JLEN

JLEN Environmental Assets Group Limited

Half-year Report for the six months ended 30 September 2022

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Cover image: ELWA waste processing plant

OUR PURPOSE

JLEN aims to invest in a **diversified portfolio** of environmental infrastructure that supports more environmentally friendly approaches to economic activity whilst generating a **sustainable financial return**. It seeks to integrate consideration of sustainability and **environmental, social and governance** ("ESG") management into its activities, which help to manage risks and identify opportunities.

diversified portfolio

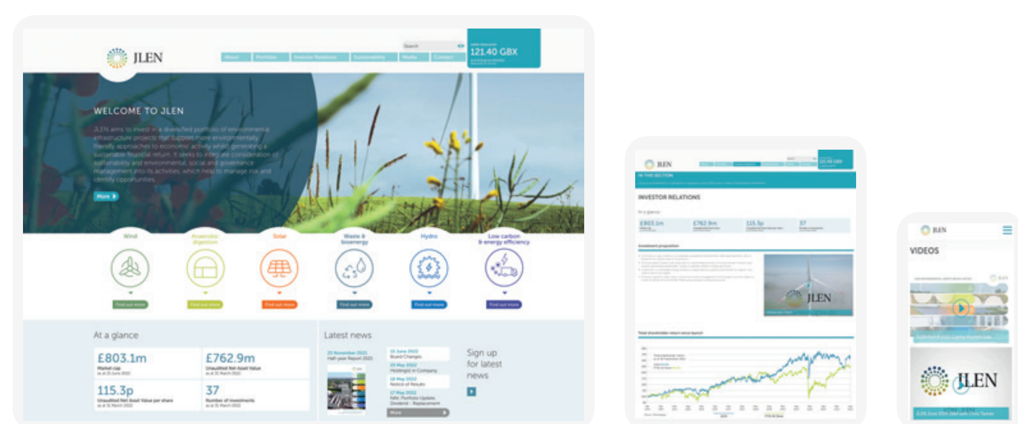
Read more on pages 06 and 07

sustainable financial return

Read more on pages 04 and 05

environmental, social and governance

Read more on pages 35 to 41



www.jlen.com

ABOUT JLEN

JLEN launched in March 2014 with a portfolio of eight seed assets, raising £160 million at IPO. The Company now has 41 assets and a portfolio value of £890.2 million.

2014
IPO
3 technology sectors – wind, solar and waste & bioenergy
8 assets

2017
1st investment into AD
4 technology sectors
24 assets (as at 31.03.2018)

2019
1st investment into hydro & co-located battery storage
5 technology sectors
30 assets (as at 31.03.2020)

2020
1st investment into low carbon transport
6 technology sectors
35 assets (as at 31.03.2021)

2021
1st investments into standalone battery storage and bioenergy
6 technology sectors
37 assets (as at 31.03.2022)

2022
1st investments into controlled environment agriculture and aquaculture projects
7 technology sectors
41 assets (as at 30.09.2022)

Investment Manager

Foresight Group is a leading listed infrastructure and private equity investment manager with a highly experienced global infrastructure team supported by an in-house asset management team.

Investment attractions

- Investment in renewable energy projects is supported by a global commitment to the transition to a low carbon economy
- The markets in which JLEN operates continue to evolve as the build-out of environmental infrastructure takes on new forms. JLEN's broad investment policy allows it to continue building a resilient and diversified portfolio of assets that have a range of operating models that are not dependent on a single market or set of climatic conditions
- Potential upside to asset value comes from active management of the existing projects

INVESTMENT CASE

Diversified portfolio of sustainable investments.

Broad environmental infrastructure mandate allowing exposure to a wide opportunity set

Diversified asset base includes wind, solar, anaerobic digestion, waste facilities, wastewater treatment, bioenergy, low carbon transport, battery storage, controlled environment and hydro

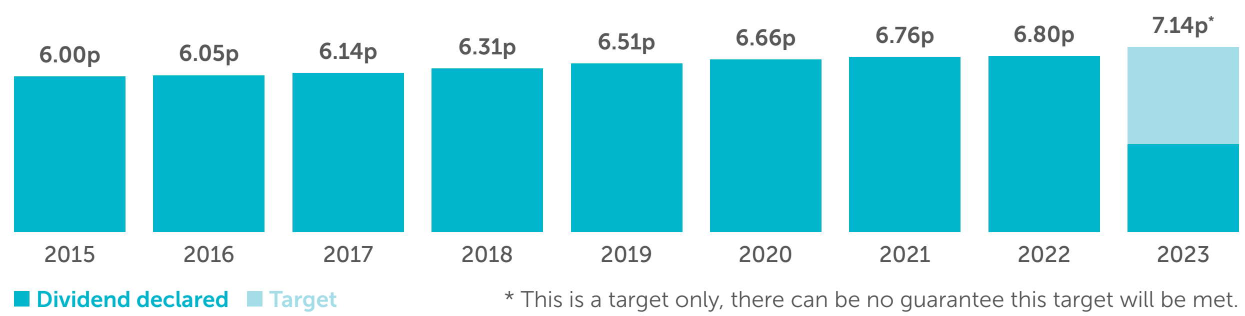
Targeting a **sustainable, progressive dividend,** with consecutive annual dividend growth since IPO

High degree of **inflation linkage,** with 60% of lifetime portfolio revenues linked to RPI (calculated on an NPV basis at 30 September 2022)[1]

An **Article 9 fund** under the EU Sustainable Finance Disclosure Regulation ("SFDR")

Transparent and **award-winning approach to ESG**

Consecutive yearly dividend growth since IPO



* This is a target only, there can be no guarantee this target will be met.

(1) Please refer to the revenue analysis on page 22.

AT A GLANCE at 30 September 2022

Our results for the six-month period ended 30 September 2022.

Market capitalisation[1]	Share price	Half-year dividend per share[2]	Net Asset Value[3]
£787.2m	**119.0p**	**3.57p**	**£829.6m**
FY 2022	FY 2022	HY 2021	FY 2022
£746.2m	112.8p	3.40p	£762.9m
+5.5%	**+5.5%**	**+5.0%**	**+8.7%**

Net Asset Value per share[1],[3]	Portfolio value	Dividend cover[1],[4]	Total shareholder return[1]
125.4p	**£890.2m**	**1.64x**	**92.4%**
			(8.0% annualised)
FY 2022	FY 2022	FY 2022	FY 2022
115.3p	£795.4m	1.10x	77.4%
+8.7%	**+11.9%**		

Renewable energy generated	Tonnes of waste diverted from landfill	Acquisitions in the period	Diversified portfolio
655GWh	**>351,500**	**4**	**41 assets**
HY 2021	HY 2021	HY 2021	FY 2022
>560GWh	>330,000	3	37 assets

(1) The market capitalisation, Net Asset Value per share, cash dividend cover and total shareholder return are alternative performance measures ("APMs"). The APMs within the accounts are defined on page 69.

(2) On a declared basis.

(3) Post the balance sheet date, the UK government announced plans for its "Electricity Generator Levy" that reduces the NAV as at 18 November 2022 to £822.6 million and equates to a NAV per share of 124.4 pence. Further details on this post balance sheet event are provided in the Chair's statement and on page 67.

(4) On a paid basis.

Acquisitions in the period

1. Clayfords Energy Storage Limited

49.9MW construction stage battery storage project located in Scotland

Ownership interest: 50%

2. Rjukan controlled environment aquaculture

A minority equity investment into a construction stage, controlled environment aquaculture project located in Norway

Ownership interest: minority stake

3. Co-located glasshouse

Provision of senior funding for construction of a glasshouse project co-located with an existing JLEN AD facility, located in the UK

Ownership interest: minority stake

4. Lunanhead (Gigabox No 4) battery storage

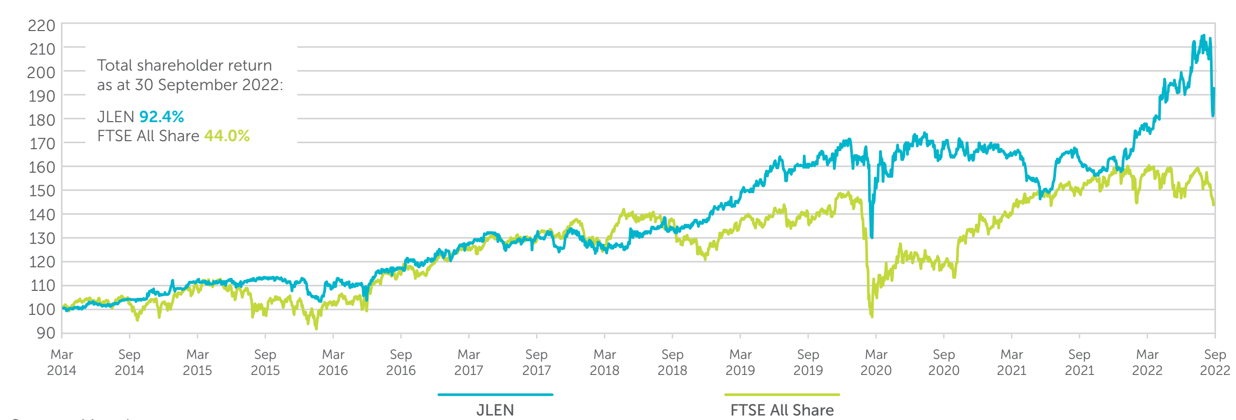
49.9MW construction stage battery storage project located in Scotland

Ownership interest: 50%

sustainable financial return

JLEN aims to provide investors with a sustainable, progressive dividend, paid quarterly, and to preserve the capital value of its portfolio over the long term on a real basis.

Total shareholder return since launch



Source: Morningstar

Note: Past performance cannot be relied on as a guide to future performance.

PORTFOLIO AT A GLANCE

JLEN's portfolio comprises a diversified mix of environmental infrastructure assets.

