intention of the risk appetite is to provide guidance to the Investment Manager on what level of risk the Board are comfortable taking, in the pursuit of achieving the Company's Investment Objective. The risk appetite provides an effective way for the Board to monitor the Investment Manager's activity and ensures that the interests of the shareholders are appropriately protected.

Stakeholder Engagement

Stakeholder	Shareholders
Why is it important to engage?	Shareholders and their continued support are critical to the continuing existence of the business and delivery of our long-term strategy.
How have the Investment Manager/Directors engaged?	The way in which we engage with our shareholders is set out on page 97 of the Corporate Governance Report. During the year, the Investment Manager met with the majority of existing shareholders as well as prospective investors. The Chair and the Senior Independent Director met with a number of shareholders following publication of the Company's interim results for the period ended 30 September 2022.
What were the key topics of engagement?	The key topics of discussion included: deployment of capital, frequency of communications with shareholders, the Company's share price discount to NAV, the change of the Company's name and Investment Policy.
What was the feedback obtained and/or the outcome of the engagement?	A key piece of feedback received, was that the Company did not communicate regularly enough, about the progress of the underlying assets in the portfolio, with the market through RNS announcements and other channels. Following due consideration, the Board approved the publication of the Company's

	unaudited NAV and portfolio update on a quarterly basis.

Stakeholder	Investment Manager
Why is it important to engage?	The Investment Manager is responsible for executing the Investment Objective within the Investment Policy of the Company.
How have the Investment Manager/Directors engaged?	The Board maintains regular and open dialogue with the Investment Manager at Board meetings and has regular contact on operational and investment matters outside of meetings. The Management Engagement Committee is responsible for conducting periodic reviews of the Investment Manager.
What were the key topics of engagement?	A key topic of conversation during the year revolved around the Company's share price discount to NAV and the development of a strategy to reduce the discount.
What was the feedback obtained and/or the outcome of the engagement?	In developing a strategy to manage the Company's share price discount to NAV, it was decided to change the Company's name and investment policy to better reflect the nature of the current portfolio of investments and offer a greater number of opportunities for investment in the future. Following this change, the Investment Manager has been heavily engaged with shareholders and prospective investors to promote the Company.

Stakeholder	Service Providers
Why is it important to engage?	As an externally managed Company, we are reliant on our service providers to conduct our core activities. We believe that fostering constructive and collaborative relationships with our service providers will assist in the promotion of the success of the Company.
How have the Investment Manager/Directors engaged?	The Board maintains regular contact with its service providers, both through Board and Committee meetings, as well as outside the regular meeting cycle. The Management Engagement Committee is responsible for conducting periodic reviews of service providers.
What were the key topics of engagement?	In discussion with the Investment Manager, the Board considered the appointment of a new broker.
What was the feedback obtained and/or the outcome of the engagement?	On 24 June 2022, the Company announced the appointment of J.P. Morgan Cazenove as its sole broker. Since their appointment, J.P. Morgan Cazenove have been highly engaged with shareholders and the Company have undertaken several activities in an attempt to reduce the Company's share price discount to NAV.

Stakeholder	Asset-level service counterparties
Why is it important to engage?	Asset-level counterparties are an essential stakeholder group and engagement with them is important to ensure assets are operating safely and effectively.
How have the Investment Manager/Directors engaged?	The Investment Manager has developed strong working relationships with the asset-level counterparties and has regular communication with them to ensure the assets are being managed appropriately.
What were the key topics of engagement?	During the year, the O&M contracts for the Hydroelectric Portfolio were renegotiated.
What was the feedback obtained and/or the outcome of the engagement?	The renegotiated contracts ensure that fair working mechanisms between the operator and the owner are embedded in the contract, as well as providing visibility and business continuity to the operator who has since hired more personnel.

Stakeholder	Investee Companies/Borrowers
Why is it important to engage?	Investee companies and borrowers are companies in which TENT Holdings has invested either by debt or equity. They are an essential stakeholder and engagement with them, particularly the individuals responsible for their operations, is important to ensure the maintenance and performance of each investee company.
How have the Investment Manager/Directors engaged?	The Investment Manager holds Board positions on the Hydroelectric Portfolio. Each investee company and borrower have certain reporting obligations to the Group.
What were the key topics of engagement?	The Investment Manager engaged with the boards and senior management of the investee companies to discuss the relationship going forward, including frequency of reporting.
What was the feedback obtained	During the year the Investment Manager has renegotiated the reporting

and/or the outcome of the engagement?	requirements and information disclosure with the Hydroelectric Portfolio O&M contractors and the borrowers, specifically requiring reporting on ESG KPIs .

Stakeholder	**Lenders**
Why is it important to engage?	The lenders provide an essential source of finance for the Group, allowing it to pursue investment opportunities.
How have the Investment Manager/Directors engaged?	The Investment Manager provides reporting to the Lender on covenant compliance and communicates with them as required.
What were the key topics of engagement?	During the year the Group, via the Investment Manager, negotiated an extension of its existing £40 million RCF with TP Leasing Limited.
What was the feedback obtained and/or the outcome of the engagement?	The £40 million RCF was successfully extended to 28 March 2025 on advantageous terms including a very competitive annual coupon despite a rising interest rate environment.

Risk Management

The Board and the Investment Manager recognise that risk is inherent in the operation of the Company and are committed to effective risk management to ensure that shareholder value is protected and maximised.

As an externally managed investment company, the Company outsources key services to the Investment Manager and other service providers and relies on their systems and controls. The Board has ultimate responsibility for oversight of risk management and internal controls within the Company. The Board sets the risk appetite for the Company, and reviewed and updated it in the year. The Investment Manager presents the Company's top risks, changes since the previous quarter, risks outside of appetite and emerging risks to the Board on a quarterly basis for their review. The Board assesses and challenges the effectiveness of the Investment Manager's risk management against the risk appetite and controls to manage risks within that appetite, particularly those which would threaten its business model, future performance, solvency, valuation, liquidity or reputation. Further details of the Board's activities relating to risk can be found on pages 76 to 82.

The Investment Manager has responsibility for identifying potential risks at an early stage, escalating risks or changes to risk, and relevant considerations and implementing appropriate mitigations which are recorded in the Group's risk register. Where relevant the financial model is stress tested to assess the potential impact of certain risks against the likelihood of occurrence. In assessing risks, both internal controls and external factors that could mitigate the risk are considered. A post mitigation risk score is then determined for each principal risk. The Group's detailed risk register identifying risks and controls to mitigate their potential impact and/or likelihood is maintained by the Investment Manager, and subject to an annual review by the Board.

Risk appetite

Managing risk is fundamental to the delivery of the Company's strategy, and this is achieved by defining risk appetite and managing risks within that appetite. Risk appetite is the level of risk the Company is willing to take to achieve its strategic objectives. The Board has defined its risk appetite using a category of risks inherent to the environment in which the Company operates. This enables the actual risks which are identified by the Investment Manager to be compared to the defined appetite, to identify where any additional mitigation activity is required. The Company manages its risks within the tolerance set. Any risks outside of appetite are subject to additional oversight and action planning.

The Board has reviewed the Company's appetite for each of the principal risks set out below. The Company seeks to take risk in executing its strategy and in line with its Investment Policy. The Company's risk management framework is designed to manage rather than eliminate the risk of failure to achieve objectives and breaches of risk appetite.

The Board reviews and monitors the Company's risk appetite on, at least, an annual basis to ensure that it remains appropriate and consistent with the Investment Policy.

Principal Risks and Uncertainties

The table below sets out what we believe to be the principal risks and uncertainties facing the Group. The table does not cover all of the risks that the Group may face. The Board defines the Group's risk appetite, enabling the Group, in both quantitative and qualitative terms, to judge the level of risk it is prepared to take in achieving its overall objectives. Additional risks and uncertainties not presently known to management or deemed to be less material at the date of this report may also have an adverse effect on the Group.

A risk heat map is included on page 77 of the Annual Report.

Risk Identified	Risk Description	Risk Impact	Mitigation	
Introduction of, or amendment to laws, regulations, or technology (especially in relation to climate change)	A technological or regulatory change could occur which could have the effect of rendering an investment in which the Group has invested obsolete or materially change the way in which a service or product is delivered or alter the return profile of an investment. In addition, environmental regulators may seek to impose injunctions or other sanctions on an investment's operation due to changes in laws or regulations that may have a material adverse effect on its financial condition. Carbon pricing is a particular risk.	The future legislative prohibition or tax of particular fuels (such as natural gas) or as a result of technological innovation or otherwise by changes to law and regulation that renders an investment obsolete could threaten the profitability of such an investment, in particular due to the financing projections that are dependent on an extended project life. If such a change were to occur, these assets would have very few alternative uses should they become obsolete.	As part of the Group's acquisition process, the Investment Manager conducts a thorough due diligence process on all projects that takes account of the technology, regulatory environment, potential future regulatory changes and the robustness of any Government subsidy. In particular, the Group considers how to manage the risk of carbon pricing through using carbon price forecasts and offsetting carbon cost risk to off-takers where possible. The Group monitors government guidance and is looking to build the portfolio in line with this guidance. See the Company's reporting toward TCFD on pages 62 to 71 for further detail. The Group's Investment Strategy focuses on a diverse range of assets across various energy transition sub-sectors, which reduces the impact on the Group should any such changes impact any one sector. As a result, the Group is not impacted by the recent Electricity Generation Levy.	**Post Mitigation Impact** Moderate **Post Mitigation Likelihood** Moderate to High **Change in Year** Stable
Ability to raise additional equity	Ability to raise additional equity, may limit the Group's ability to achieve its Investment Objective.	It may be difficult to raise further equity given that the share price has been trading below NAV for some time, as part of a broader market background where most other investment trusts in energy are also trading at a discount. Without sufficient funding, the Group will be unable to pursue suitable investments in line with its Investment Policy.	The Board has been closely monitoring the Company's share price discount to NAV and liquidity and is keeping options for managing the discount and liquidity under review. The Company has increased the frequency of its communications with investors, for example by publishing unaudited quarterly NAV and portfolio updates. The Company has delivered a fully covered dividend for the year ended 31 March 2023, demonstrating the quality of the portfolio to potential equity investors.	**Post Mitigation Impact** Moderate **Post Mitigation Likelihood** Moderate to High **Change in Year** Stable
Weather changes	Hydro, solar, wind or other renewable production levels may be lower than forecast or more drastic as a result of climate change	This would affect their ability to perform as well as expected, causing detriment to the revenues and Net Asset Value of the Group.	The Investment Manager is introducing optimisation projects in the Hydroelectric Portfolio; installing log barriers to expand the pooling storage of the water, so that there is a greater amount in reserve to cater for lower rain levels or to capture excess rainfall. Energy forecasts take into account predicted changes in energy resource. The Company utilises an external provider, Climate X, to analyse and quantify the risk of physical damage to its assets resulting from climate change.	**Post Mitigation Impact** Moderate **Post Mitigation Likelihood** Moderate **Change in Year** New
Investments are concentrated in a particular technology	The Group's performance may be negatively impacted if its portfolio is overly concentrated in any one technology type.	Different technologies are at risk of poor operational and financial performance in the event of mechanical breakdown, or obsolescence caused by disruptive technologies. This would affect their ability to perform as well as expected, causing detriment to the revenues and Net Asset Value of the Group.	The Group's portfolio is being built up in phases with technology exposure being monitored and a variety of technologies in its investment pipeline. The technologies that TENT invests in are proven technologies, with established operating track records. Further diversification has been achieved during the year ended 31 March 2023, with the addition of two technologies into the portfolio bringing the total to five technology types.	**Post Mitigation Impact** Moderate **Post Mitigation Likelihood** Moderate **Change in Year** Stable