Assets by location

Wind

Waste & bioenergy

Anaerobic digestion

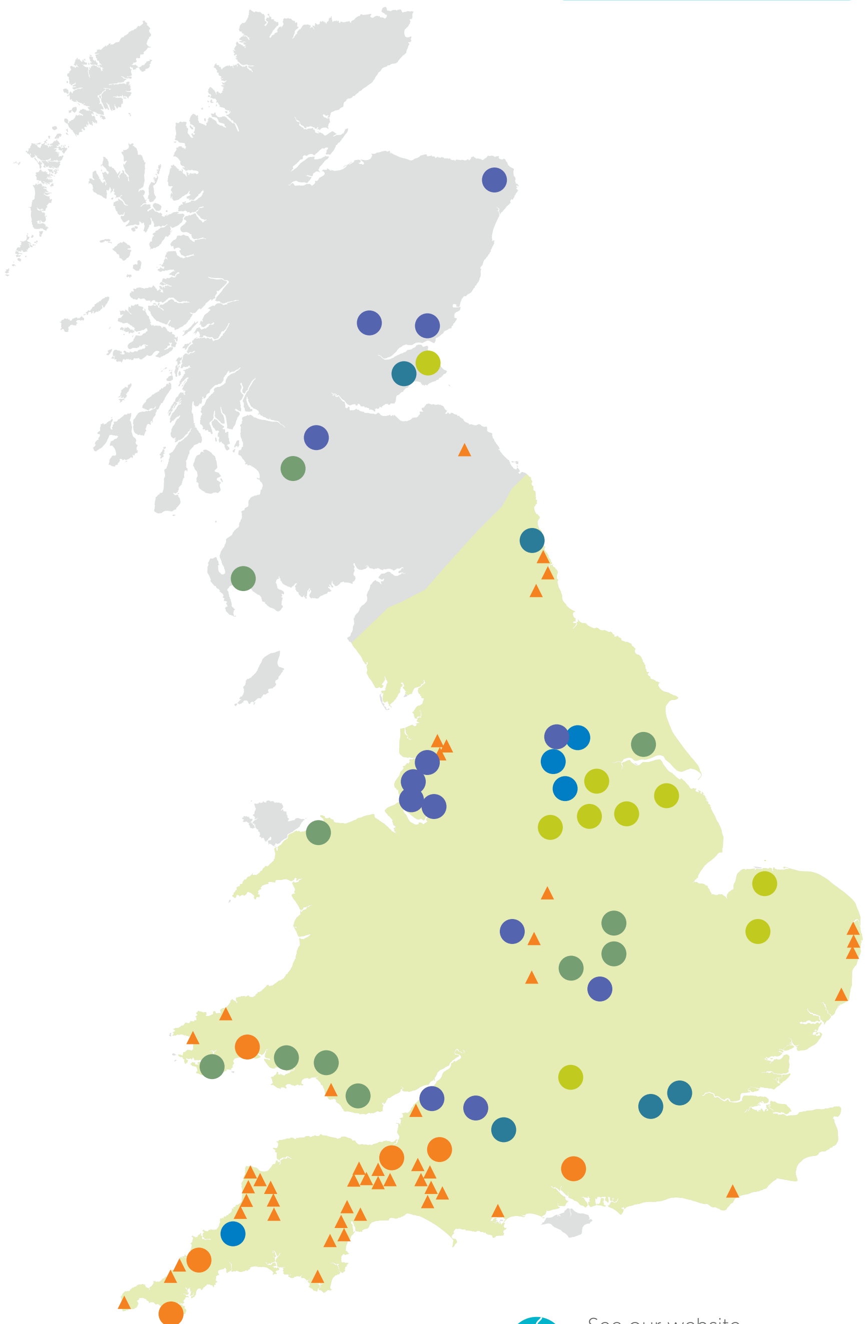
Solar

Low carbon & sustainable solutions

Controlled environment

Hydro

United Kingdom

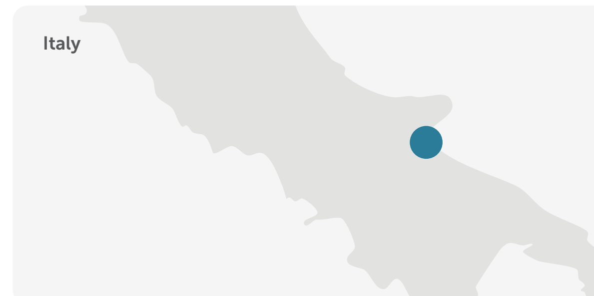


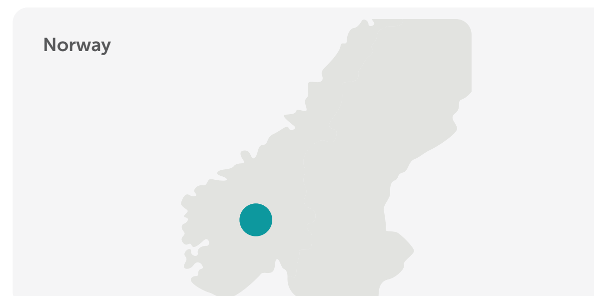
Domestic rooftop solar

Commercial small-scale solar

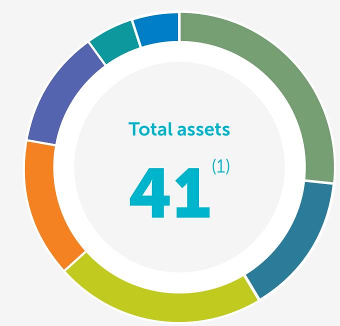
See our website for more information:
www.jlen.com/portfolio

Europe



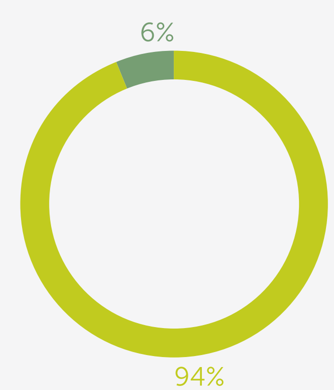


Total assets
split by sector



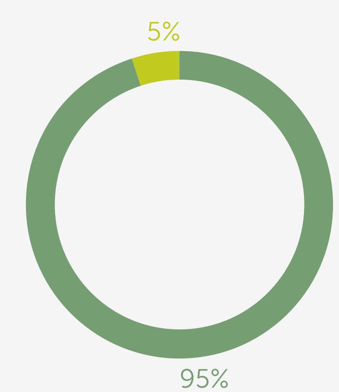
11 Wind
6 Waste & bioenergy
9 Anaerobic digestion
6 Solar
5 Low carbon & sustainable solutions
2 Controlled environment
2 Hydro

Portfolio value
split by operational status



Operational **Construction**

Portfolio value
split by geography



UK **Rest of Europe**

(1) Does not include investment into FEIP.

MARKET AND OPPORTUNITIES

The continuation of the global energy crisis has exacerbated the need for countries to find alternative sources of supply to provide energy security and has further drawn into sharp focus the importance of demand management and energy efficiency.

It is now clear that the energy markets face a prolonged and fundamental challenge in balancing demand from economies seeking to grow with restricted and expensive sources of supply.

Pressures on governments to move away from, albeit for a brief period of time, their pathways to decarbonise energy systems have grown in recent months.

Investment policy

The Company invests in environmental infrastructure such as infrastructure assets, projects and asset-backed businesses that utilise natural or waste resources or support more environmentally friendly approaches to economic activity, support the transition to a low carbon economy or which mitigate the effects of climate change.

Market developments

Factors including increasing global population, rising living standards, increasing urbanisation and greater scientific, public and political focus on the effects of climate change have all served to increase the importance and scale of the environmental infrastructure market globally.

Generation of renewable energy

Costs of renewable electricity fell by up to 90% in the last decade and was more cost effective in over 90% of the world compared to fossil-fuelled power. However, global CO_2 emissions from heat and electricity production increased in 2021 to an all-time high of more than 14Gt. The EU recently announced at COP27 an updated and more ambitious plan to cut emissions by 57% by 2030 compared with 1990 levels.

Sustainable solutions

The contribution renewable energy generation makes to decarbonisation and the pathway to net zero is clear. However, there are additional contributing factors such as food security, biodiversity and new green technologies such as hydrogen electrolysers that can all play an important role in developing sustainable solutions for our economies.

Low carbon and energy efficiency

The global energy crisis has brought into sharp focus the need to embrace energy efficiency as a mitigation measure. As part of the REPowerEU plan in May of this year, an energy efficiency target has been set of 13% by 2030 compared to 2020 levels. Industry is also expected to contribute to a low carbon economy through electrification, energy efficiency and use of renewables.

Supply and treatment of water and processing of waste

In response to the need to decarbonise, many industries are turning to technology to accelerate this transition. In the waste industry, the use of carbon capture, utilisation and storage ("CCUS") installations can be seen as essential to this effort. In the International Energy Agency's defined pathway to the Paris Agreement outcomes, it sets out that 15% of global emission reductions should come from CCUS. In 2021, 27 CCUS projects were in operation and five under construction, yet the installed capacity needs to increase 100 times by 2050.

Geographic spread of investments

The challenge of addressing climate change is a truly global one. The commitment to invest into environmental infrastructure as a means to decarbonising economies is demonstrated by those countries providing sustained and additional regulatory and financial support to this sector.

This places a risk that renewable sources are provided less support over their fossil fuel counterparts. Yet the benefits that the wind, solar, biogas and biomass sectors, to name a few, can bring, remain compelling. The energy trilemma of security, affordability and sustainability has never been more challenging, yet governments cannot ignore the importance of all three elements.

Shortly before publication of this report, the government announced the mechanism by which it intends to capture a share of revenues earned by renewables generators currently benefiting from high electricity prices. The "Electricity Generator Levy" (the "Levy") requires in-scope generators to pay 45% of revenues generated from a price in excess of £75/MWh. This Levy will impact some of JLEN's generating assets but will allow investors to price opportunities, taking this into account. Further analysis on the impact of the Levy to the Company is undertaken later in this report.

Despite these headwinds, the market remains buoyant with investment opportunities in both operational, construction stage and development stage assets across a wide range of sectors.

Recently, JLEN has demonstrated through its investments into controlled environment infrastructure that, whilst energy infrastructure remains highly important, the impact that agriculture has on greenhouse gas emissions and the influence it has over meeting net-zero pledges remains significant. These investments are less impacted by the turmoil in the energy markets, instead recognising that building sustainable, energy efficient and low carbon solutions to provide affordable food to a growing population provides compelling investment opportunities for diversified environmental infrastructure funds such as JLEN.

Investment outlook

The outlook to build out further renewable energy generation assets remains positive. The inclusion of biomass as a contributor to the EU renewable energy mix has also been supported, although at a level not exceeding the average recorded between 2017 and 2022.

The role that building sustainable, energy efficient and low carbon solutions to provide affordable food to a growing population through controlled environment infrastructure presents clear investment opportunities. A sector is rapidly growing to support hydrogen solutions to decarbonise industry and transport, particularly where direct government is provided.

Greater levels of flexibility in the form of battery storage, electric vehicles, pumped hydropower and hydrogen all play an important role alongside improved system coordination and low carbon transport infrastructure such as biofuels. Around 30% of EU primary steel production is expected to switch to green hydrogen by 2030, supporting the development of the hydrogen sector.

Across Europe, both new and established energy-from-waste facilities could provide investment opportunities for CCUS. In the UK from 2023, local authorities will be required by law to separately collect food waste from households. This measure to reduce biodegradable waste being landfilled and reducing greenhouse gas emissions will create investment activity for new plants and owners of existing ones with expansion potential.

JLEN's mandate supports geographic diversification, reducing its exposure to the UK power market, regulatory framework and weather systems. The Investment Manager can take advantage of its in-country presence across Europe and Australia to generate investment opportunities outside the UK.

CHAIR'S STATEMENT

JLEN has delivered strong returns during a period of extraordinary dislocation in the global economy. Our diverse portfolio of environmental assets is well placed to benefit from the continued drive for a more sustainable and secure way of living.

Ed Warner
Chair

On behalf of the Board, and for my first time as its Chair, I am pleased to present the Half-year Report of JLEN Environmental Assets Group Limited for the six months ended 30 September 2022.

Results

The Net Asset Value ("NAV") per share at 30 September 2022 was 125.4 pence, up from 115.3 pence at 31 March 2022. This 8.7% increase was driven primarily by further upward revisions to power price forecasts.

Post the balance sheet date, the UK government announced plans for its "Electricity Generator Levy" that reduces the NAV per share to 124.4 pence as at 18 November 2022. Further details on this post balance sheet event are provided below in the Chair's statement and on page 67 of the Half-year Report.

This performance has been delivered against a backdrop of extraordinary volatility in economies globally and in both energy and financial markets. The uncertainty this entails, while exacerbated by Russia's war with Ukraine, was already evident before the invasion itself. As the world emerged from the worst effects of the pandemic, it became clear that it was beset by severe supply chain disruption which has caused a surge in inflation. Russia's aggression triggered a spike in energy prices, further heightening the general inflationary pressure. Unsurprisingly, government bond yields have risen across the yield curve as monetary authorities have hiked rates and politicians have struggled to address ballooning budget deficits. In the UK, this was further amplified by market fall-out from the "mini-budget" of the short-lived Truss administration.

JLEN's profit before tax for the six-month period to 30 September 2022 was £89.7 million (six months to 30 September 2021: £51.8 million) and earnings per share for the period were 13.6 pence (six months to 30 September 2021: 8.8 pence).

Cash received from the portfolio by way of distributions, which includes interest, loan repayments and dividends, was £43.5 million (six months to 30 September 2021: £26.7 million). Net cash inflows from the investment portfolio (after operating and finance costs) of £38.1 million (six months to 30 September 2021: £21.7 million) cover the interim dividends of £23.0 million paid in the half-year period by approximately 1.64x (six months to 30 September 2021: £20.4 million; 1.06x).

Post balance sheet event: UK government intervention

At the time of writing, the UK government has just released details of the "Electricity Generator Levy", the means by which it intends to capture what it sees as excess profits being made in the wholesale electricity market by low carbon generators such as wind and solar. This Levy sees in-scope generators pay 45% of revenues earned on prices in excess of £75/MWh.

This constitutes a non-adjusting post-balance sheet event ("PBSE") as the Levy was not known at the balance sheet date. However, an expectation that some form of government intervention would be introduced was present, as was a recognition that high near-term power prices may not be captured in practice by generators. In the face of such uncertainty, the Directors used their judgement to reduce price forecast curves used in the valuation by 50% across the portfolio for the next 12 months, with this percentage stepping down by 10% per annum to zero over the next five years. This was applied to all UK generating assets including Renewables Obligation Certificate and Feed-in Tariff supported generators and gas assets supported under the Renewable Heat Incentive. Using this approach, the Directors valued the portfolio at £890.2 million as at the 30 September 2022, which results in a NAV per share of 125.4 pence.

The Directors have now assessed the impact of the Electricity Generator Levy and have also considered the latest available price forecast curves and actual inflation at the time of writing, as well as removing the discounts that were applied to forecast curves for the valuation at the balance sheet date.

The Directors' best estimate of the impact on NAV is shown here:

Net Asset Values	£m	Pence/share
NAV at 30 September 2022	£829.6m	125.4p
Add back short-term price discounts	£84.6m	12.8p
Application of Electricity Generator Levy	(£79.0m)	(11.9p)
PBSE NAV at 30 September 2022	**£835.2m**	**126.3p**
Latest power prices and actual inflation	(£12.6m)	(1.9p)
NAV at 18 November 2022	**£822.6m**	**124.4p**

Dividends

In line with the total target for the year ending 31 March 2023 of 7.14 pence per share set out in our 2022 Annual Report, a quarterly dividend of 1.78 pence per share was paid in September 2022 for the quarter to 30 June 2022.

The Board has declared an interim dividend of 1.79 pence per share for the quarter to 30 September 2022, payable on 30 December 2022, to shareholders on the register as at 9 December 2022. The ex-dividend date will be 8 December 2022.

The Company is confident that the dividend of 7.14 pence per share for the year ending 31 March 2023 will be well covered.

Portfolio performance

Acquisitions

During the six-month period under review, the Company announced investments in four new projects:

- a 50% stake in Clayfords Energy Storage Limited, a 49.9MW construction stage battery storage project located in the UK;
- a minority equity investment into a construction stage controlled environment aquaculture project located in Norway;
- provision of £26.7 million of senior funding for construction of a glasshouse project co-located with an existing JLEN AD facility; and
- a 50% stake in Gigabox No 4, a 49.9MW construction stage battery storage project located in the UK.

The new acquisitions bring further diversification to the portfolio both by technology type and geography.

Portfolio performance continued

Valuation

The Net Asset Value at 30 September 2022 was £829.6 million, comprising £890.2 million portfolio valuation, £10.5 million of cash held by the Group, less outstanding revolving credit debt of £71.4 million plus a positive working capital balance of £0.3 million. The portfolio comprised 41 investments.

Details on the valuation movements can be found in the investment portfolio and valuation section on pages 16 to 27.

Risks and uncertainties

A summary of the principal risks and uncertainties facing the Company is included on pages 41 to 48 of the Annual Report 2022 and developments in relation to these principal risks which could potentially have an impact during the period to 31 March 2023 are outlined on pages 14 and 15.

Sustainability and ESG

Sustainability and ESG remain a strong focus for the Fund, with the overall ESG strategy being driven by the ESG Committee of the Board and implemented by the Investment Manager. Progress has been made in the period in relation to the Company's approach to the Task Force on Climate-related Financial Disclosures ("TCFD") and tracking the Company's ESG performance against its ESG KPIs. The Company's full set of ESG KPIs and its TCFD report can be found in the Annual Report 2022 and on page 35 where the ESG performance for the current half year is summarised along with the awards that the Company has won for its ESG reporting.

Outlook

The uncertainties prevailing in economies and energy markets are adding to the difficulties in assessing the prospects for and valuation of environmental infrastructure projects. With quality of judgement so critical at this time, it is reassuring to be able to rely on the expertise of Foresight Group as JLEN's Investment Manager. With uncertainty comes opportunity and the Board is encouraged by the range of possible investments that Foresight continues to source and evaluate on behalf of the Company. Each evaluation contains a set of sensitivity analyses so that we can be sure that investments are founded on an understanding of the full range of possible outcomes under widely varying scenarios – essential we believe in the current climate.

These scenarios necessarily include different possible political interventions as governments seek ways to mitigate the punitive effects of soaring energy prices for individual and business consumers. This desire is likely to continue to underpin the search for renewable sources of energy. As national grids become increasingly more complex, so security of supply and system resilience will be paramount.

JLEN is well placed to capitalise on the search to secure solutions to the challenge of ensuring low carbon energy provision, as well as sustainable ways of living more broadly. Crucially, our portfolio is well diversified, so ensuring that no one set of risks predominates and hence long-term investment returns are likely to prove less volatile than if the Company's focus was on a single form of asset. For example, JLEN has invested in battery projects that provide flexibility of the kind that will be valuable for the electricity grid of the future and controlled environment projects that provide sustainable solutions for food production.

Board matters

Richard Morse left the Board in July, as previously announced. He served JLEN with distinction as its Chair since the inception of the Company and, on behalf of all stakeholders, I'd like to thank him for his eight years of valuable service. I would also like to express my gratitude to our Senior Independent Director, Richard Ramsay, who assumed the role of Interim Chair in the short period before my appointment on 2 August 2022. Richard is himself scheduled to step down from the Board before the next AGM and a process to identify a new Director is currently underway.

The Board notes the requirements of the UK Corporate Governance Code to put the external audit out to tender at least every 10 years. This is the ninth year of Deloitte's appointment as the Company's auditor and the Company has commenced a competitive tender process for the role of external auditor. The Board will report the results of this exercise in due course, but it is expected that this process will be completed before the end of the current financial year.

Ed Warner
Chair

25 November 2022

THE INVESTMENT MANAGER

JLEN is managed by Foresight Group LLP, an alternative listed investment fund manager with over £12 billion of assets under management and over 350 infrastructure assets.

Chris Tanner
Co-lead Investment Manager
Chris has been the co-lead Investment Manager to JLEN since IPO in 2014.

He joined Foresight in 2019 as a Partner and currently works in the London office. He has over 23 years of industry experience.

Chris is a Member of the Institute of Chartered Accountants in England and Wales and has an MA in Politics, Philosophy and Economics from Oxford University.

Chris Holmes
Co-lead Investment Manager
Chris has been co-lead Investment Manager to JLEN since January 2018.

He joined Foresight in 2019 as a Partner in the London office. He has over 25 years' experience in investment and financing of infrastructure and renewable energy projects.

Chris has a BA (Hons) in Business Economics from the University of Durham.

Edward Mountney
Foresight management team, JLEN
Edward has been involved with JLEN since 2016, joining the JLEN management team in 2022.

Prior to this, Edward was Head of Valuations for Foresight Group and John Laing Capital Management before that. He has over 13 years' experience in infrastructure and renewable energy projects.

Edward is a qualified Chartered Accountant and holds a BA (Hons) in Business and Management from Oxford Brookes University.

About Foresight Group

Foresight Group was founded in 1984 and is a leading listed infrastructure and private equity investment manager. With a long-established focus on ESG and sustainability-led strategies, it aims to provide attractive returns to its institutional and private investors from hard-to-access private markets. Foresight manages over 350 infrastructure assets with a focus on solar and onshore wind assets, bioenergy and waste, as well as renewable energy enabling projects, energy efficiency management solutions, social and core infrastructure projects and sustainable forestry assets. Its private equity team manages 10 regionally focused investment funds across the UK and an SME impact fund supporting Irish SMEs.

This team reviews over 2,500 business plans each year and currently supports more than 250 investments in SMEs. Foresight Capital Management manages four strategies across six investment vehicles with AUM of over £1.5 billion.

Foresight operates across seven countries in Europe and Australia with AUM of over 12 billion. Foresight Group Holdings Limited listed on the Main Market of the London Stock Exchange in February 2021.
www.fsg-investors.com

RISKS AND RISK MANAGEMENT

JLEN has a comprehensive risk management framework overseen by the Risk Committee, comprising independent non-executive Directors.

The Company's approach to risk governance and its risk review process are set out in the risks and risk management section of the Annual Report 2022.

The principal risks to the achievement of the Company's objectives are reported on pages 41 to 48 of the Annual Report 2022.

Developments in relation to these principal risks, particularly those which could potentially have a short to medium-term impact during the period to 31 March 2023, are outlined below.

Energy prices and government intervention

Energy prices continue to be significantly elevated from the historical trend. A combination of factors, including disruption to supply chains in the wake of the Covid-19 pandemic and the effect of the Russian war in Ukraine, have contributed to this situation, with no obvious short-term catalyst for prices to return to a more normal lower level. Generating assets in JLEN's portfolio have been benefiting from these higher prices but their ability to continue to do so is at risk. Post the balance sheet date, but prior to publication of this Half-year Report, the UK government announced the Electricity Generator Levy, the means by which it intends to capture what it sees as excess profits being made in the wholesale electricity market by low carbon generators.

The Directors have made an assessment of the way in which the Levy will apply to assets within the Company's portfolio based on the information available as part of quantifying this post balance sheet event. The detailed legislation for the Levy has not yet been introduced, and there is a risk that the way in which the Levy is assumed to apply is incorrect.