Exposure to power prices and risk to hedging power prices	The Group makes investments in projects and concessions with revenue exposure to power prices. The market price of electricity is volatile and is affected by a variety of factors, including market demand for electricity, the generation mix of power plants, government support for various forms of power generation, as well as fluctuations in the market prices of commodities and foreign exchange.	Changes in market demand for electricity, including changes in consumer demand patterns, could have a material adverse effect on the Company's profitability, the Net Asset Value, the Company's earnings and returns to shareholders. To the extent that the Group enters into contracts to fix the price that it receives on the electricity generated or enters into derivatives with a view to hedging against fluctuations in power prices, the Group will be exposed to risk related to delivering an amount of electricity over a specific period. If there are periods of non-production the Group may need to pay the difference between the price it has sold the power at and the market price at that time.	The Company targets Energy Transition projects where a significant portion of revenues are set by long term contracts with an end user and/or off-taker, to mitigate the volatility of commodity prices. Alternatively, the company may invest through debt structures, with the equity sponsor taking the primary exposure to commodity prices. In addition, the Group believe that the transition to a lower carbon economy, increased usage of smart grids and residential participation in renewable energy generation should all positively impact demand levels and patterns for electricity. The Group aims to spread credit risk by putting in place PPAs with a range of different counterparties.	**Post Mitigation Impact** Moderate **Post Mitigation Likelihood** Moderate **Change in Year** Stable
The valuation of investments is subject to uncertainties	The valuation of assets is inherently subjective leading to uncertainty about how projects are valued from period to period. These uncertainties arise from project valuation assumptions and as well as macro-economic factors, such as inflation and interest rates, which feed into operating assumptions and discount rates, with higher discount rates leading to lower Net Asset Values.	Changes in values attributed to investments during each quarter may result in volatility in the Net Asset Values that the Group reports from period to period.	The Investment Manager is responsible for carrying out the fair market valuation of the Group's investments, but the Group engages external independent valuers to assess the validity of these valuations, with quarterly reviews and annual audits. Valuations are prepared using external market benchmarks and externally-sourced power market curves from reputable providers or a blend from more than one. The fair valuation of investments is calculated in accordance with IPEV (International Private Equity and Venture Capital) valuation guidelines.	**Post Mitigation Impact** Moderate **Post Mitigation Likelihood** Moderate **Change in Year** Stable
Counterparties' ability to make contractual payments	The Group's revenue derives from the investments in the portfolio, and the Group is exposed to the financial strength of the counterparties to such projects and their ability to meet their contractual payment obligations.	The failure by a counterparty to pay the contractual payments due, or the early termination of an investment due to insolvency, may materially affect the value of the portfolio and could have a material adverse effect on the performance of the Group, the Net Asset Value, the Group's earnings and returns to shareholders.	As part of the Group's acquisition process, the Investment Manager conducts a thorough due diligence process on all projects that includes a credit check on counterparties. The Investment Manager will look to build in suitable mechanisms to protect the Group's income stream from the relevant investment, which may include parent guarantees and liquidated damages payments on termination. Following asset acquisitions, the Investment Manager puts in place, and follows, an ongoing management plan tailored to the specific asset. The Group's exposure to defaults may be further mitigated by contracting with counterparties who are public sector or quasi-public sector bodies or who are able to draw upon government subsidies to partly fund contractual payments.	**Post Mitigation Impact** Moderate **Post Mitigation Likelihood** Moderate **Change in Year** Stable
Target returns are not met	The Group's targeted returns are targets only, based on estimates and assumptions which are subject to significant	Generating returns which are lower than the targeted returns would probably affect the share price of the	There are regular reviews of the investment environment, competition, the pipeline, the portfolio, and future cash flow focused on the Group's returns. The Group has the flexibility to	**Post Mitigation Impact** Moderate

	uncertainties, including competitive market pricing being lower than targeted returns, and actual returns may be materially lower than targeted returns.	Company, which would affect its ability to raise further finance.	structure investments to be as competitive as possible through the overall terms of a funding solution rather than just on price. In addition, the Group's Revolving Credit Facility has given the Group access to funding with a cheaper cost of capital which should help towards achieving its target returns. The Group's average pipeline return is 9%, with a broad range of opportunities across a range of sectors, asset classes and return profiles. The ability to reinvest capital into higher returning opportunities should help towards achieving its target returns.	**Post Mitigation Likelihood** Moderate **Change in Year** Stable
Supply Chain	Increases in the costs of raw materials and shipping increase the overall supply chain costs. High demand for energy transition assets increases the length of time taken to receive key items.	Delays to delivery of key items required for the construction of energy transition assets can result in delays to projects being funded by the Group, therefore impacting returns.	Long lead time items, such as with BESS assets, are typically secured through deposit payments, with penalties for delays passed onto to contractual counterparties, therefore limiting the impact on the Group. Alternative methods for sourcing raw materials are being developed, which will ease supply chain pressures over time. With the exception of the BESS Portfolio, this risk has a limited impact on the remainder of the portfolio given the operational nature of assets. Spare parts strategies have been established to limit the impact of supply chain issues for each of the respective investments.	**Post Mitigation Impact** Moderate **Post Mitigation Likelihood** Moderate **Change in Year** New
Ability to raise debt on acceptable terms	Ability to raise debt on acceptable terms, may limit the Group's ability to deliver the target returns and dividend coverage.	Should debt not be available at the terms assumed in the financial model, TENT may be unable to meet the total NAV return target and/or reduce dividend cover.	The Company, through its wholly owned subsidiary, TENT Holdings, successfully extended its existing £40 million RCF to 28 March 2025 on acceptable terms. This provides funding for the Group to invest into the BESS Portfolio and allow it to reinvest the capital recycled into and attractive pipeline of opportunities above the current blended return of the portfolio. .	**Post Mitigation Impact** Moderate to High **Post Mitigation Likelihood** Low to Moderate **Change in Year** Decrease
Reliance on the Investment Manager	The Group relies on the Investment Manager's services and its reputation in the energy and infrastructure market. As a result, the Group's performance will, to a large extent, depend on the Investment Manager's abilities in the energy transition market.	The performance of the Group depends, in part, on the ability of the Investment Manager to provide competent and efficient services to the Group. The departure of any of the key personnel of the Investment Manager without adequate replacement may also have a material adverse effect on the Group's performance. In addition, if any such personnel were to do anything or were alleged to have done something that may be the subject of public criticism or other negative publicity or may lead to investigation, litigation	Unless there is a default, either party may terminate the Investment Management Agreement by giving not less than 12 months' written notice, such notice not being served before the fourth anniversary of the date of Admission (which was October 2020). The Board regularly reviews and monitors the Investment Manager's performance. In addition, the Board meets regularly with the Investment Manager to ensure that we maintain a positive working relationship. The key personnel of the Investment Manager are subject to a six-month notice period which would provide sufficient time for the Investment Manager to find a suitable replacement with relevant industry experience.	**Post Mitigation Impact** Moderate to High **Post Mitigation Likelihood** Low to Moderate **Change in Year** Decrease

		or sanction, this may have an adverse impact on the Group and its reputation by association. Termination of the Investment Management Agreement would severely affect the Group's ability to effectively manage its operations and may have a negative impact on the share price of the Company.		

Since the last Annual Report, the following risks have been removed from the Principal Risks table:

- Significant abortive costs in terms of financial cost and time
- Geopolitical

Each of these risks are still being actively managed through our risk management process.

The risk of ability to raise additional finance has been broken out into ability to raise debt on acceptable terms and ability to raise additional equity.

Emerging risks

Emerging risks are characterised by a degree of uncertainty and the Investment Manager and the Board consider new and emerging risks every six months, the risk register is then updated to include these considerations.

The Board have recognised climate change as a risk since fund inception and where known risks have been identified, and considered material they enter the risk register, and in some cases the principal risk register, as is the case, for example, with carbon pricing and weather effects. Our inclusion of climate change in emerging risks is recognition of the continued uncertainty which exists on the severity of physical climate change and the scale and nature of political action to counter it.

Climate Change Scientific knowledge continues to develop and the latest Intergovernmental Panel on Climate Change's (IPCC) sixth assessment report, published in March 2023, confirmed that latest data indicates remaining within a 1.5 degree world is unlikely to be achievable, and that staying within a 4 degree world is the more realistic target still requiring urgent and significant action to be achieved. In the face of this latest insight, we see increasing risk of laws and/or regulation being introduced with the purpose of driving a transition to lower carbon emissions which may impact a given asset's activities. Assets are also at increased risk from physical climate risks resulting from the more turbulent and unpredictable weather and environmental conditions, caused by a warming climate.

Transition Risks The risk that results from changing policies, practices and technologies that arise as countries and societies work to decrease their reliance on carbon. In the near and medium term, transition risks to portfolio investments may arise from any unexpected changes to existing government policies. This could have a negative impact on the valuation of the Group's portfolio. For the top-rated transition risks please refer back to the progress report under the Task Force on Climate-related Financial Disclosure framework.

Physical Effects of Climate Change While efforts to mitigate climate change continue to progress, the physical impacts are already emerging in the form of changing weather patterns. For example, 2022 saw both heatwaves and flash flooding throughout the UK and Europe. We assess for ten major extreme weather events: flooding (river, coastal, surface) subsidence, landslides, coastal erosion, heat stress, storm, droughts, wildfires, which may potentially impair the operations of existing and future portfolio companies at certain locations or impacting locations of companies within their supply chain. The investment manager now uses a specialist external data platform to identify predicted physical risk exposure (ten major physical risks) for TENT's investments, or future prospective assets, in a <1.5- and 3-degree warming environment. For the top-rated physical risks please refer back to the progress report under the Task Force on Climate-related Financial Disclosure framework.

Going Concern and Viability Statement

Going Concern

The Directors have adopted the going concern basis in preparing the Annual Report for the year ended 31 March 2023. In reaching this conclusion, the Directors have considered the liquidity of the Company's portfolio of investments as well as its cash position, income and expenditure commitments, until September 2024.

The Group's business activities, together with the factors likely to affect its future development, performance and position, are set out in the Investment Manager's Report. The Group faces a number of risks and uncertainties, as set out in the Strategic Report. The financial risk management objectives and policies of the Group, including exposure to credit risk, price risk and market risk are disclosed in Note 17 to the financial statements.

The Group continues to meet day to day liquidity needs through its cash resources.

As at 31 March 2023, the Company had net assets of £99.4 million including cash balances of £9.3 million.

The Company's sole wholly owned subsidiary, TENT Holdings, has a £40 million RCF which is undrawn and a £2 million cash balance which, on a Group basis, offer sufficient cashflow to meet the Company's obligations, including investment commitments of £44.4 million, as they fall due. The covenants on the RCF are limited to gearing and interest cover and the Group is expecting to comply with these covenants on drawdown and in future periods. The Company acknowledges the current trend of rising interest rates, and while the Group's Revolving Credit Facility (RCF) interest rate is fixed until March 2025, there is a possibility of future increases. As part of the assessment of its ongoing operations and viability, the Group has analysed the potential impact of such a scenario. The findings indicate that the Company would continue to operate as a going concern and maintain ample liquidity.

The Group's investment portfolio consists of fixed-rate debt investments, with most of these investments having contractual maturities between 2031 and 2035. Additionally, the Group has the Hydroelectric Portfolio, which is fully operational and has an economic lifespan of over thirty years. As a result, the Group benefits from long-term contractual cash flows and a set of risks that can be identified and assessed. The loan investments contribute a fixed return, and the Hydroelectric Portfolio benefits from upward only RPI linked revenue flow under a UK government scheme. The Hydroelectric Portfolio also benefits from fixed price PPAs, with institutional counterparties, for the next financial year. Forecast revenues thereafter are subject to wholesale power prices, the levels of which are based upon qualified independent forecasts.

The Group's cash outflows encompass operational expenses, debt servicing, dividend payments, and costs associated with acquiring new assets. These outflows are anticipated to be covered by the Group's current cash reserves and cash generated from its operations. The Company actively monitors its cash obligations on a regular basis to ensure it maintains adequate liquidity.

The war in Ukraine continues into 2023 and the impact of sanctions placed on Russia aimed to weaken the Russian economy have had considerable impact on its affiliated countries during the year. Although sanctions are a foreign policy tool deployed in several contexts, the coordinated sanctions on Russia are significant to the global economy due to the size of the Russian economy. The Company does not have any direct exposure to Russia and no assets located in nearby jurisdictions, however we, the Company, continues to monitor the macroeconomic consequences on the investment portfolio closely, including energy price volatility, increase risk of political intervention to regulate prices, change in inflation, taxes and further sanctions. The Directors do not consider that the effects of the conflict have created a material uncertainty over the assessment of the Company as a going concern.

On the basis of this review, and after making due enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for at least 12 months from the date of approval of this report. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Viability Statement

The Directors have assessed the viability of the Group over a five-year period to March 2028.

In making this statement the Directors have considered the resilience of the Group, taking account of its current position, the principal risks facing the business (especially the level of future energy prices and our counterparties' ability to make contractual payments), in severe but plausible downside scenarios and the effectiveness of any mitigating actions.

The Directors have determined that the five-year period to March 2028 is an appropriate period over which to provide this viability statement as this period accords with the Group's business planning exercises and is appropriate for the investments owned by the Group. The Group's risk management processes, described in the Risk Management section, consider the key risks during this five-year period and beyond. These include sustainability-related risks that take into account ESG considerations, including the physical and transition risks of climate change (in line with the recommendations of the Task Force on Climate-related Financial Disclosures ("TCFD")).

The viability analysis has been prepared on the assumption that the Groups investments comprising fixed rate debt investments and a portfolio of hydroelectric assets which are fully operational with economic lives well in excess of the period being considered. As a result, the Group benefits from long-term cash flows and a set of risks that can be identified and assessed. Over the next five years, the loan investments contribute a fixed return, and the Hydroelectric Portfolio contributes returns based on its upward only RPI linked revenue flow under a UK government arrangement. The Hydroelectric Portfolio also benefits from fixed price PPAs, with institutional counterparties, for the next year. Forecast revenues thereafter are subject to wholesale power prices whose levels are based upon qualified independent forecasts. The projects are each supported by detailed financial models.

The Directors believe that portfolio diversification of asset classes across the energy transition landscape with fixed rate debt in multiple technologies and equity investments in hydroelectric assets helps to withstand and mitigate risks it is most likely to meet.

The Investment Manager prepares and considers, and the Board reviews, summary cash flow projections bi-annually as part of management reporting, business planning and dividend approval processes. The projections consider cash balances, key covenants and limits, dividend cover, investment policy compliance and other key financial indicators over the five-year period.

These projections are based on the Investment Manager's expectations of future asset performance, income and costs, and are consistent with the methodology applied to produce the valuation of the investments.

In the viability assessment, the Company has thoroughly evaluated its capacity to sustain operations in various challenging scenarios. These scenarios include a potential decrease in income and an increase in Group expenditure, higher interest rates and even an extreme scenario involving a substantial valuation write-down. The assessment has confirmed that both the Company and the Group would remain viable, fulfilling all obligations, while also maintaining adequate liquidity and (except in the extreme scenario where a waiver would be necessary) meeting the covenant conditions associated with the RCF.

The Directors continue to encourage the Investment Manager to ensure that the portfolio of investments is able to operate as effectively as possible. The Investment Manager has performed downside risk scenario planning encompassing a range of potential outcomes including a breakeven scenario where the model is stressed to failure, illustrating a highly unlikely outcome. The other downside scenarios demonstrate that whilst profitability may be adversely affected, the Company and its investments are expected to remain viable.

Based on this review, the Directors confirm that they have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the five-year period to March 2028.

Board Approval of the Strategic Report

The Strategic Report has been approved by the Board of Directors and signed on its behalf by the Chair.

John Roberts
Chair
16 June 2023

Financial Statements

Income Statement
For the year ended 31 March 2023

		Year Ended 31 March 2023			Year Ended 31 March 2022		
	Note	Revenue	Capital	Total	Revenue	Capital	Total
		£'000	*£'000*	*£'000*	*£'000*	*£'000*	*£'000*
Investment income	5	7,282	-	7,282	2,451	-	2,451
Profit arising on the revaluation of investments at the year end		-	4,017	4,017	-	3,634	3,634
Investment return		**7,282**	**4,017**	**11,299**	**2,451**	**3,634**	**6,085**
Investment management fees	4	662	221	883	327	109	436
Other expenses	6	1,581	22	1,603	867	21	888
		2,243	243	2,486	1,194	130	1,324
Profit before taxation		**5,039**	**3,774**	**8,813**	**1,257**	**3,504**	**4,761**
Taxation	8	-	-	-	-	-	-
Profit Loss after taxation		**5,039**	**3,774**	**8,813**	**1,257**	**3,504**	**4,761**
Other comprehensive income					-	-	-
Total comprehensive income		**5,039**	**3,774**	**8,813**	**1,257**	**3,504**	**4,761**
Basic & diluted earnings per share (pence)	9	5.04p	3.78p	8.81p	1.26p	3.50p	4.76p

The total column of this statement is the Income Statement of the Company prepared in accordance with the requirements of the Act and in accordance with the UK adopted international accounting standards. The supplementary revenue return and capital columns have been prepared in accordance with the Association of Investment Companies Statement of Recommended Practice (AIC SORP).

All revenue and capital items in the above statement derive from continuing operations.

This Income Statement includes all recognised gains and losses.

The accompanying Notes are an integral part of this statement.

Balance Sheet
at 31 March 2023
Company Number: 12693305

	Note	31 March 2023 £'000	31 March 2022 £'000
Non-current assets			
Investments at fair value through profit or loss	12	90,060	78,952
Current assets			
Trade and other receivables	13	374	453
Cash and cash equivalents		9,257	17,144
		9,631	17,597
Total assets		99,691	96,549
Current liabilities			
Trade and other payables	14	(242)	(412)
		(242)	(412)
Net assets		**99,449**	**96,137**
Equity attributable to equity holders			
Share capital	15	1,000	1,000
Share premium		13	13
Special distributable reserve		91,037	91,444
Capital reserve		7,093	3,319
Revenue reserve		306	361
Total equity		**99,449**	**96,137**
Shareholders' funds			
Net asset value per Ordinary Share (pence)	11	99.44p	96.12p

The statements were approved by the Directors and authorised for issue on 19 June 2023 and are signed on behalf of the Board by:

Dr John Roberts
Chair
16 June 2023

The accompanying Notes are an integral part of this statement.

Statement of Changes in Shareholders' Equity
For the year ended 31 March 2023

	Note	Issued Capital £'000	Share Premium £'000	Special Distributable Reserve £'000	Capital Reserve £'000	Revenue Reserve £'000	Total £'000
For year ended 31 March 2023							
Opening balance		**1,000**	**13**	**91,444**	**3,319**	**361**	**96,137**
Issue of share capital	15	-		-	-	-	-
Total comprehensive income for the year		-	-	-	3,774	5,039	8,813
Dividends Paid	10	-	-	(407)	-	(5,094)	(5,501)
Balance at 31 March 2023		**1,000**	**13**	**91,037**	**7,093**	**306**	**99,449**

	Note	Issued Capital £'000	Share Premium £'000	Special Distributable Reserve £'000	Capital Reserve £'000	Revenue Reserve £'000	Total £'000
For year ended 31 March 2022							
Opening balance		**1,000**	**-**	**97,009**	**(185)**	**(336)**	**97,488**

Issue of share capital	15	-	13	-	-	-	13
Total comprehensive income for the year		-	-	-	3,504	1,257	4,761
Dividends Paid	10	-	-	(5,565)	-	(560)	(6,125)
Balance at 31 March 2022		**1,000**	**13**	**91,444**	**3,319**	**361**	**96,137**

The capital reserve represents the proportion of Investment Management fees and other expenses, where applicable, charged against capital and realised/unrealised gains or losses on the disposal/revaluation of investments. The unrealised element of the capital reserve is not distributable. The special distributable reserve was created on court cancellation of the share premium account. The revenue, special distributable and realised capital reserves are distributable by way of dividend and total £91.0 million (31 March 2022: £91.6 million).

The accompanying Notes are an integral part of this statement.

Statement of Cash Flows
For the year ended 31 March 2023

	Note	Year ended 31 March 2023 *£'000*	Year ended 31 March 2022 *£'000*
Cash flows from operating activities			
Profit before taxation		8,813	4,761
Gain on revaluation of investments held at fair value through profit or loss	12	(4,017)	(3,634)
Cash flows from operations		4,796	1,127
Interest income	5	(3,402)	(2,451)
Interest received		2,541	1,646
Decrease in receivables	13	(57)	34
Increase / (Decrease) in payables	14	(170)	263
Net cash flows from operating activities		3,708	619
Cash flows from investing activities			
Purchase of financial assets at fair value through profit or loss	12	(9,433)	(56,019)
Loan principal repaid	12	3,339	2,103
Net cash flows used in investing activities		(6,094)	(53,916)
Cash flows used in financing activities			
Issue of shares	15	-	13
Dividends paid		(5,501)	(6,125)
Net cash flows from financing activities		(5,501)	(6,112)
Net decrease in cash and cash equivalents		(7,887)	(59,409)
Reconciliation of net cash flow to movements in cash and cash equivalents			
Cash and cash equivalents at beginning of year		17,144	76,553
Net decrease in cash and cash equivalents		(7,887)	(59,409)
Cash and cash equivalents at end of year		**9,257**	**17,144**

The accompanying Notes are an integral part of this statement.