Inflation

High inflation is emerging as a key risk in the global economy. In the UK, the latest annual CPI measure stands at 11.1%, while RPI (which is more relevant for the Company as its subsidy revenues and concession-based payments are linked to it) stands at 14.2%.

Governments around the world have reacted to the prospect of high inflation becoming embedded by aggressively raising interest rates from the historic lows that have persisted since the Global Financial Crisis in 2008. In the UK, base rates have increased from 0.1% at the end of 2021 to 3.0% at the time of writing, with further increases anticipated. UK Government bond rates have also moved significantly, with the yield on the 20 year gilt being up to a high of 4.9% towards the end of September 2022, before coming down to 3.4% more recently. This compares to c.1% 12 months ago and raises risks around the valuation of all infrastructure, including those of the Company (see overleaf).

Several other risks for the Company stem from inflation. The most direct risk, concerning variability of costs and revenues, is positively correlated with inflation.

The portfolio has a high proportion of revenues that are linked to RPI and these will exceed any negative cash flow impacts from inflation-linked costs. If higher than trend inflation is expected, then the earnings from the Company will increase, everything else being equal.

If higher inflation assumptions become embedded for the longer term, such that it becomes appropriate for the Company to revisit its long-term inflation assumption of 3% until 2030, then this will also benefit the NAV as future cash flows from the portfolio will be assumed to be higher.

Interest rates

While interest rates have risen, the large majority of JLEN's debt is project finance at the project level, fully hedged against interest rate rises and so this risk is mitigated. However, the Company's revolving credit facility ("RCF") is not hedged and so faces a higher cost of borrowing, although this is not particularly material to the Company.

REMA

The UK Government has launched a far-ranging consultation about the future of the GB electricity market (REMA), intended to ensure that market arrangements promote affordability for consumers and energy security as the GB system decarbonises. In some scenarios considered in the consultation, the basis on which GB electricity-generating assets and battery storage assets in the JLEN portfolio receive revenues could be profoundly changed.

The results of the consultation are not expected to be shared until 2023 and the government's intentions will not become clear until then. If government wishes to adopt some of the more radical changes, then realistic timelines for adoption will probably see the current system remaining in place until the late 2020s. Nevertheless, the assets in the Company's portfolio are long-term infrastructure assets and there is a risk that the current basis for valuing the assets over the long term will need to change to reflect the outcome of REMA.

Gilts/discount rates

As noted above, UK gilt yields have increased significantly in recent months, affected by fears about inflation and exacerbated by negative investor sentiment regarding the state of the UK public finances. This increase has carried across into expectations for discount rates used in the valuation of infrastructure assets, including those of the Company, as some analysts use the "risk-free rate" represented by the yield on government bonds as the starting point for determining discount rates, and then apply a further "risk premium" intended to reflect the risk characteristics of the asset.

This approach has been less prevalent in recent years as very low government bond yields and related risk premia have been harder to reconcile with actual valuations for assets seen in the market. Nevertheless, recent share price movements in the listed renewables sector indicate that investors expect an increase in discount rates and a corresponding decrease in asset values. The Directors have increased discount rates by 0.75% in response to this movement in interest rates, but this represents a judgement and the actual position will only become clear as new transaction data become available.

INVESTMENT PORTFOLIO AND VALUATION

Portfolio value increased by 11.9% from £795.4 million at 31 March 2022 to £890.2 million at 30 September 2022.

Investment portfolio

At 30 September 2022, the Group's investment portfolio comprised interests in 41 project vehicles:

Type	Asset	Location	Type	Ownership	Capacity (MW)	Commercial operations date
	Bilsthorpe	UK (Eng)	Wind	100%	10.2	Mar 2013
	Burton Wold Extension	UK (Eng)	Wind	100%	14.4	Sep 2014
	Carscreugh	UK (Scot)	Wind	100%	15.3	Jun 2014
	Castle Pill	UK (Wal)	Wind	100%	3.2	Oct 2009
	Dungavel	UK (Scot)	Wind	100%	26.0	Oct 2015
	Ferndale	UK (Wal)	Wind	100%	6.4	Sep 2011
	Hall Farm	UK (Eng)	Wind	100%	24.6	Apr 2013
	Llynfi Afan	UK (Wal)	Wind	100%	24.0	Mar 2017
	Moel Moelogan	UK (Wal)	Wind	100%	14.3	Jan 2003 & Sep 2008
	New Albion	UK (Eng)	Wind	100%	14.4	Jan 2016
	Wear Point	UK (Wal)	Wind	100%	8.2	Jun 2014
				Total	**161.0**	
	Bio Collectors	UK (Eng)	Waste management	70%	11.7[1]	Dec 2013
	Codford Biogas	UK (Eng)	Waste management	100%	3.8[2]	2014
	Cramlington Renewable Energy Developments	UK (Eng)	Biomass combined heat and power	100%	32.0[3]	2018
	ELWA	UK (Eng)	Waste management	80%	n/a	2006
	Energie Tecnologie Ambiente ("ETA")	Italy	Energy-from-waste	45%[4]	16.8	2012
	Tay	UK (Scot)	Wastewater	33%	n/a	Nov 2001
				Total	**64.3**	
	Biogas Meden	UK (Eng)	Anaerobic digestion	100%	5.0[5]	Mar 2016
	Egmere Energy	UK (Eng)	Anaerobic digestion	100%	5.0[6]	Nov 2014
	Grange Farm	UK (Eng)	Anaerobic digestion	100%	5.0[6]	Sep 2014
	Icknield Farm	UK (Eng)	Anaerobic digestion	53%	5.0[5]	Dec 2014
	Merlin Renewables	UK (Eng)	Anaerobic digestion	100%	5.0[6]	Dec 2013
	Peacehill Farm	UK (Scot)	Anaerobic digestion	49%	5.0[7]	Dec 2015
	Rainworth Energy	UK (Eng)	Anaerobic digestion	100%	2.2[2]	Sep 2016
	Vulcan Renewables	UK (Eng)	Anaerobic digestion	100%	13.0[6]	Oct 2013
	Warren Energy	UK (Eng)	Anaerobic digestion	100%	5.0[6]	Dec 2015
				Total	**50.2**	

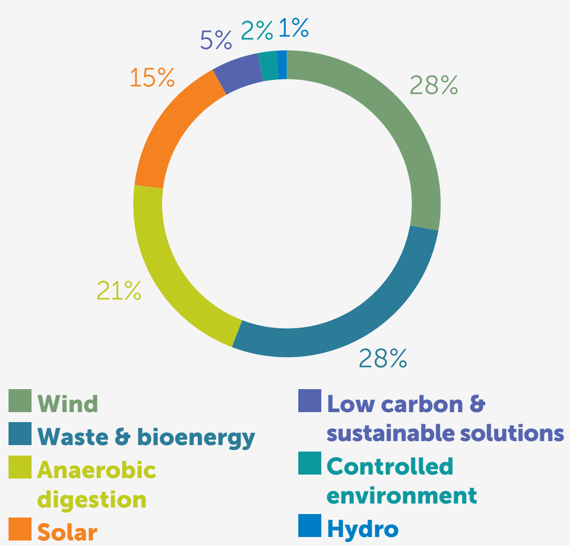
Type	Asset	Location	Type	Ownership	Capacity (MW)	Commercial operations date
	Amber	UK (Eng)	Solar	100%	9.8	Jul 2012
	Branden	UK (Eng)	Solar	100%	14.7	Jun 2013
	CSGH	UK (Eng)	Solar	100%	33.5	Mar 2014 & Mar 2015
	Monksham	UK (Eng)	Solar	100%	10.7	Mar 2014
	Panther	UK (Eng)	Solar	100%	6.5	2011-2014
	Pylle Southern	UK (Eng)	Solar	100%	5.0	Dec 2015
				Total	**80.2**	
	Clayfords Energy Storage	UK (Scot)	Battery storage	50%	n/a	Under construction
	CNG Foresight	UK (Eng)	Low carbon transport	25%[8]	n/a	Various
	Lunanhead	UK (Scot)	Battery storage	50%	n/a	Under construction
	Sandridge Battery Storage	UK (Eng)	Battery storage	50%	n/a	Under construction
	West Gourdie	UK (Scot)	Battery storage	100%	n/a	Under construction
	Glasshouse	UK (Eng)	Controlled environment agriculture	Minority stake	n/a	Under construction
	Rjukan	Norway	Controlled environment aquaculture	Minority stake	n/a	Under construction
	Northern Hydropower	UK (Eng)	Hydropower	100%	1.8[9]	Oct 2011 & Oct 2017
	Yorkshire Hydropower	UK (Eng)	Hydropower	100%	2.0[9]	Oct 2015 & Nov 2016
				Total	**3.8**	
FEIP JLEN has committed €25 million to FEIP	Avalon	Spain	Solar and green hydrogen	n/a	n/a	Development
	Carna	UK (Scot)	Pumped storage hydro and co-located wind	n/a	n/a	Under construction
	Kölvallen	Sweden	Onshore wind	n/a	n/a	Under construction
	MaresConnect	Republic of Ireland	High voltage direct current interconnectors	n/a	n/a	Development and under construction
	Puskakorpi	Finland	Wind	n/a	n/a	Under construction
	Quartz	UK (Eng)	Battery storage	n/a	n/a	Development
	Skaftåsen Vindkraft AB	Sweden	Wind	n/a	n/a	Under construction
	Torozos	Spain	Wind	n/a	n/a	Dec 2019
	85 Degrees	Netherlands	Portfolio of geothermal heat	n/a	n/a	Operational/ under construction
				Total	**359.5**	

(1) 10MWth and an additional 1.7MWe capacity through two CHP engines.
(2) Electrical exporting plant measured as MWe.
(3) 26MWe (electrical) and 6MWth (thermal).
(4) Not including FEIP's ownership.
(5) MWth (thermal) and an additional 0.4MWe CHP engine for on-site power provision.
(6) MWth (thermal) and an additional 0.5MWe CHP engine for on-site power provision.
(7) MWth (thermal) and an additional 0.25MWe CHP engine for on-site power provision.
(8) JLEN holds 25% of the "A" shares. "A" shares have a different economic entitlement than "B" shares, including a priority return.
(9) Includes a 1.2MW battery storage.

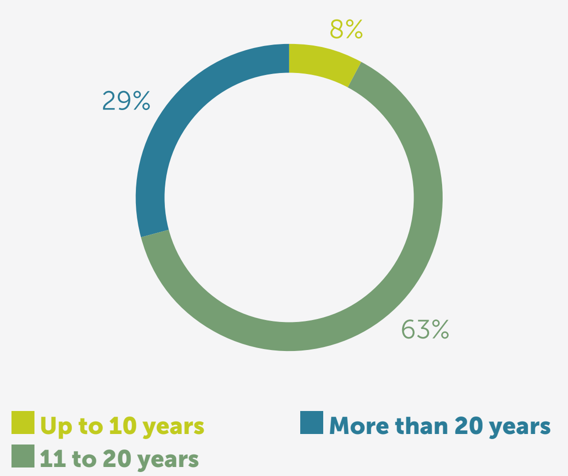
Investment portfolio continued

The JLEN portfolio comprises a diversified range of assets across different geographies, sectors, technologies and revenue types, as illustrated in the analysis below as at 30 September 2022:

Portfolio value
split by sector

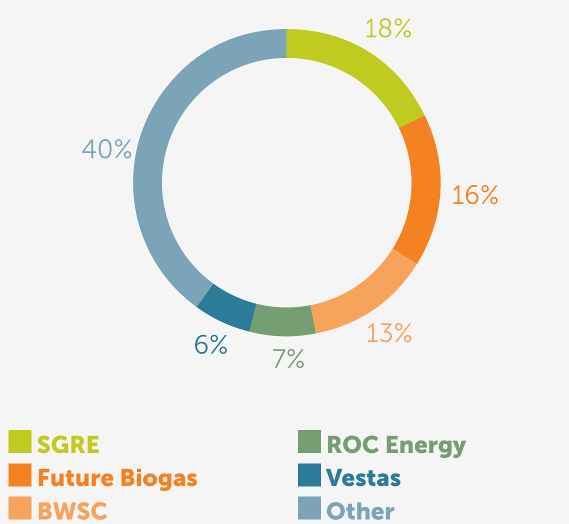


Portfolio value
split by remaining asset life

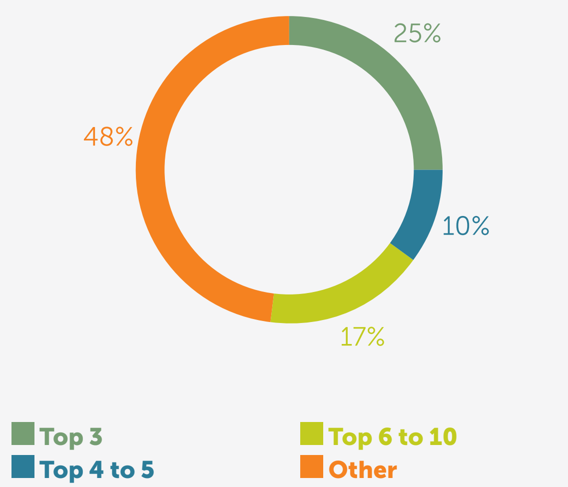


Weighted average[(1)] remaining asset life of the portfolio is 16.9 years.

Portfolio operator exposure
percentage of portfolio value



Portfolio value
split by asset concentration



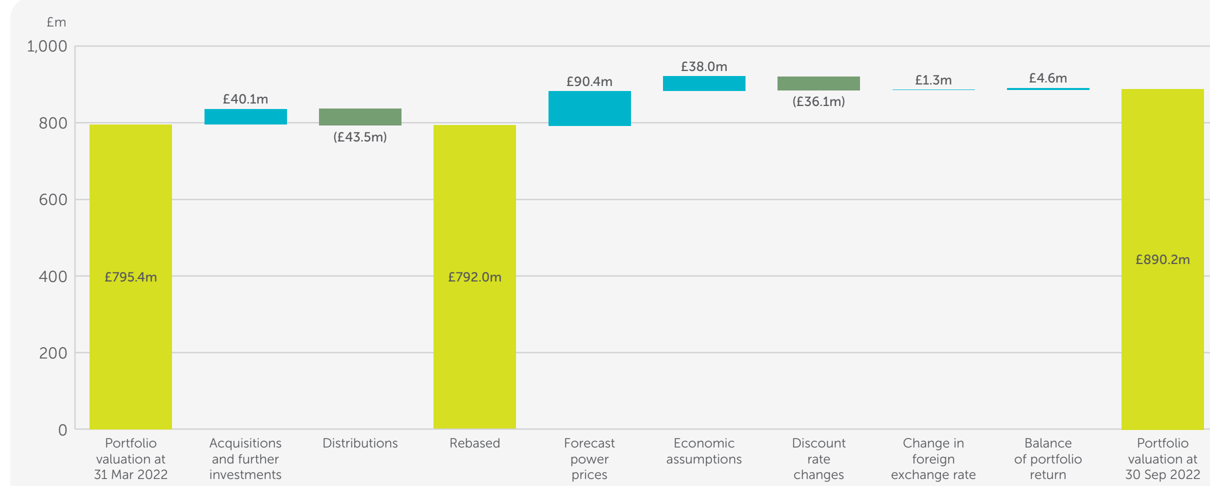
(1) Based on project revenues from volumes/generation during the period and assumes project cash flow distributions reflect revenue split at each project.

Portfolio valuation

The Investment Manager is responsible for carrying out the fair market valuation of the Company's investments, which is presented to the Directors for their approval and adoption. The valuation is carried out on a quarterly basis as at 30 June, 30 September, 31 December and 31 March each year.

This valuation is based on a discounted cash flow analysis of the future expected equity and loan note cash flows accruing to the Group from each portfolio investment. It uses key assumptions which are recommended by Foresight using its experience and judgement, having considered available comparable market transactions and financial market data in order to arrive at a fair market value. An independent verification exercise of the methodology and assumptions applied by Foresight is performed by a leading accountancy firm and an opinion is provided to the Directors. The Directors have satisfied themselves as to the methodology used and the assumptions adopted and have approved the valuation.

The Directors' valuation of the portfolio at 30 September 2022 was £890.2 million, compared to £795.4 million at 31 March 2022. The increase of £94.8 million is the net impact of new acquisitions, cash received from investments, changes in macroeconomic, power price and discount rate assumptions, and underlying growth in the portfolio. A reconciliation of the factors contributing to the growth in the portfolio during the period is shown in the chart below.



The movement in value of investments during the six-month period ended 30 September 2022 is shown in the table below:

	30 Sep 2022 £m	31 Mar 2022 £m
Valuation of portfolio at opening balance	**795.4**	571.4
Acquisitions in the period/year (including deferred consideration)	**40.1**	82.4
Cash distributions from portfolio	**(43.5)**	(56.5)
Rebased opening valuation of portfolio	**792.0**	597.3
Changes in forecast power prices	**90.4**	127.2
Changes in economic assumptions	**38.0**	26.1
Changes in discount rates	**(36.1)**	9.7
Changes in exchange rates	**1.3**	(0.1)
Balance of portfolio return	**4.6**	35.2
Valuation of portfolio	**890.2**	795.4
Fair value of intermediate holding companies	**(58.4)**	(32.5)
Investments at fair value through profit or loss	**831.8**	762.9

Portfolio valuation continued

Allowing for investments of £40.1 million (including deferred consideration) and cash receipts from investments of £43.5 million, the rebased valuation is £792.0 million. The portfolio valuation at 30 September 2022 is £890.2 million (31 March 2022: £795.4 million), representing an increase over the rebased valuation of 12% during the period. Users of this report should be aware that post the balance sheet date, the UK government announced the Electricity Generator Levy, which has a significant impact on the value of the portfolio. The Directors have now assessed the impact of the Electricity Generator Levy and have also considered the latest available price forecast curves and actual inflation at the time of writing, as well as removing the discounts that were applied to forecast curves for the valuation at the balance sheet date. The Directors' best estimate of the impact on NAV is shown here:

Net Asset Values	£m	Pence/share
NAV at 30 September 2022	£829.6m	125.4p
Add back short-term price discounts	£84.6m	12.8p
Application of Electricity Generator Levy	(£79.0m)	(11.9p)
PBSE NAV at 30 September 2022	**£835.2m**	**126.3p**
Latest power prices and actual inflation	(£12.6m)	(1.9p)
NAV at 18 November 2022	**£822.6m**	**124.4p**

Valuation assumptions

Each movement between the rebased valuation and the 30 September 2022 valuation is considered below:

Forecast power prices

The project cash flows used in the portfolio valuation at 30 September 2022 reflect contractual fixed price arrangements under PPAs, where they exist, and short-term market forward prices for the next two years where they do not. The Company maintains a programme of rolling price fixes for its energy generating projects, typically having the majority of projects on fixed price arrangements for the next six to 12 months in order to reduce the revenue risk from price volatility.

At 30 September 2022, 84% of the renewable energy portfolio's electricity price exposure was subject to a fixed price or a floor arrangement for the winter 2022/23 season and 66% for the summer 2023 season. See the power price hedging section in the Operational Review on page 29 for more detail about the latest price fixes in place across the portfolio.

After the initial two-year period, the project cash flows assume future electricity and gas prices in line with a blended curve informed by the central forecasts from three established market consultants, adjusted by the Investment Manager for project-specific arrangements and price cannibalisation as required.

For the balance sheet date, in consideration of the uncertainty that existed at that time regarding market intervention by the UK government and also the ongoing volatility in wholesale pricing, the Company considered it appropriate to apply a one-off discount to near term price forecasts. Discounts started at 50% across the relevant assets in the portfolio for the next 12 months, stepping down by 10% per annum to zero over the next five years as prices are forecast to stabilise. Post the balance sheet date, the UK government published high-level details of its mechanism for market intervention, the Electricity Generator Levy, and the Company has responded to this as a post balance sheet event disclosure.

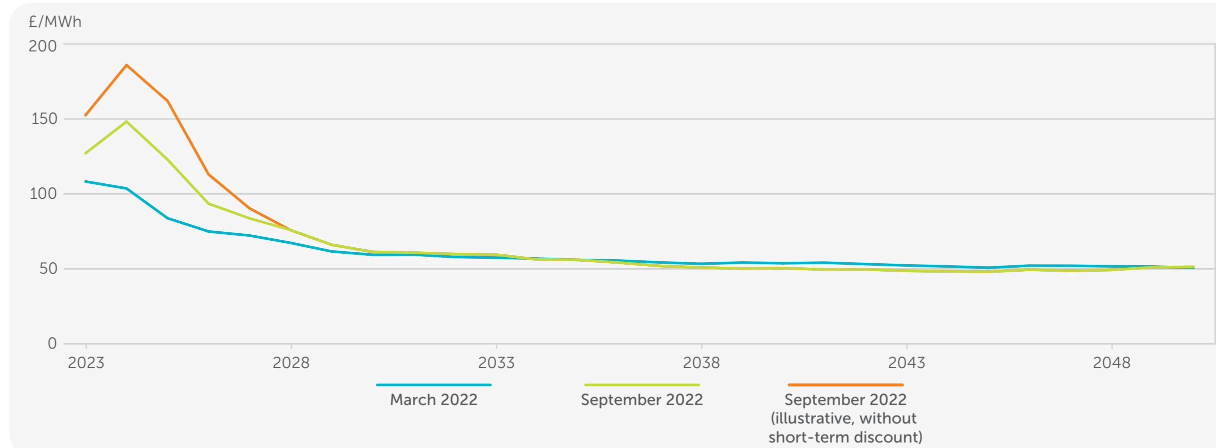
More detail on energy price risks can be found in the Risks and Risk Management section on page 14.

For the Italian investment, project cash flows assume future electricity prices informed by a leading independent market consultant's long-term projections.

The overall change in forecasts for future electricity and gas prices compared to forecasts at 31 March 2022 has increased the valuation of the portfolio by £90.4 million.