Notes to the Financial Statements

1. Corporate Information

The Company is incorporated and domiciled in the United Kingdom and registered in England and Wales under number 12693305 pursuant to the Act. The address of its registered office, which is also its principal place of business, is 1 King William Street, London EC4N 7AF.

On 28 October 2022, the ordinary shares of the Company were admitted to the premium listing segment of the Official List of the Financial Conduct Authority and were admitted to the Premium Segment of the Main Market of the London Stock Exchange. Prior to which, with effect from IPO, the Company's ordinary shares traded on the Specialist Fund Segment of the Main Market of the London Stock Exchange.

The financial statements comprise only the results of the Company, as its investment in TENT Holdings is included at fair value through profit or loss as detailed in the key accounting policies below.

The Company has appointed Triple Point Investment Management LLP as its Investment Manager (the "Investment Manager") pursuant to the Investment Management Agreement dated 25 August 2020. The Investment Manager is registered in England and Wales under number OC321250 pursuant to the Act. The Investment Manager is regulated by the FCA, number 456597.

The Company intends to achieve its Investment Objective by investing in a diversified portfolio of energy transition investments mostly in the United Kingdom. The Company, through TENT Holdings, will invest in a range of energy transition assets which will contribute, or are already contributing, to energy transition.

2. Significant accounting policies

Basis of Preparation

The financial statements, which aim to give a true and fair view, have been prepared in accordance with UK-adopted international accounting standards and the applicable legal requirements of the Companies Act 2006.

The Company prepares its financial statements in compliance with UK-adopted International Accounting Standards.

The financial statements have been prepared in accordance with the guidelines outlined in the Statement of Recommended Practice: Financial Statements of Investment Trust Companies and Venture Capital Trusts ("SORP") issued by the Association of Investment Companies ("AIC") in April 2021. This ensures that the financial statements are relevant and applicable to the Company.

In line with the SORP, supplementary information has been provided to analyse the Statement of Comprehensive Income and distinguish between items of a revenue and capital nature. This supplementary information is presented alongside the total Statement of Comprehensive Income, allowing for a comprehensive understanding of the Company's financial performance and the breakdown between revenue and capital activities.

The financial statements are prepared on the historical cost basis, except for revaluation of certain financial investments at fair value through profit or loss. The principal accounting policies adopted are set out below and consistently applied, subject to changes in accordance with any amendments in IFRS.

The Company regularly reviews estimates and underlying. Any revisions to accounting estimates are recognised in the period in which the estimates are revised and in future periods affected. The significant estimates, judgements, or assumptions made during the period are detailed on pages 137 to 138.

Basis of Consolidation

The sole objective of the Company, through its subsidiary TENT Holdings, is to make investments, via individual corporate entities. The Company typically will subscribe for equity in or issue loans to TENT Holdings in order for it to finance its investments.

The Directors have concluded that in accordance with IFRS 10, the Company meets the definition of an investment entity having evaluated the criteria that needs to be met (see below). Under IFRS 10, investment entities are required to hold subsidiaries at fair value through the Income Statement rather than consolidate them on a line-by-line basis, meaning TENT Holdings' cash, debt and working capital balances are included in the fair value of the investment rather than in the Company's assets and liabilities. However, in substance, TENT Holdings is investing the funds of the investors of the Company on its behalf and is effectively performing investment management services on behalf of many unrelated beneficiary investors. TENT Holdings Limited meets the criteria to be classified as an independent investment entity in accordance with IFRS 10, thereby meeting the criteria of exemption from consolidating its subsidiaries. The Company therefore does not consolidate its Subsidiaries.

Characteristics of an investment entity

There are three key conditions to be met by the Company for it to meet the definition of an investment entity. For each reporting period, the Directors will continue to assess whether the Company continues to meet these conditions:

1. It obtains funds from one or more investors for the purpose of providing these investors with professional investment management services;

2. It commits to its investors that its business purpose is to invest its funds solely for returns (including having an exit strategy for investments) from capital appreciation, investment income or both; and

3. It measures and evaluates the performance of substantially all its investments on a fair value basis.

In satisfying the second criteria, the notion of an investment time frame is critical. An investment entity should not hold its investments indefinitely but should have an exit strategy for their realisation. The Company intends to hold its investments through TENT Holdings for the remainder of their useful life to preserve the capital value of the portfolio. However, as the energy transition assets are expected to have no residual value after their life, the Directors consider that this demonstrates a clear exit strategy from these investments.

Subsidiaries are therefore measured at fair value through profit or loss, in accordance with IFRS 13 "Fair Value Measurement", IFRS 10 "Consolidated Financial Statements" and IFRS 9 "Financial Instruments".

The Directors believe the treatment outlined above provides the most relevant information to investors.

Going Concern

The Directors have adopted the going concern basis in preparing the Annual Report for the year ended 31 March 2023. In reaching this conclusion, the Directors have considered the liquidity of the Company's portfolio of investments as well as its cash position, income and expenditure commitments, until September 2024.

The Group's business activities, together with the factors likely to affect its future development, performance and position, are set out in the Investment Manager's Report. The Group faces a number of risks and uncertainties, as set out in the Strategic Report. The financial risk management objectives and policies of the Group, including exposure to credit risk, price risk and market risk are disclosed in Note 17 to the financial statements.

The Group continues to meet day to day liquidity needs through its cash resources.

As at 31 March 2023, the Company had net assets of £99.4 million including cash balances of £9.3 million. The Company's sole wholly owned subsidiary, TENT Holdings, has a £40 million RCF which is undrawn and a £2 million cash balance which, on a Group basis, offer sufficient cashflow to meet the Company's obligations, including investment commitments of £44.4 million, as they fall due. The covenants on the RCF are limited to gearing and interest cover and the Group is expecting to comply with these covenants on drawdown and in future periods. The Company acknowledges the current trend of rising interest rates, and while the Group's Revolving Credit Facility (RCF) interest rate is fixed until March 2025, there is a possibility of future increases. As part of the assessment of its ongoing operations and viability, the Group has analysed the potential impact of such a scenario. The findings indicate that the Company would continue to operate as a going concern and maintain ample liquidity.

The Group's investment portfolio consists of fixed-rate debt investments, with most of these investments having contractual maturities between 2031 and 2035. Additionally, the Group has the Hydroelectric Portfolio, which is fully operational and has an economic lifespan of over thirty years. As a result, the Group benefits from long-term contractual cash flows and a set of risks that can be identified and assessed. The loan investments contribute a fixed return, and the Hydroelectric Portfolio benefits from upward only RPI linked revenue flow under a UK government scheme. The Hydroelectric Portfolio also benefits from fixed price PPAs, with institutional counterparties, for the next financial year. Forecast revenues thereafter are subject to wholesale power prices, the levels of which are based upon qualified independent forecasts.

The Group's cash outflows encompass operational expenses, debt servicing, dividend payments, and costs associated with acquiring new assets. These outflows are anticipated to be covered by the Group's current cash reserves and cash generated from its operations. The Company actively monitors its cash obligations on a regular basis to ensure it maintains adequate liquidity.

The war in Ukraine continues into 2023 and the impact of sanctions placed on Russia aimed to weaken the Russian economy have had considerable impact on its affiliated countries during the year. Although sanctions are a foreign policy tool deployed in several contexts, the coordinated sanctions on Russia are significant to the global economy due to the size of the Russian economy. The Company does not have any direct exposure to Russia and no assets located in nearby jurisdictions, however we, the Company, continues to monitor the macroeconomic consequences on the investment portfolio closely, including energy price volatility, increase risk of political intervention to regulate prices, change in inflation, taxes and further sanctions. The Directors do not consider that the effects of the conflict have created a material uncertainty over the assessment of the Company as a going concern.

On the basis of this review, and after making due enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for at least 12 months from the date of approval of this report. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Financial Instruments

Financial assets and financial liabilities are recognised on the Company's statement of financial position when the Company becomes a party to the contractual provisions of the instrument. Financial assets are to be de-recognised when the contractual rights to the cash flows from the instrument expire or the asset is transferred, and the transfer qualifies for de-recognition in accordance with IFRS 9 Financial Instruments.

Financial assets

The Company classifies its financial assets as either investments at fair value through profit or loss or financial assets at amortised cost. The classification depends on the purpose for which the financial assets are acquired. The Investment Manager determines the classification of its financial assets at initial recognition.

Investments at fair value through profit or loss

At initial recognition, the Company measures its investments, through its investment in TENT Holdings, at fair value through profit or loss and any transaction costs are expensed to profit or loss. The Company subsequently, through its investment in TENT Holdings, continues to measure all investments at fair value and any changes in the fair value are recognised as gains or losses on investments at fair value through profit or loss within investment income.

Investments at fair value through profit or loss are recognised upon initial recognition as financial assets at fair value through profit or loss in accordance with IFRS 9. Investments held at fair value through profit or loss consist of the Company's subsidiary, TENT Holdings.

The Company's investment in TENT Holdings comprises both equity and loan notes. The Company measures its investment as a single class of financial asset at fair value in accordance with IFRS 13 Fair Value Measurement.

In determining the fair value, the Board will consider any observable market transactions and will measure fair value using assumptions that market participants would use when pricing the asset, including any assumptions regarding risk surrounding the transaction.

Financial assets at amortised cost

Trade receivables, loans and other receivables that are non-derivative financial assets and that have fixed or determinable payments that are not quoted in an active market are classified as "financial assets at amortised cost". Trade receivables, loans and other receivables are measured at amortised cost using the effective interest method, less any impairment. They are included in current assets, except where maturities are greater than 12 months after the reporting date, in which case they are to be classified as non-current assets. The Company's financial assets held at amortised cost comprise "trade and other receivables" and "cash and cash equivalents" in the statement of financial position.

Financial liabilities and equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

Financial liabilities

Financial liabilities are classified as other financial liabilities, comprising other non-derivative financial instruments, including trade and other payables, which are to be measured at amortised cost using the effective interest method.

Effective interest method

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the relevant asset's carrying amount.

Fair value estimation for investments at fair value

The Group's investments are not typically traded in active markets. Fair value is calculated by discounting at an appropriate discount rate future cash flows expected to be received, by TENT Holdings, from the investment portfolio. The underlying cash flows are from investments in both equity (dividends and equity redemptions), shareholder, inter-company and third-party loans (interest and repayments). The valuations are based on the expected future cash flows, using reasonable assumptions and forecasts for revenues, operating costs, macro-level factors and an appropriate discount rate.