The graph below represents the blended weighted power curve used by the Company, reflecting the forecast of three leading market consultants, adjusted by the Investment Manager to reflect its judgement of capture discounts and a normalised view across the portfolio of expectations of future price cannibalisation resulting from increased penetration of low marginal cost, intermittent generators on the GB network. The curve is presented both with and without the near-term discounts applied by management in light of market uncertainty around energy pricing. Short-term fixes have been secured at levels significantly above the valuation assumptions forecast last year, which has both contributed to an uplift in Net Asset Value as well as serving to mitigate exposure to the risk of prices falling from their current levels, but it also means that the portfolio may not always be free to capture the very highest prices that are available from time to time.

Illustrative blended power price curve

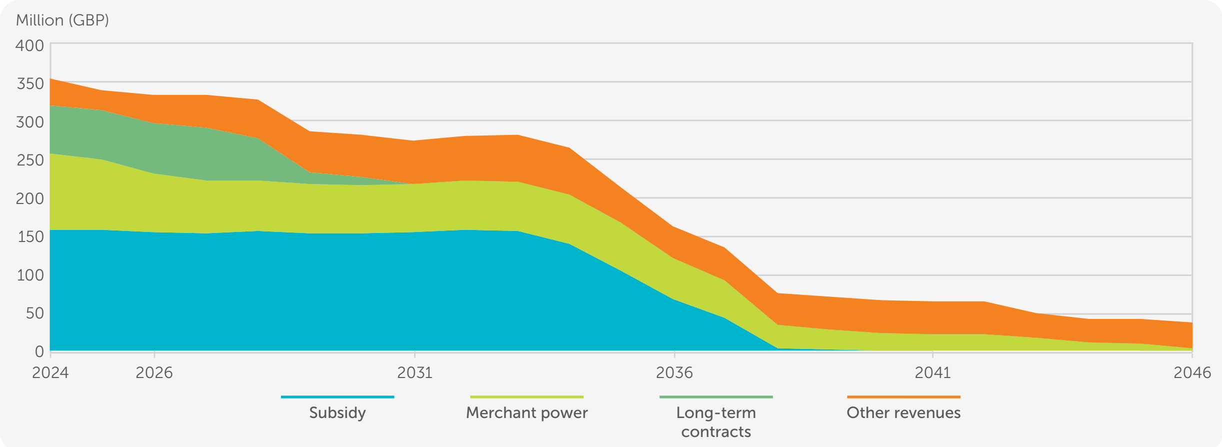


Portfolio valuation continued

Valuation assumptions continued

Revenue analysis

The graph below shows the way in which the revenue mix of the renewables portfolio changes over time for future financial years, given the assumptions made regarding future power prices set out above. As expected, merchant power revenues increase in later years as the subsidies that projects currently benefit from expire.

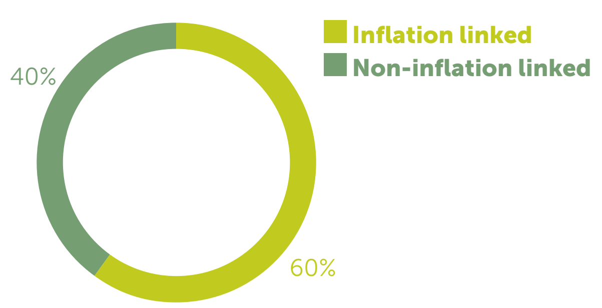


Whilst "merchant power" revenues are dependent on the market price of electricity and natural gas where JLEN's assets are price-takers with less pricing power, "other revenues" shown in the table above constitute revenues attributable to non-energy generating assets such as batteries or recent investments in controlled environment. Whilst these investments do not currently have long term contractual inflation linkage, JLEN has the ability to raise prices to react to inflation or, in the case of the batteries, revenues are driven by a margin over costs which is sustained regardless of inflation.

On a net present value basis (using the discount rate applicable to each project), the relative significance of each revenue category illustrated above is as follows:

Revenue type	NPV of portfolio revenues
Subsidy	49%
Long-term contracts	11%
Merchant power	27%
Other revenues	13%

Portfolio distributions split by inflation linkage



The proportion of Fund revenues that come from the sale of wholesale electricity and gas is 23% and 4% respectively. Despite recent uplifts in energy prices, merchant power revenue remains a low proportion and reflects the broader diversification of JLEN's portfolio.

Economic assumptions

The valuation reflects an uplift in inflation assumptions based on a combination of actual historic inflation and recent independent economic forecasts.

Short-term RPI inflation rates (being the key index referenced in subsidy and contractual mechanisms in JLEN's portfolio) assumed in the valuation reflect an increased 2022 rate of 10.4% (31 March 2022: 5%) and 2023 rate of 4.6% (31 March 2022: 3%), before reverting to the established assumption of 3% until 2030, reducing to 2.25% from 2031 onwards (31 March 2022: 3% until 2030, reducing to 2.25% from 2031 onwards), whilst CPI inflation rates assumed in the valuation are 8.1% for 2022 (31 March 2022: 2.25%) and 3.5% for 2023 (31 March 2022: 2.25%) before reverting to the established assumption of 2.25% onwards (31 March 2022: 2.25%) for UK assets and 8.1% for 2022, stepping to 2% from 2027, for Italian asset (31 March 2022: 1.3% and 2% respectively).

In light of the current economic environment, near-term actual inflation may vary from assumptions applied within the portfolio valuation, therefore the Investment Manager will continue to monitor developments in this area.

Near-term UK corporation tax rates remain unchanged at 19%, stepping up to 25% from April 2023 (31 March 2022: 19%, stepping up to 25% from April 2023). The equivalent Italian assumption applies the national rate of 24% plus applicable regional premiums (unchanged from 31 March 2022).

UK deposit rates assumed in the valuation also remain unchanged at 0.25% to 2024 and 1% thereafter (31 March 2022: 0.25% to 2024 and 1% thereafter). Italian deposit rates are presently assumed at 0% (31 March 2022: 0%).

The euro/sterling exchange rate used to value euro-denominated investments was €1.12/£1 at 30 September 2022 (€1.18/£1 at 31 March 2022).

The overall uplift in value resulting from changes to economic assumptions in the year is £38.0 million.

Discount rates

The discount rates used in the valuation exercise represent the Investment Manager's and the Board's 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 to reflect changes in the market and in the project risk characteristics.

UK gilt yields have increased significantly in recent months, affected by fears about inflation and exacerbated by negative investor sentiment regarding the state of the UK public finances. This increase has carried across into expectations for discount rates used in the valuation of infrastructure assets such as the Company's. In response to this, the Directors have increased discount rates by 0.75%.

INVESTMENT PORTFOLIO AND VALUATION continued

Portfolio valuation continued

Valuation assumptions continued

Discount rates continued

As in previous valuations, the discount rate used for asset cash flows which have received lease extensions beyond the initial investment period of 25 years retains a premium of 1% for subsequent years, reflecting the merchant risk of the expected cash flows beyond the initial 25-year period.

The overall decrease in value resulting from changes to discount rates in the period is £36.1 million.

Taking the above into account and reflecting the change in mix of the portfolio during the year, the overall weighted average discount rate ("WADR") of the portfolio is 8.4% at 30 September 2022 (31 March 2022: 7.3%).

Balance of portfolio return

This represents the balance of valuation movements in the year excluding the factors noted above. The balance of the portfolio return mostly reflects the impact on the rebased portfolio value, all other measures remaining constant, of the effect of the discount rate unwinding and also some additional valuation adjustments from updates to individual project revenue assumptions. The total represents an uplift of £4.6 million.

Of this, the key valuation adjustments include an uplift of £10.7 million (1.6 pence per share) arising from the negotiation of a long-term fuel supply agreement at the Cramlington biomass facility. The new agreement was a key objective set at acquisition and provides greater resilience as well as a more efficient and sustainable mix of fuel types on improved commercial terms. Offsetting this is an increase in downtime for unplanned maintenance following experience from a similar plant.

In addition to this, the Company has recognised a number of other low-value cost adjustments and generation reforecasts following the normal course of ongoing reassessment throughout the period.

Valuation sensitivities

The Net Asset Value of the Company is the sum of the discounted value of the future cash flows of the underlying asset financial models, construction and development spend, the cash balances of the Company and UK HoldCo, and the other assets and liabilities of the Group less Group debt.

The portfolio valuation is the largest component of the Net Asset Value and the key sensitivities are considered to be the discount rate applied in the valuation of future cash flows and the principal assumptions used in respect of future revenues and costs.

A broad range of assumptions is used in our valuation models. These assumptions are based on long-term forecasts and are not affected by short-term fluctuations in inputs, whether economic or technical. The Investment Manager exercises its judgement in assessing both the expected future cash flows from each investment based on the project's life and the financial models produced by each project company and the appropriate discount rate to apply.

The key assumptions are as follows:

Discount rate

The WADR of the portfolio at 30 September 2022 was 8.4% (31 March 2022: 7.3%). A variance of plus or minus 0.5% is considered to be a reasonable range of alternative assumptions for discount rates.

An increase in the discount rate of 0.5% would result in a downward movement in the portfolio valuation of £20.2 million (3.1 pence per share) compared to an uplift in value of £21.2 million (3.2 pence per share) if discount rates were reduced by the same amount.

Volumes

Base case forecasts for intermittent renewable energy projects assume a "P50" level of electricity output based on reports by technical consultants. The P50 output is the estimated annual amount of electricity generation (in MWh) that has a 50% probability of being exceeded – both in any single year and over the long term – and a 50% probability of being underachieved. Hence the P50 is the expected level of generation over the long term.

The P90 (90% probability of exceedance over a 10-year period) and P10 (10% probability of exceedance over a 10-year period) sensitivities reflect the future variability of wind, hydropower and solar irradiation and the uncertainty associated with the long-term data source being representative of the long-term mean.

Separate P10 and P90 sensitivities are determined for each asset and historically the results presented on the basis they are applied in full to all wind, hydro and solar assets. This implies individual project uncertainties are completely dependent on one another; however, a Portfolio Uncertainty Benefit analysis performed by a third-party technical adviser identified a positive portfolio effect from investing in a diversified asset base. That is to say that the lack of correlation between wind, hydro and solar variability means P10 and P90 sensitivity results should be considered independent. Therefore, whilst the overall P90 sensitivity decreases NAV by 6.4 pence, the impact from wind, hydro and solar separately is only 4.7 pence per share, 0.3 pence per share and 1.4 pence per share respectively, as shown in the chart overleaf.

Agricultural anaerobic digestion facilities do not suffer from similar deviations as their feedstock input volumes (and consequently biogas production) are controlled by the site operator.

For the waste & bioenergy projects, forecasts are based on projections of future input volumes and are informed by both forecasts and independent studies where appropriate. Revenues in the PPP projects are generally not very sensitive to changes in volumes due to the nature of their payment mechanisms.