The discount rates used in the valuation exercise represent the Investment Manager's best assessment of the rate of return in the market for assets with similar characteristics and risk profile. The discount rates are reviewed on a regular basis and updated, where appropriate, to reflect changes in the market and in the project risk characteristics.

Investments, which are entered into by TENT Holdings, are designated upon initial recognition as held at fair value through profit or loss. Gains or losses resulting from the movement in fair value of the investments are reflected in the valuation of TENT Holdings and recognised in the Statement of Comprehensive Income at each quarterly valuation point.

The Company's loan and equity investment in TENT Holdings is held at fair value through profit or loss which is measured by reference to the net asset value of TENT Holdings. Gains or losses resulting from the movement in fair value are recognised in the Company's Statement of Comprehensive Income at each quarterly valuation point.

For each quarterly valuation period the Company engages external, independent and qualified valuers to assess the validity of the forecast cash flow assumptions and discount rates used by the Investment Manager in determination of fair value. The Board reviews and approves the valuations following appropriate challenge and examination.

Revenue Recognition

Gains and losses on fair value of investments in the income statement represent gains or losses that arise from the movement in the fair value of the Company's investment in TENT Holdings.

Investment income comprises interest income and dividend income received from the Company's subsidiary, TENT Holdings. Interest income is recognised in the Income Statement using the effective interest method.

Dividends from TENT Holdings are recognised when the Company's right to receive payment has been established.

Share capital and share premium

The Company's Ordinary Shares are classified as equity and are not redeemable. Costs associated or directly attributable to the issue of new equity shares are recognised as a deduction in equity and are charged from the share premium account.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances, deposits held on call with banks and other short-term highly liquid deposits with original maturities of three months or less. At 31 March 2023, the Company's cash balances were held in the Company's bank current account.

There are no expected credit losses and the counterparty risk is mitigated as the banking institution that the Company holds balances with has high credit ratings assigned by international credit rating agencies.

Foreign currencies

Items included in the financial statements are presented in Pounds Sterling because that is the currency of the primary economic environment in which the Company operates and is the Company's functional currency.

Transactions and balances

Transactions in foreign currencies are translated at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the Income Statement.

Dividends

Dividends to the Company's shareholders are recognised when they become legally payable. In the case of interim dividends, this is when they are paid. In the case of final dividends, this is when they are approved by the shareholders at the Annual General Meeting.

Fund Expenses

Expenses are accounted for on an accruals basis. Share issue expenses of the Company directly attributable to the issue and listing of shares are charged to the share premium account. The Company's investment management fee, administration fees and all other expenses are charged through the Income Statement.

Capital expenses

In accordance with the Company's investment objective, it is anticipated that income returns will constitute the majority of the Company's long-term return and based on the estimated apportionment of future returns (which cannot be guaranteed), 25% of the investment management fee is charged as a capital item within the Income Statement.

All expenditures are carefully assessed to determine whether they are related to revenue or capital. Subsequently, the expenditure will be appropriately allocated to the respective section in the income statement.

Taxation

Under the current system of taxation in the UK, the Company is liable to taxation on its operations in the UK. Current tax is the expected tax payable on the taxable income for the period, using tax rates that have been enacted or substantively enacted at the date of the Statement of Financial Position.

Deferred tax is the tax expected to be payable or recoverable on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Deferred tax assets and liabilities are not recognised if the temporary differences arise from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit or the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments, except where the Company is able to control the timing of the reversal of the difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled, or the asset is realised. Deferred tax is charged or credited to the Income Statement except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off tax assets against tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Deferred tax assets and liabilities are not discounted.

New, revised and amended standards applicable to future reporting periods

There were no new standards or interpretations effective in the year that have had a significant impact on the Company's financial statements. Furthermore, none of the amendments to the standards summarised below have had a significant effect on the financial statements.

New and revised standards not applied

At the date of authorisation of these financial statements, the following amendments had been published and will be mandatory for future accounting periods beginning on or after 1 January 2023:

- Amendments to IFRS 17, "Insurance contracts" - this standard replaced IFRS 4, which currently permits a wide variety of practices in accounting for insurance contracts.
- Narrow-scope amendments to IAS 1 "Presentation of Financial Statements", practise statement 2 and IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors".
- Amendments to IAS 12 "Income Taxes" - deferred tax related to assets and liabilities arising from a single transaction.

Effective for accounting periods beginning on or after 1 January 2024:

- Amendments to IAS 1 on classification of liabilities clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period and amendments to Non-current Liabilities with covenants.
- Amendments to IFRS16 on Lease Liability in a Sale and Leaseback.

The impact of these standards is not expected to be material to the reported results of the Company.

Segmental Reporting

The Chief Operating Decision Maker (the "CODM") being the Board of Directors, is of the opinion that the Company is engaged in a single segment of business, being investment. All the investments are based in the UK.

The Company has no single major customer. The internal financial information to be used by the CODM on a quarterly basis to allocate resources, assess performance and manage the Company will present the business as a single segment comprising the portfolio of investments in energy transition assets.

3. Critical accounting estimates, judgements and assumptions

In the application of the Company's accounting policies, which are described in Note 2, the Directors are required to make judgements, estimates and assumptions about the fair value of assets and liabilities that affect reported amounts. It is possible that actual results may differ from these estimates.

The preparation of the financial statements requires the Board to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amount of assets, liabilities, income and expenses. Estimates, by their nature, are based on judgement and available information, hence actual results may differ from these judgements, estimates and assumptions.

The key estimates that have a significant impact on the carrying values of underlying investments that are valued by reference to the discounted value of future cash flows are the useful life of the assets, the discount rates, the rate of inflation, the price at which the power and associated benefits can be sold and the amount of electricity the assets are expected to produce. The sensitivity analysis of these key assumptions is outlined in Note 12 to the financial statements, on page 142.

For equity investments, entered into by TENT Holdings, useful lives are based on the Investment Manger's estimates of the period over which the assets will generate revenue which are periodically reviewed for continued appropriateness. Where land is leased from an external landlord, the operational life assumed for the purposes of the asset valuations is valued at lease expiry or end of contractual extension options. For the loan investments the future cash flows are as per contractual maturity of the facility.

The discount rates are subjective and therefore it is feasible that a reasonable alternative assumption may be used resulting in a different value. The discount rates applied to cash flows are reviewed regularly by the Investment Manager to ensure they are at an appropriate level. The Investment Manager will take into consideration market transactions, of similar nature, when considering changes to the discount rates used. For the year end and half-year accounts and the other quarterly NAV updates, the Company engages external, independent and qualified valuers to assess the validity of the discount rates used by the Investment Manager in determination of fair value.

For equity investments, by TENT Holdings, the revenues and expenditure of the investee companies are frequently or wholly subject to indexation and an assumption is made as to near term and long-term rates. For debt investments, by TENT Holdings, the cashflows are determined by reference to contractual arrangements.

The price at which the output from the generating equity assets is sold is a factor of both wholesale electricity prices and the revenue received from the Government support regimes such as the Feed in Tariffs. Future power prices are estimated using external third-party forecasts which take the form of special consultancy reports, which reflect various factors including gas prices, carbon prices and renewables deployment.

TENT Holdings' investments in unquoted investments are valued by reference to valuation techniques approved by the Directors and in accordance with the International Private Equity and Venture Capital ("IPEV") Guidelines.

As noted above, the Board has concluded that the Company meets the definition of an investment entity as defined in IFRS 10. This conclusion involved a degree of judgement and assessment as to whether the Company meets the criteria outlined in the accounting standards.

4. Investment management fees

The Company and the Investment Manager entered into an Investment Management Agreement on 25 August 2020.

During the financial year the Annual Management Fee was calculated at 0.9% of Net Asset Value. In the prior financial year, the Annual Management Fee was calculated on the deployed cash funds arising from IPO, until 10 December 2021. At this date 75% of net IPO proceeds had been deployed and therefore for the remaining part of the financial year 2022 the fee was calculated at 0.9% of NAV.

Under the terms of the agreement, the Investment Manager must use 20% of the management fee received (net of taxes) to acquire shares in the Company. On a semi-annual basis, following the announcement of the Net Asset Value for the semi-annual periods ending 31 March and 30 September in each year, the Investment Manager shall procure that the Wider Triple Point Group shall apply an amount, in aggregate, equal to 20% of the Annual Management Fee for the relevant six-month period as follows:

(a) where the Ordinary Shares are trading at, or at a premium to, the latest published Net Asset Value per Ordinary Share; the Investment Manager shall procure that the Wider Triple Point Group shall use the relevant amount to subscribe for new Ordinary Shares issued at the latest published Net Asset Value per Ordinary Share applicable at the date of issuance; or

(b) where the Ordinary Shares are trading at a discount to the latest published Net Asset Value per Ordinary Share; the Investment Manager shall procure that the Wider Triple Point Group shall, as soon as reasonably practicable, use the relevant amount to make market purchases of Ordinary Shares within four months of the relevant Net Asset Value publication date.

The Annual Management Fee is payable on a quarterly basis, and Ordinary Shares are acquired by the Wider Triple Point Group on a half-yearly basis. Any such Ordinary Shares acquired by the Wider Triple Point Group are subject to a minimum lock-in period of 12 months.

Investment management fees paid or accrued during the year were as follows:

	For the year ended 31 March 2023			For the year ended 31 March 2022		
	Revenue	Capital	Total	Revenue	Capital	Total
	£'000	*£'000*	*£'000*	*£'000*	*£'000*	*£'000*
Cash element	662	221	883	317	106	423
Equity element*	-	-	-	10	3	13
	662	221	883	327	109	436

* During the financial year ended 31 March 2023, the Investment Manager purchased shares in the Company through the open market, as the share price was trading at a discount to NAV. In the prior financial year, the Company issued new shares to the Investment Manager, as the shares were trading at a premium to NAV.

5. Investment Income

	For the year ended 31 March 2023			For the year ended 31 March 2022		
	Revenue	Capital	Total	Revenue	Capital	Total
	£'000	*£'000*	*£'000*	*£'000*	*£'000*	*£'000*
Interest on cash deposits	48	-	48	5	-	5
Interest income from investments	3,354	-	3,354	2,446	-	2,446
Dividend income from investments	3,880	-	3,880	-	-	-
	7,282	-	**7,282**	2,451	-	**2,451**

6. Operating Expenses

	For the year ended 31 March 2023			For the year ended 31 March 2022		
	Revenue	Capital	Total	Revenue	Capital	Total
	£'000	*£'000*	*£'000*	*£'000*	*£'000*	*£'000*
Investment Management fees	**662**	**221**	**883**	**327**	**109**	**436**
Directors' fees*	200	-	200	200	-	200
Company's audit fees:						
- in respect of audit services	109	-	109	70	-	70
- in respect of non-audit services	44	-	44	25	-	25
Premium Listing Fees	547	-	547	-	-	-
Other operating expenses	681	22	703	572	21	593
	2,243	**243**	**2,486**	**1,194**	**130**	**1,324**

*Directors' fees exclude employer's national insurance contributions and travel expenses which are included as appropriate in other operating expenses. Travel expenses for the year ended 31 March 2023 totalled £485 (31 March 2022: £643).