INVESTMENT PORTFOLIO AND VALUATION continued

Portfolio valuation continued

Valuation sensitivities continued

Electricity and gas prices

Electricity and gas price assumptions are based on the following: for the first two years, cash flows for each project use forward electricity and gas prices based on market rates unless a contractual fixed price exists, in which case the model reflects the fixed price followed by the forward price for the remainder of the two-year period. For the remainder of the project life, a long-term blend of central case forecasts from three established market consultants and other relevant information is used, and adjusted by the Investment Manager for project-specific arrangements and price cannibalisation.

For the balance sheet date, in consideration of the uncertainty that existed at that time regarding market intervention by the UK government and also the ongoing volatility in wholesale pricing, the Company considered it appropriate to apply a one-off discount to near-term price forecasts. Discounts started at 50% across the relevant assets in the portfolio for the next 12 months, stepping down by 10% per annum to zero over the next five years as prices are forecast to stabilise. Post the balance sheet date, the UK government published high-level details of its mechanism for market intervention, the Electricity Generator Levy, and the Company has responded to this as a post balance sheet event.

The sensitivity assumes a 10% increase or decrease in power prices relative to the base case for each year of the asset life after the first two-year period. While power markets can experience movements in excess of +/-10% on a short-term basis, as has been the case recently, the sensitivity is intended to provide insight into the effect on the NAV of persistently higher or lower power prices over the whole life of the portfolio. The Directors feel that +/-10% remains a realistic range of outcomes over this very long time horizon, notwithstanding that significant movements will occur from time to time.

An increase in electricity and gas prices of 10% would result in an uplift in the portfolio valuation of £44.1 million (6.7 pence per share) compared to a downward movement in value of £43.6 million (6.6 pence per share) if prices were reduced by the same amount.

The suite of sensitivities here are based on the 30 September 2022 valuation and therefore reflect the Company's assessment at that time of UK government intervention as described above. In light of the subsequent publication of the Electricity Generator Levy on 17 November 2022, a further sensitivity as of 18 November 2022 has been produced to illustrate the interaction between price movements across JLEN's diversified mix of electricity and gas generating assets and the Levy. Therefore for illustrative purposes, should unhedged power and gas prices be 10% higher or lower than JLEN's valuation assumptions until the Levy ceases on 31 March 2028, NAV would be expected to increase or decrease by approximately 2.1 pence per share or 2.4 pence per share respectively.

Feedstock prices

Feedstock accounts for over half of the operating costs of running an AD plant. As feedstocks used for AD are predominantly crops grown within existing farming rotation, they are exposed to the same growing risks as any agricultural product. The sensitivity assumes a 10% increase or decrease in feedstock prices relative to the base case for each year of the asset life.

An increase in the feedstock prices of 10% would result in a downward movement in the portfolio valuation of £8.4 million (1.3 pence per share) compared to an uplift in value of £8.2 million (1.2 pence per share) if prices were reduced by the same amount.

Inflation

Each project in the portfolio receives a revenue stream which is either fully or partially inflation-linked. The inflation assumptions are described in the macroeconomic section on page 23. The sensitivity assumes a 0.5% increase or decrease in inflation relative to the base case for each year of the asset life.

An increase in the inflation rates of 0.5% would result in an uplift in the portfolio valuation of £18.2 million (2.8 pence per share) compared to a decrease in value of £18.6 million (2.8 pence per share) if rates were reduced by the same amount.

In light of the current economic environment, near-term actual inflation may vary from assumptions applied within the portfolio valuation, therefore the Investment Manager will continue to monitor developments in this area.

Euro/sterling exchange rates

As the proportion of the portfolio assets with cash flows denominated in euros represents a small proportion of the portfolio value at 30 September 2022, the Directors consider the sensitivity to changes in euro/sterling exchange rates to be insignificant.

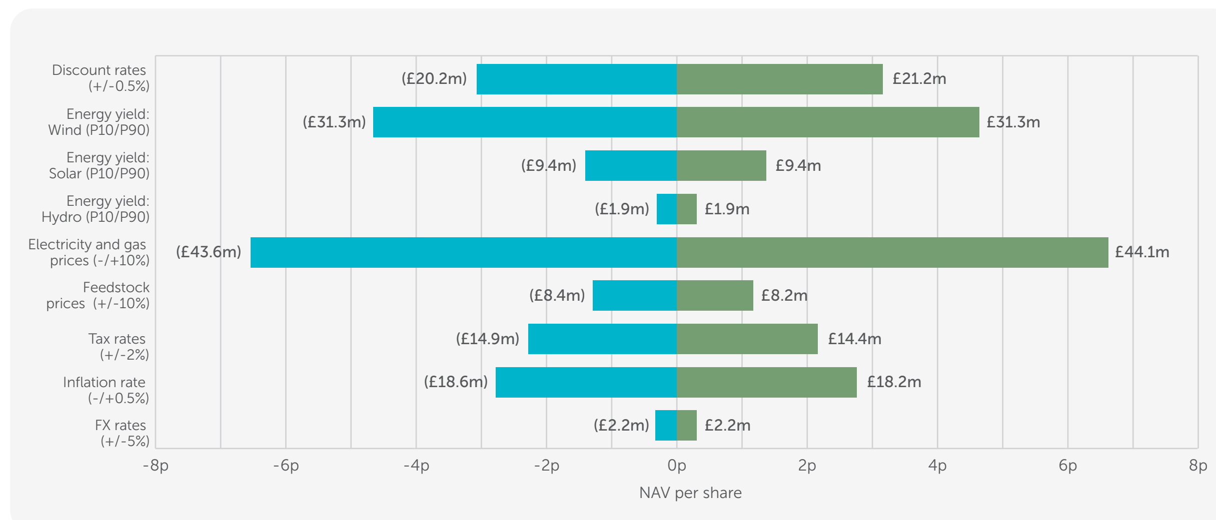
Corporation tax

The UK corporation tax assumptions applied in the portfolio valuation are outlined in the notes to the accounts on page 64. The sensitivity below assumes a 2% increase or decrease in the rate of UK corporation tax relative to the base case for each year of the asset life.

An increase in the UK corporation tax rate of 2% would result in a downward movement in the portfolio valuation of £14.9 million (2.3 pence per share) compared to an uplift in value of £14.4 million (2.2 pence per share) if rates were reduced by the same amount.

Sensitivities – impact on NAV at 30 September 2022

The following chart shows the impact of the key sensitivities on Net Asset Value per share, with the £ labels indicating the impact of the sensitivities on portfolio value.



OPERATIONAL REVIEW

The portfolio has performed well with financial performance exceeding budget, reinforcing the view that the dividend will be strongly covered by cash generated from the underlying portfolio.

Investment performance

The NAV per share at 30 September 2022 was 125.4 pence, up from 115.3 pence at 31 March 2022.

JLEN has announced an interim dividend of 1.79 pence per share for the quarter ended 30 September 2022, payable on 30 December 2022, in line with the full-year target of 7.14 pence per share for the year ending 31 March 2023 as set out in the 2022 Annual Report.

The Fund has experienced a solid six months of financial performance, exceeding its budget by 4.9% mainly as a result of good operational performance combined with continued high power prices and inflation.

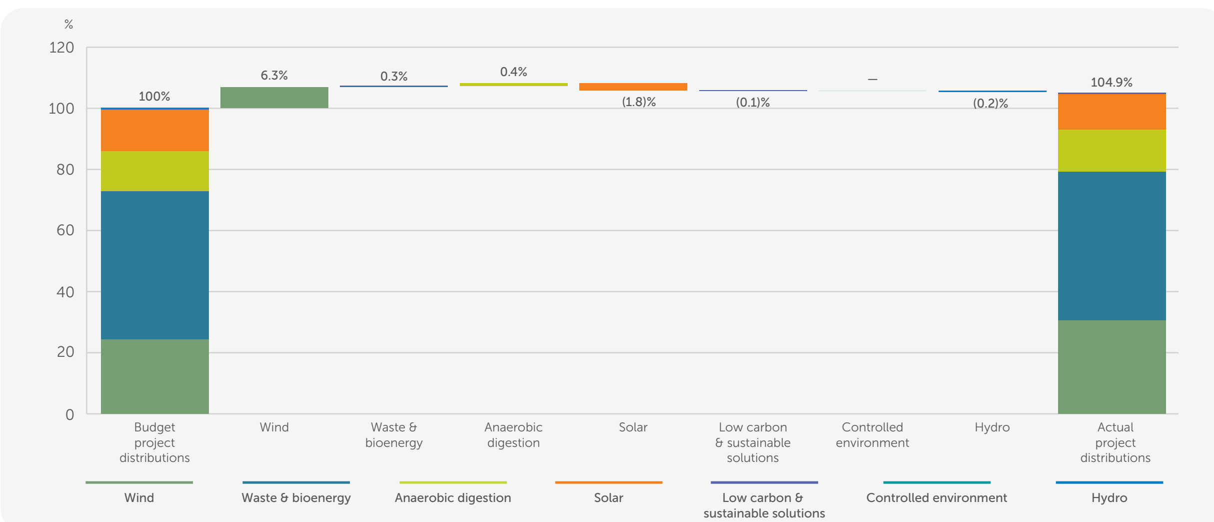
Financial performance

As the portfolio diversifies and the proportion of non-energy generating assets increases, the Investment Manager has presented detailed information to better illustrate the financial performance of all sectors within the portfolio.

The chart below shows the budgeted proportion of cash distributions forecast to be received from underlying investments at the start of the financial year, versus the relative over or under performance during the period under review.

See overleaf for equivalent chart showing operational performance of the energy generating assets.

Financial performance: budget project distributions vs actual project distributions



The average all-in price received by the differing technology classes in the UK for their energy volumes generated in the six months ended 30 September 2022 is shown in the table below:

Average all-in energy price	**Half year ended 30 Sep 2022**	Year ended 31 Mar 2022
Wind	**£114.25 per MWhe**	£99.64 per MWhe
AD electric	**£90.67 per MWhe**	£81.19 per MWhe
AD gas-to-grid	**£130.44 per MWhth**	£109.69 per MWhth
Biomass	**£262.74 per MWhe**	£147.27 per MWhe
Energy-from-waste	**€137.40 per MWhe**	€173.75 per MWhe
Solar	**£241.08 per MWhe**	£199.22 per MWhe
Hydro	**£347.48 per MWhe**	£232.65 per MWhe