7. Employees

The Company had no employees during the period.

Full detail on Directors' fees is provided in Note 19. The Directors' fees exclude employer's national insurance contribution which is included as appropriate in other operating expenses. There were no other emoluments during the period.

8. Taxation

Analysis of charge in the period

	For the year ended 31 March 2023			For the year ended 31 March 2022		
	Revenue	Capital	Total	Revenue	Capital	Total
	£'000	*£'000*	*£'000*	*£'000*	*£'000*	*£'000*
Corporation tax	-	-	-	-	-	-

The effective UK corporation tax rate applicable to the Company for the period is 19%. The tax charge differs from the charge resulting from applying the standard rate of UK corporation tax for an investment trust company. The differences are explained below:

	For the year ended 31 March 2023			For the year ended 31 March 2022		
	Revenue	Capital	Total	Revenue	Capital	Total
	£'000	*£'000*	*£'000*	*£'000*	*£'000*	*£'000*
Profit before taxation	5,039	3,774	8,813	1,257	3,504	4,761
Corporation tax at 19%	957	717	1,674	239	666	905
Effect of:						
Capital (gain) not deductible		(763)	(763)	-	(690)	(690)
Interest distributions	(646)	-	(646)	(239)	-	(239)
Dividends received not taxable	(737)	-	(737)			
Disallowed expenditure	108	-	108	-	-	-
Group relief of excess management expenses	318	46	364	-	24	24
Tax charge for the period	-	-	-	-	-	-

The Directors are of the opinion that the Company has complied with the requirements for maintaining investment trust status for the purposes of section 1158 of the Corporation Tax Act 2010. This allows certain capital profits of the Company to be exempt from UK tax.

Additionally, the Company has in the financial year utilised the interest streaming election which allows the Company to designate dividends wholly or partly as interest distributions for UK tax purposes. Interest distributions are treated as tax deductions against taxable income of the Company so that investors do not suffer double taxation on their returns.

The financial statements do not directly include the tax charges for the Company's intermediate holding company, as TENT Holdings is held at fair value. TENT Holdings is subject to taxation in the United Kingdom at the current main rate of 19%.

9. Earnings per Share

	For the year ended 31 March 2023			For the year ended 31 March 2022		
	Revenue	Capital	Total	Revenue	Capital	Total
	£'000	*£'000*	*£'000*	*£'000*	*£'000*	*£'000*
Profit attributable to the equity holders of the Company (£'000)	5,039	3,774	8,813	1,257	3,504	4,761
Weighted average number of Ordinary Shares in issue (000)	100,014	100,014	100,014	100,014	100,014	100,014
Profit per Ordinary share (pence) - basic and diluted	5.04p	3.77p	8.81p	1.26p	3.50p	4.76p

Dilution of the earnings per share as a result of the equity element of the investment management fee as disclosed in Note 4, is not expected to have a material impact on the basic earnings per share.

There is no difference between the weighted average Ordinary and diluted number of Shares.

10. Dividends and Interest Distributions

Interim dividends paid during year ended 31 March 2023	**Dividend per share pence**	**Interest distribution per share pence**	**Total dividend £'000**
Final quarter interim dividend for the year ended 31 March 2022	0.678	0.697	1,375
First quarter interim dividend for year ended 31 March 2023	0.799	0.576	1,375
Second quarter interim dividend for year ended 31 March 2023	0.799	0.576	1,375
Third quarter interim dividend for year ended 31 March 2023	0.799	0.576	1,376
	3.075	2.425	5,501

Interim dividends declared after 31 March 2023 and not accrued in the year	**Dividend per share pence**	**Interest distribution per share pence**	**Total dividend £'000**
Fourth quarter interim dividend for the year ended 31 March 2023	0.370	1.005	1,375

	0.370	1.005	1,375

As at the date of this report, the Board declared a fourth quarter interim dividend of 1.375 pence per share with respect to the period ended 31 March 2023. The dividend is expected to be paid on or around 14 July 2023 to shareholders on the register on 30 June 2023 The ex-dividend date is 29 June 2023. The Company has chosen to designate part of this interim dividend as an interest distribution. 1.005 pence per share will be paid as an interest payment and 0.370 as an ordinary dividend.

Shareholders in receipt of an interest distribution will be treated for UK tax purposes as though they received a payment of interest. This will result in a reduction in the corporation tax payable by the Company.

11. Net assets per Ordinary share

	31 March 2023	**31 March 2022**
	£'000	*£'000*
Total shareholders' equity (£'000)	99,449	96,137
Number of Ordinary Shares in issue ('000)	100,014	100,014
Net asset value per Ordinary Share (pence)	**99.44p**	**96.12p**

12. Investments at Fair Value through Profit or Loss

As set out in Note 2, the Company designates its interest in its wholly owned direct subsidiary as an investment at fair value through profit or loss.

Summary of the Company's valuation is below:

	31 March 2023	**31 March 2022**
	£'000	*£'000*
Fair value at start of the year	78,952	20,883
Loan advanced to TENT Holdings Limited in the year	7,964	32,704
Shareholding in TENT Holdings Limited invested in the year	1,469	23,315
Capitalised interest	997	519
Loan principal repaid	(3,339)	(2,103)
Fair value of other net assets in intermediate holding company	4,017	3,634
Fair Value of Company's investments as at end of the year	**90,060**	**78,952**

Loans advanced to TENT Holdings in the year totalled £7,964,000. The advances were made at an interest rate of 7% to enable TENT Holdings to complete the loan investment in BESS and LEDs.

The Company owns five shares in TENT Holdings, representing 100% of issued share capital, allotted for a consideration of £24.8 million. The fair value of the investment in TENT Holdings on 31 March 2023 is £90.1 million (31 March 2022: £79.0 million).

Capitalised interest represents interest recognised in the income statement but not paid. This is instead added to the loan balance on which interest for future periods is computed. The loan from the Company to TENT Holdings, which enabled TENT Holdings to complete investments into Harvest, Glasshouse and Spark Steam, carry commensurate terms and repayment profiles. All payments from the borrower and capitalised interest are in accordance and in line with the contractual repayments with the respective underlying facility agreements with Harvest, Glasshouse and Spark Steam as agreed at inception.

Reconciliation of Portfolio Valuation:

	31 March 2023	**31 March 2022**
	£'000	*£'000*
Portfolio Valuation	87,680	78,787
Intermediate holding company cash	1,982	293
Intermediate holding company debt*	329	454
Intermediate holding company net working capital	69	(582)
Fair Value of Company's investments as at end of the period	**90,060**	**78,952**

*Debt arrangement costs of £329,000 (31 March 2022: £454,000) which are capitalised and expensed to profit or loss under amortised cost. At 31 March 2023 nil debt was drawn (31 March 2022: nil).

Fair Value measurements

As set out in Note 2, the Company accounts for its interest in its wholly owned direct subsidiary, TENT Holdings, as an investment at fair value through profit or loss.

IFRS 13 requires disclosure of fair value measurement by level. The level of fair value hierarchy within the financial assets or financial liabilities is determined on the basis of the lowest level input that is significant to the fair value measurement. Financial assets and financial liabilities are classified in their entirety into only one of the following three levels:

- level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;
- level 2 - inputs other than quoted prices included within level 1 that are observable for the assets or liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- level 3 - inputs for assets or liabilities that are not based on observable market data (unobservable inputs).

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

The financial instruments held at fair value are the instruments held by the Group in the investee companies, which are fair valued at each reporting date. The investments have been classified within level 3 as the investments are not traded and contain certain unobservable inputs. The Company's investments in TENT Holdings are also considered to be level 3 assets.

As the fair value of the Company's equity and loan investments in TENT Holdings is ultimately determined by the underlying fair values of the equity and loan investments, made by TENT Holdings, the Company's sensitivity analysis of reasonably possible alternative input assumptions is the same as for those investments.

There have been no transfers between levels during the period.

Valuations are derived using a discounted cash flow methodology in line with IPEV Valuation Guidelines and consider, inter alia, the following:

i. due diligence findings where relevant;
ii. the terms of any material contracts including PPAs;
iii. asset performance;
iv. power price forecasts from leading consultants; and
v. the economic, taxation or regulatory environment.

The DCF valuation of the Group's investments represents the largest component of GAV and the key sensitivities are considered to be the discount rate used in the DCF valuation and assumptions relating to inflation, energy yield and power prices.

The shareholder loan and equity investments, in TENT Holdings, are valued as a single asset class at fair value in accordance with IFRS 13 Fair Value Measurement.

Sensitivity

Sensitivity analysis is produced to show the impact of changes in key assumptions adopted to arrive at the valuation. For each of the sensitivities, it is assumed that potential changes occur independently of each other with no effect on any other base case assumption, and that the number of investments in the portfolio remains static throughout the modelled life.

The analysis below shows the sensitivity of the portfolio value (and its impact on NAV) to changes in key assumptions as follows:

Discount rate

The weighted average valuation discount rate applied to calculate the portfolio valuation is 6.57% (31 March 2022: 6.11%).

An increase or decrease in this rate by 0.5% points has the following effect on valuation.

Discount Rate	NAV per share impact	-0.5% change	Total portfolio value	+0.5% change	NAV per share impact
	pence	*£'000*	*£'000*	*£'000*	*pence*
Valuation - March 2023	2.84	92,896	90,060	87,478	(2.58)

Energy yield

The table below shows the sensitivity of the Hydroelectric Portfolio valuation to a sustained decrease or increase of energy generation by minus or plus 5% on the valuation, with all other variables held constant. The fair value of the Hydroelectric Portfolio is assessed on a "P50" level of electricity generation, representing the expected level of generation over the long term.

A change in the forecast energy yield assumptions by plus or minus 5% has the following effect.

Energy Yield	NAV per share impact	-5% change	Total portfolio value	+5% change	NAV per share impact
	pence	*£'000*	*£'000*	*£'000*	*pence*

Valuation - March 2023	(3.18)	86,880	90,060	93,193	3.13

Power Prices

The sensitivity considers a flat 10% movement in power prices for all years, i.e. the effect of adjusting the forecast electricity price assumptions applicable to the Hydroelectric Portfolio down by 10% and up by 10% from the base case assumptions for each year throughout the operating life of the Hydroelectric Portfolio.

A change in the forecast electricity price assumptions by plus or minus 10% has the following effect.

Power Prices	**NAV per share impact**	**-10% change**	**Total portfolio value**	**+10% change**	**NAV per share impact**
	pence	*£'000*	*£'000*	*£'000*	*pence*
Valuation - March 2023	(2.37)	87,686	90,060	92,855	2.79

Inflation

The Hydroelectric Portfolio's income streams are principally subsidy based, which is amended each year with inflation, with the remaining income being from the power price, which the sensitivity assumes will move with inflation. Operating expenses relating to the Hydroelectric Portfolio, typically move with inflation, but debt payments on the shareholder loans are fixed. This results in the portfolio returns and valuations being positively correlated to inflation. The average long-term inflation assumptions across the portfolio are 3.00% for RPI from 2024 to 2030 (inclusive) and 2.40% thereafter, 2.25% for CPI from 2024. The Company models wholesale power prices inflating at 3% from 2024 onwards as power prices are not intrinsically linked to consumer prices, unlike costs of sales and labour.

The sensitivity illustrates the effect on the portfolio of a 0.5% decrease and a 0.5% increase from the assumed annual inflation rates in the financial model throughout the operating life of the portfolio.

Inflation	**NAV per share impact**	**-0.5% change**	**Total portfolio value**	**+0.5% change**	**NAV per share impact**
	pence	*£'000*	*£'000*	*£'000*	*pence*
Valuation - March 2023	(2.34)	87,721	90,060	92,540	2.48

13. Trade and other Receivables

	For the year ended 31 March 2023	**For the year ended 31 March 2022**
	£'000	*£'000*
Prepayments	111	114
Other receivables	263	339
	374	**453**

14. Trade and other Payables

	For the year ended 31 March 2023	**For the year ended 31 March 2022**
	£'000	*£'000*
Accrued expenses	219	125
Other payables	23	287
	242	**412**

15. Share Capital and Reserves

For the year ended 31 March 2023

Allotted, issued and fully paid:	**Number of shares**	**Nominal value of shares (£)**
Opening balance as at 1 April 2022	100,014,079	1,000,140.79
Ordinary Shares of 1p each	-	-
Closing balance of Ordinary Shares at 31 March 2023	100,014,079	1,000,140.79

For the year ended 31 March 2022

Allotted, issued and fully paid:	Number of shares	Nominal value of shares (£)
Opening balance as at 1 April 2021	100,000,000	1,000,000.00
Ordinary Shares of 1p each	14,079	140.79
Closing balance of Ordinary Shares at 31 March 2022	100,014,079	1,000,140.79

The Company did not issue any new shares to the Investment Manager in year ending March 2023, under the terms of the Investment Management Agreement. Shares acquired by the Investment Manager in the year have been purchased on the open market to fulfil that requirement.

Shareholders are entitled to all dividends paid by the Company and, on a winding up, provided the Company has satisfied all its liabilities, the shareholders are entitled to all of the residual assets of the Company.

16. Special Distributable Reserve

On 19 October 2020 the Company's Ordinary Shares were admitted to trading on the Specialist Fund Segment of the London Stock Exchange, the Directors applied to the Court and obtained a judgement on 12 January 2021 to cancel the amount standing to the credit of the share premium account of the Company.

As stated by the Institute of Chartered Accountants in England and Wales ("ICAEW") and the Institute of Chartered Accountants in Scotland ("ICAS") in the technical release TECH 02/17BL, the Companies (Reduction of Share Capital) Order 2008 SI 2008/1915 ("the Order") specifies the cases in which a reserve arising from a reduction in a company's capital (i.e., share capital, share premium account, capital redemption reserve or redenomination reserve) is to be treated as a realised profit as a matter of law.

The Order also disapplies the general prohibition in section 654 on the distribution of a reserve arising from a reduction of capital. The Order provides that if a limited company having a share capital reduces its capital and the reduction is confirmed by order of court, the reserve arising from the reduction is treated as a realised profit unless the court orders otherwise.

The amount of the share premium account cancelled and credited to the Company's Special reserve was £97.0 million which can be utilised to fund distributions by way of dividends to the Company's shareholders. As at the year ending 31 March 2023, the special distributable reserve balance is £91.0 million (31 March 2022: £91.4 million).

17. Financial Risk Management

The Company's investment activities expose it to a variety of financial risks; including, interest rate risk, power price risk, credit risk and liquidity risk. The Board of Directors has overall responsibility for overseeing the management of financial risks, however the review and management of financial risks are delegated to the AIFM.

Each risk and its management are summarised below.

Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments. The Company is exposed to interest rate risk on its cash balances held with counterparties, bank deposits, revolving credit facility, advances to counterparties through loans to its subsidiary. The Company may be exposed to changes in variable market rates of interest as this could impact the discount rate and therefore the valuation of the investments as well as the fair value of the loan receivable. Furthermore, the Company may be exposed to interest rates rises when the revolving credit facility is refinanced. The Company is not considered to be materially exposed to interest rate risk so no sensitivity has been performed. Sensitivity analysis is disclosed in Note 12 to show the impact of changes in key assumptions adopted to arrive at the valuation of investments.

The Company's interest and non-interest-bearing assets and liabilities are summarised below:

	Interest bearing £'000	Non-interest bearing £'000	Total value £'000
For the year ended 31 March 2023			
Assets:	57,537	32,523	90,060
Investments at fair value through profit or loss			
Other receivables		263	263
Cash and cash equivalents	9,257		9,257
Total Assets	**66,794**	**32,786**	**99,580**
Liabilities:			
Trade and other payables		242	242
Total Liabilities		**242**	**242**

	Interest bearing £'000	Non-interest bearing £'000	Total value £'000
For the year ended 31 March 2022			
Assets:			
Investments at fair value through profit or loss	52,116	26,836	78,952
Other receivables		339	339
Cash and cash equivalents	17,144	-	17,144
Total Assets	**69,260**	**27,175**	**96,435**
Liabilities:			
Trade and other payables	-	412	412
Total Liabilities	**-**	**412**	**412**

Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its financial obligations as they fall due. The AIFM and the Board continuously monitor forecast and actual cash flows from operating, financing, and investing activities to consider payment of dividends, repayment of trade and other payables or funding further investing activities.

The Company maintains appropriate reserves and has through TENT Holdings established a revolving credit facility. This facility will be utilised to fund the Group's investment commitments, ensuring sufficient liquidity to meet obligations The Company will continuously monitor forecast and actual cash flows to seek to match the maturity profiles of financial assets and liabilities.

At the period end, the Company's investments, through TENT Holdings, were in equity and secured loan investments in private companies, in which there is no listed market and therefore such investments would take time to realise, and there is no assurance that the valuations placed on the investments would be achieved from any such sale process. The Company's wholly owned subsidiary TENT Holdings, is the entity through which the Company holds its investments. The liquidity of TENT Holdings is reflective of the investments which it holds.

Financial liabilities by maturity at the period end are shown below:

For year ended March 2023	**Less than 1 year £'000**	**1-5 years £'000**	**More than 5 years £'000**	**Total £'000**
Liabilities:				
Trade and other Payables	(242)			(242)

For year ended March 2022	**Less than 1 year £'000**	**1-5 years £'000**	**More than 5 years £'000**	**Total £'000**
Liabilities:				
Trade and other Payables	(412)	-	-	(412)

Credit Risk

Credit risk is the risk that a counterparty of the Group will be unable or unwilling to meet a commitment that it has entered into with the Group. It is a key part of the pre-investment due diligence. The credit standing of the companies which the Group intends to lend to or invest in is reviewed, and the risk of default estimated for each significant counterparty position. Monitoring is on-going, and period end positions are reported to the Board on a quarterly basis.

Credit risk also arises from cash and cash equivalents, derivative financial instruments, loan investments held through TENT Holdings and deposits with banks and financial institutions. The Company and its subsidiaries may mitigate their risk on cash investments and derivative transactions by only transacting with major international financial institutions with high credit ratings assigned by international credit rating agencies, this is in line with the Company's treasury policy.

The Company had no derivatives during the period and the Company's cash balances were held in the Company's current account. In light of the collapse of long-standing financial institutions in recent times, the Company intends to further mitigate its risk by assessing the viability of holding cash balances in an additional bank account with a credit rating of at least Fitch A- or Moody's A3.

To further mitigate counterparty risk, the credit rating and key financials such as cash balance and net asset positions, of the banking provider is reviewed on a regular basis.

The carrying value of the investments, trade and other receivables and cash represent the Company's maximum exposure to credit risk.

Price Risk

Price risk is defined as the risk that the fair value of a financial instrument held by the Group will fluctuate. Investments are measured at fair value through profit and loss. As at 31 March 2023, the Company held 11 indirect investments through its intermediary holding company, TENT Holdings. The value of the investments held by TENT Holdings will vary according to a number of factors including; discount rate used, asset performance and forecast power prices. Sensitivity analysis is disclosed in Note 12.

Capital Risk Management

The capital structure of the Company at the year-end consists of equity attributable to equity holders of the Company, comprising issued capital and reserves. The Board continues to monitor the balance of the overall capital structure so as to maintain investor and market confidence. The Company is not subject to any external capital requirements.

Market Risk

Returns from the Company's indirect investments are affected by the price at which the investments are acquired. The value of these investments will be a function of the discounted value of their expected future cash flows, and as such will vary with, inter-alia, movements in interest rates, market prices and competition for such assets. The Investment Manager carries out a full valuation quarterly and this valuation exercise takes into account such changes.

18. Subsidiaries

The following table shows subsidiaries of the Group. As the Company is regarded as an Investment Entity as referred to in Note 2, the subsidiaries have not been consolidated in the preparation of the financial statements.

Investment	Place of Business	Ownership interest as at 31 March 2023
TENT Holdings *	UK	100.00%
Achnacarry Hydro Limited**	UK	100.00%
Elementary Energy Limited**	UK	99.32%
Green Highland ALLT Choire A Bhalachain (255) Limited**	UK	100.00%
Green Highland ALLT Ladaidh (1148) Limited**	UK	100.00%
Green Highland ALLT Luaidhe (228) Limited**	UK	100.00%
Green Highland ALLT Phocachain (1015) Limited**	UK	100.00%

Investment	Place of Business	Ownership interest as at 31 March 2022
TENT Holdings *	UK	100.00%
Achnacarry Hydro Limited**	UK	100.00%
Elementary Energy Limited**	UK	99.32%
Green Highland ALLT Choire A Bhalachain (255) Limited**	UK	100.00%
Green Highland ALLT Ladaidh (1148) Limited**	UK	100.00%
Green Highland ALLT Luaidhe (228) Limited**	UK	100.00%
Green Highland ALLT Phocachain (1015) Limited**	UK	100.00%

* Direct shareholding in a financial services investment holding company.
** Indirect shareholding in an electricity production company.

19. Related Party Transactions

Director's Fees
The amounts incurred in respect of Director's fees during the period to 31 March 2023 was £200,000 (31 March 2022: £200,000). These amounts have been fully paid at 31 March 2023. The amounts paid to individual directors during the period were as follows:

	For the year ended 31 March 2023	For the period ended 31 March 2022
Dr John Roberts (Chair)	£75,000	£75,000
Rosemary Boot	£45,000	£45,000
Sonia McCorquodale	£40,000	£40,000
Dr Anthony White	£40,000	£40,000

Director's Expenses

The expenses claimed by the Directors during the period to 31 March 2023 was £485 (31 March 2021: £643). These amounts have been fully paid at 31 March 2023. The amounts paid to individual directors during the period were as follows:

	For the year ended 31 March 2023	For the period ended 31 March 2022
Dr John Roberts (Chair)	£156	£551
Rosemary Boot	£61	£51
Sonia McCorquodale	£216	-
Dr Anthony White	£52	£41

Directors' interests

Details of the direct and indirect interest of the Directors and their close families in the ordinary share of one pence each in the Company at 31 March 2023 were as follows:

	Number of Shares	% of Issued share Capital
Dr John Roberts (Chair)	40,000	0.04%
Rosemary Boot	40,000	0.04%
Sonia McCorquodale	10,000	0.01%

Dr Anthony White	40,000	0.04%

The Company and Subsidiaries

During the year interest totalling £3,353,665 was earned on the Company's long-term interest-bearing loans between the Company and its subsidiary (31 March 2022: £2,445,736). At the period end, £195,417 was outstanding (31 March 2022: £344,105).

The loans to TENT Holdings are unsecured; the underlying loan from TENT Holdings to the investment portfolio are secured against the assets of the companies by a fixed and floating charge.

On 13 April 2022, the Company subscribed for one ordinary share for a total consideration of £1,000,000 in TENT Holdings. The share subscription was used to fund payment of the subsidiary's arrangement fees in connection with the revolving credit facility and to partially fund the first drawdowns into the LED lighting portfolio. A further share subscription of one ordinary share, was executed on 26 August 2022, for a total consideration of £469,281 in TENT Holdings. The subsidiary used the proceeds to further fund the deployment into the LED lighting portfolio.

On 22 September 2022, TENT Holdings paid a £1,148,426 dividend to the Company. On 30 March 2023 an additional dividend of £2,731,501 was paid by TENT Holdings to the Company. The dividends represent a commensurate dividend received by TENT Holdings from the Hydroelectric Portfolio in the same period.

The AIFM and Investment Manager

The Company and Triple Point Investment Management LLP have entered into the Investment Management Agreement pursuant to which the Investment Manager has been given responsibility, subject to the overall supervision of the Board, for active discretionary investment management of the Company's Portfolio in accordance with the Company's Investment Objective and Policy.

As the entity appointed to be responsible for risk management and portfolio management, the Investment Manager is the Company's AIFM. The Investment Manager has full discretion under the Investment Management Agreement to make investments in accordance with the Company's Investment Policy from time to time.

This discretion is, however, subject to: (i) the Board's ability to give instructions to the Investment Manager from time to time; and (ii) the requirement of the Board to approve certain investments where the Investment Manager has a conflict of interest in accordance with the terms of the Investment Management Agreement.

Under the terms of the Investment Management Agreement, the Investment Manager is entitled to a fee calculated at the rate of:

- 0.9%, per annum of the adjusted NAV in respect of the Net Asset Value of up to, and including, £650 million; and
- 0.8%, per annum of the adjusted NAV in respect of the Net Asset Value in excess of £650 million.

The management fee is calculated and accrues quarterly and is invoiced quarterly in arrears. During the period ended 31 March 2023, management fees of £883,215 (31 March 2022: £436,478) were incurred of which £nil (31 March 2022: £207,765) was payable at the period end.

Investment Manager's Interest in shares of the Company

On 27 September 2022, the Investment Manager purchased on the open market 41,500 Ordinary Shares in the Company in accordance with the terms of the Investment Management Agreement pursuant to which 20% of the management fee paid is used to acquire new ordinary shares of £0.01 each in the capital of the Company. The average price per Investment Management Ordinary Share was £0.8086.

On 22 December 2022, the Investment Manager purchased on the open market 57,616 Ordinary Shares in the Company in accordance with the terms of the Investment Management Agreement pursuant to which 20% of the management fee paid is used to acquire new ordinary shares of £0.01 each in the capital of the Company. The average price per Investment Management Ordinary Share was £0.8.

The below table details of the interests of the Investment Manager, held by an entity within the Wider Triple Point Group, in the ordinary shares of one pence each in the Company as at 31 March 2023. In the year, Perihelion One limited increased its shareholding in the Company by 369,195, through acquiring shares on the open market.

	Number of Shares	% of Issued share Capital
Perihelion One Limited	1,042,157	1%

Perihelion One Limited is a company within the Wider Triple Point Group.

Guarantees and other commitments

The Company is the guarantor of the £40 million RCF between its sole wholly owned subsidiary TENT Holdings and TP Leasing Limited. The RCF was entered into on 13 March 2022 and extended on 29 March 2023 for a 12 month period to 28 March 2025. The facility remains undrawn at year end 31 March 2023. Alongside the extension, the pricing terms were adjusted to reflect the current interest rate environment, and for the 2nd year of the RCF facility, the interest rate charged will be a fixed rate coupon of 6% pa on drawn amounts. In the 3rd year of the facility, the interest will be calculated on the lower of a fixed rate coupon of 6% pa; or the sum of the one-year SONIA swap rate plus a fixed rate coupon of 2.5% pa, calculated no later than 30 days prior to the 2nd anniversary of the facility term.

TP Leasing Limited is an established private credit and asset leasing business which is managed by the Investment Manager and, as a result, is deemed to be a related party as defined in the Listing Rules. The RCF extension is deemed to be a "smaller related party transaction" for the purposes of LR11.1.10R. Prior to entering into the Facility Agreement, (i) the terms of the RCF extension were approved as fair and reasonable by the Directors and (ii) the Company obtained a fair and reasonable opinion for shareholders from a qualified, independent adviser. The Board was satisfied with the conflict management procedures put in place, including team segregation within the Investment Manager.

20. Commitments and Contingent Liabilities

The Company's wholly owned subsidiary, TENT Holdings, has entered a £45.6 million investment commitment, to fund the build of a portfolio of four geographically diverse BESS assets in the UK. £39.4 million of the commitment is outstanding at the year end date, and is forecast to be fully deployed in 2024. The commitment will be funded by the undrawn £40 million RCF available to TENT Holdings.

On 31 March 2023, the Company's wholly owned subsidiary, TENT Holdings, entered into a 12 month secured lending facility agreement of £5 million with Innova for the purpose of financing the repayment of shareholder loans and the funding of the project development and acquisition of new renewables projects.

21. Events after the Reporting period

On 3 April 2023, the £5.0 million Innova facility was fully drawn.

On 8 June 2023, the BESS Portfolio completed a drawdown of a further £3.9 million, which was partly funded by the Group's revolving credit facility.

Dividend

As at the date of this report, the Board declared a fourth quarter interim dividend of 1.375 pence per share with respect to the period ended 31 March 2023. The dividend is expected to be paid on or around 14 July 2023 to shareholders on the register on 30 June 2023. The ex-dividend date is 29 June 2023. The Company has chosen to designate part of this interim dividend as an interest distribution. 1.005 pence per share will be paid as an interest payment and 0.370 as an ordinary dividend.

22. Ultimate controlling party

In the opinion of the Board, on the basis of the shareholdings advised to them, the Company has no ultimate controlling party.

Glossary and Definitions

The Act	Companies Act 2006
AIC Code	The AIC Code of Corporate Governance produced by the Association of Investment Companies
AIFM	The alternative investment fund manager of the Company, Triple Point Investment Management LLP
AIFMD	The EU Alternative Investment Fund Managers Directive 2011/61/EU
BESS	Battery Energy Storage Systems
BESS Portfolio	£45.6 million debt facility to a subsidiary of Virmati Energy Ltd (trading as Field), to fund a portfolio of four Battery Energy Storage Systems assets
CfDs	Contracts for difference
CHP	Combined heat and power
CHP Portfolio	A total debt investment of £29 million into Harvest and Glasshouse and Spark Steam
CODM	Chief Operating Decision Maker
The Company	Triple Point Energy Transition plc (company number 12693305).
DCF	Discounted Cash Flow
DTR	FCA Disclosure and Transparency Rules
EGL	Electricity Generator Levy
ESG	Environmental, Social and Governance
ESS	Energy Storage Systems
EU	European Union
EV	Electric Vehicle
FCA	Financial Conduct Authority
FRC	Financial Reporting Council
GAV	Gross Asset Value
GHG	Green House Gas
Group	The Company and any subsidiary undertakings from time to time
Harvest and Glasshouse	Harvest Generation Services Limited and Glasshouse Generation Limited
HVAC	Heating, Ventilation and Air Conditioning
Hydroelectric Portfolio	Elementary Energy Limited Green Highland Allt Ladaidh (1148) Limited Green Highland Allt Choire A Bhalachain (255) Limited Green Highland Allt Phocachain (1015) Limited Green Highland Allt Luaidhe (228) Limited Achnacarry Hydro Limited
IEA	International Energy Agency
Innova	Innova Renewables Limited
IPEV	International Private Equity and Venture Capital
ITC	Investment Trust Company
Investment Manager or TPIM	Triple Point Investment Management LLP
IPO	The admission by the Company of 100 million Ordinary Shares to trading on the Specialist Fund Segment of the Main Market, which were the subject of the Company's initial public offering on 19 October 2020
IPO Prospectus	The Company's Prospectus for its initial public offering, published on 25 August 2020

kWh	Kilowatt-hour
LED	Light-emitting Diode
Listing Rules	Financial Conduct Authority Listing Rules
MW	Megawatt
MWh	Megawatt-hour
NAV	The net asset value, as at any date, of the assets of the Company after deduction of all liabilities determined in accordance with the accounting policies adopted by the Company from time-to-time
NGFS	Network for Greening the Financial System
Net Zero	A target of completely negating the amount of greenhouse gases produced by human activity, to be achieved by reducing emissions and implementing methods of absorbing carbon dioxide from the atmosphere
OCR	Ongoing charges ratio
O&M	Operations & Maintenance
PPA	Power Purchase Agreement
PRI	Principals for Responsible Investing
Project SPV	Special Purpose Vehicle in which energy transition assets are held
RCF	The Group's £40 million Revolving Credit Facility, via TENT Holdings, with TP Leasing Limited
SDG	Sustainable Development Goals
SDR	Sustainable Disclosure Regulation.
SECR	Streamlined Energy and Carbon Reporting
SFDR	Sustainable Finance Disclosure Regulation
SONIA	Sterling Overnight Index Average
SORP	Statement of Recommended Practise
Spark Steam	Spark Steam Limited
tCO_2	Tonnes of carbon dioxide emissions
tCO_2e	Tonnes of carbon dioxide equivalent. Emissions of all greenhouse gases, expressed in units of carbon dioxide equivalence, based on global warming potential
TCFD	Task Force on Climate-related Financial Disclosures
TENT Holdings	The wholly owned subsidiary of the Company: TENT Holdings Limited (company number 12695849)
UN SDGs	United Nations Sustainable Development Goals
Wider Triple Point Group	Triple Point LLP (company number OC310549) and any subsidiary undertakings from time to time

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