Power price hedging

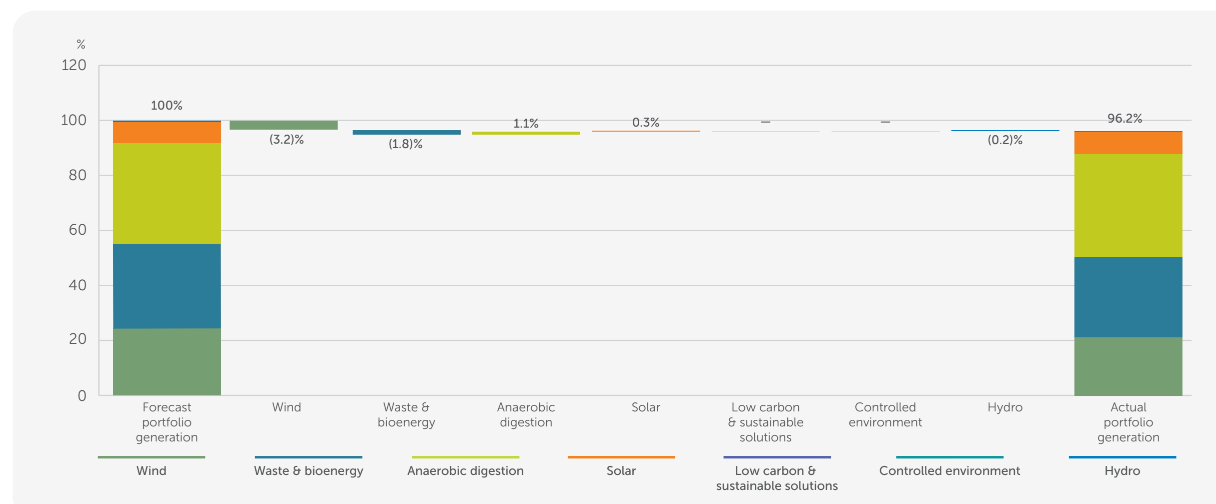
JLEN's exposure to wholesale power prices is mitigated by the practice of having a substantial proportion of generation for both electricity and gas on fixed price arrangements for durations ranging from six months out to three years. Following a continuation of this programme post the period end, the latest extent of generation subject to fixes is as follows:

	Winter 2022	Summer 2023	Winter 2023	Summer 2024
Wind	82%	98%	98%	79%
Solar	100%	100%	100%	73%
Biomass	87%	45%	–	–
Energy-from-waste	100%	–	–	–
AD – electric	100%	58%	58%	–
AD – gas	79%	71%	71%	8%
Hydro	34%	–	–	–

Renewable energy generating assets

The chart below shows the forecast generation target expected to be achieved at the start of the financial year, versus the relative sector-level over or under performance against this target during the period under review.

Operational performance: forecast portfolio generation vs actual portfolio generation



OPERATIONAL REVIEW continued

Renewable energy generating assets continued

During the period, the renewables segment of the portfolio produced 655GWh (six months to 30 September 2021: 564GWh) of energy, 3.8% below target. This was mainly due to low wind speeds in the period; excluding the wind portfolio, the portfolio would have performed broadly on target.

Anaerobic digestion

The AD portfolio is the largest producer of energy on a GWh basis and generated 39% of the GWh energy produced by the JLEN portfolio to 30 September 2022. Generation was 254GWh, 2.9% ahead of its sector target, continuing the trend of outperformance that has been seen since the Fund started to acquire AD assets in 2017.

Notably strong performers were Peacehill Gas and Icknield, which significantly outperformed their generation targets.

The 2022 feedstock maize harvest has faced challenges on price increases and yield due to high gas prices impacting fertiliser production and because of the summer of 2022 being one of the driest on record, which impaired crop growth. Additional feedstock is being procured from other sources to reduce the feedstock deficit for next year.

Waste & bioenergy

The renewable energy generating segment of the waste & bioenergy portfolio is now the second largest producer of energy on a GWh basis and generated 30% of the GWh energy produced by the JLEN portfolio to 30 September 2022. The waste & bioenergy portfolio generated 200GWh over the period to 30 September 2022, 5.7% below its sector target.

Good performance was seen across parts of the waste & bioenergy portfolio, although technical issues at the Bio Collectors food waste plant and ETA energy-from-waste plant detracted from the overall performance. The Investment Manager has been working with the asset operators to remedy these issues.

The Cramlington biomass plant, which was bought out of administration with an identified list of operational matters to address, has made good progress since it was acquired by the Fund and outperformed its generation target for the period. However, a fault has been identified on a part in the turbine at a plant with a similar specification to Cramlington. The Investment Manager is ascertaining whether the design of the turbine at Cramlington could cause a similar fault in the future and will take a decision whether to pre-emptively replace the potentially faulty part of turbine. This could require an extended period of downtime for the plant and an assumption regarding this downtime has been made in the valuation. More information can be found on page 24.

Wind

Electricity generation from the wind assets of 143GWh (which represents 22% of the JLEN portfolio energy generation for the period) was 13.0% below its sector target due to below-average wind resource during the period. However, the portfolio performed generally well, with contractual availability 2% above warranted levels. Overall availability was slightly below long-term assumptions, primarily due to an extended grid outage suffered at Llynfi to accommodate planned works on their network.

Portfolio performance to 30 September 2022

655GWh
energy produced

>351,500
waste diverted from landfill (tonnes)

>14.5 billion
litres of wastewater treated

Solar

At 56GWh, generation from the solar assets (which represents 9% of the JLEN portfolio energy generation for the period) was 2.6% above its sector generation target. The outperformance was mainly driven by the high irradiance levels experienced over the summer months. All but two of the ground-mounted sites had generation above target levels and the asset manager has implemented a programme to systematically inspect and repair any underperforming assets in order to improve availability in future periods.

Hydro

The hydro portfolio generated 1GWh (which represents less than 1% of the JLEN portfolio energy generation for the period) and saw a 48.7% negative variance against its sector target. The poor generation performance was due to very low rainfall levels in the period. Mechanically the assets continue to perform well, when the water resource is available.

Assets which support the transition to a lower carbon future

Waste & wastewater concessions

Waste tonnages at the ELWA waste project have continued at levels above target. Operational performance targets are consistently exceeded with diversion from landfill at 99.98%, substantially ahead of the 67% contract target. Recycling, at 31%, is ahead of the 22% target.

Tay Wastewater plant in Scotland has performed well, with no operational or performance issues in the half-year period.

Both projects continue to perform well financially.

Low carbon transport

The portfolio of CNG refuelling stations continues to grow and now has eight operational refuelling stations in its portfolio and a further two sites under construction, giving a total of 10 sites. Over the period, the portfolio has performed 7.1% below its fuel dispensed target, due mainly to problems in the supply chain delaying the uptake of CNG fuelled vehicles.

Battery storage assets

Operational assets

The operational batteries that are co-located at two of the Company's hydro assets were traded exclusively in Firm Frequency Response over the period, receipts for which were in line with expectations.

Construction stage assets

JLEN owns four construction stage 49.9MW battery storage assets in the UK. While there have been delays to the construction of the two sites acquired in 2021/22 due to increased lead times for components and grid connection delays, the West Gourdie project is on track to commence operations in 2023 while the Sandridge project is expected to commence operations in late 2023 or early 2024. The two newly acquired battery storage assets are expected to commence operations in 2024.

Controlled environment

Construction stage assets

The controlled environment aquaculture project, Rjukan, is on track to meet its operational commencement date in 2024 and the controlled environment agriculture glasshouse is on track to begin production in 2023.

Acquisitions

Clayfords Energy Storage Limited

In August 2022, the Company acquired a 50% equity stake in Clayfords Energy Storage Limited which holds the rights to construct a 49.9MW battery energy storage system plant in Aberdeenshire in Scotland. The project is fully consented and construction ready and is expected to start commercial operations in Q4 2024.

Rjukan controlled environment aquaculture project

In August 2022, the Company made a minority equity investment in a controlled environment aquaculture project. The project consists of a land-based aquaculture facility to be built in Rjukan, Norway, and will use established recirculating aquaculture system ("RAS") technology. It is expected that partial operations will commence in 2024 with full operations expected in 2025, following which, the facility is forecasted to produce approximately 8,000 tonnes of trout annually. This will be sold to European and international salmonid markets via an offtake agreement with an established Norwegian seafood distribution company with global reach.

OPERATIONAL REVIEW continued

Acquisitions continued

Lunanhead (Gigabox No 4) battery storage

In September 2022, the Company acquired a 50% equity stake in Gigabox No 4, which holds the rights to construct a 49.9MW battery energy storage system plant in Angus in Scotland. The project is fully consented and construction ready and is expected to start commercial operations in Q4 2024. The connection will be initially with a capacity of 45MW, increasing to the full 49.9MW capacity by early 2025.

Co-located glasshouse

In September 2022, the Company announced an investment into a glasshouse project via a combination of a senior secured loan for the construction of the glasshouse and a convertible loan and a minority equity stake in the glasshouse operator to provide for working capital.

The consented 2.1 hectare glasshouse will be built in the UK, in proximity to an existing AD plant owned by JLEN, which will separately be upgraded to supply low carbon heat and power to the glasshouse via a private wire. The advanced glasshouse, which is expected to commence production in 2023, will be capable of growing a wide array of different horticultural products, from consumable produce to cut flowers. Its initial operator will focus on the lawful cultivation of the heavily regulated tetrahydrocannabinol flower, conforming to tightly monitored licence requirements for secure supply to established UK-based pharmaceutical manufacturers.

New investments and how they fit within JLEN's investment policy

Investment	Environmental infrastructure characteristics	Has the benefit of long-term, predictable cash flows	Has inflation linkage	Supported by long-term contracts or stable and well-proven regulatory and legal frameworks	Feature well-established technologies
Clayfords Energy Storage	Facilitates the transition to more renewables on the grid	✓	Main costs and revenues unindexed	✓	✓
Rjukan	More sustainable large-scale production of seafood protein	✓	Ability to raise prices in high inflation environment	✓	✓
Lunanhead	Facilitates the transition to more renewables on the grid	✓	Main costs and revenues unindexed	✓	✓
Glasshouse	Resource efficient asset co-located with an existing AD facility	✓	Ability to raise prices in high inflation environment	✓	✓

Acquisitions in the period

1
new technology sub-sector

4
acquisitions made in the period

Other investments

FEIP

In January 2020, JLEN announced a commitment of €25 million to Foresight Energy Infrastructure Partners SCSp ("FEIP"), a Luxembourg limited partnership investment vehicle. At 30 September 2022, €10 million had been drawn on this commitment.

CNG Foresight

The CNG portfolio now has 10 natural gas refuelling stations, including two stations in construction phase. JLEN has invested a total of £13.9 million to 30 September 2022.

FEIP assets as at 30 September 2022

(1) In addition to indirect minority ownership through FEIP, JLEN also owns 45% through a direct investment.

OPERATIONAL REVIEW continued

Financing

On 21 May 2021, JLEN announced that it had signed a new revolving credit facility ("RCF") with a three-year facility agreement which provides for a committed multi-currency revolving credit facility of £170 million and an uncommitted accordion facility of up to £30 million.

The RCF provides an increased source of flexible funding outside of equity raisings, with both sterling and euro drawdowns available at lower rates than the existing facility. The agreement includes an uncommitted option to extend for a further year and will be used to make future acquisitions of environmental infrastructure to add to the current portfolio, as well as covering any working capital requirements.

The interest charged in respect of the renewed RCF is linked to the Company's ESG performance, with JLEN incurring a premium or discount to its margin and commitment fee based on performance against defined targets. Those targets include:

- environmental: increase in the volume of clean energy produced;
- social: the value of contributions to community funds; and
- governance: maintaining a low number of work-related accidents, as defined under the Reporting of Injuries, Diseases and Dangerous Occurrences ("RIDDOR") by the Health and Safety Executive.

Performance against these targets will be measured annually with the cost of the RCF being amended in the following financial year. Lenders to the facility include HSBC, ING, NIBC, National Australia Bank and Royal Bank of Scotland International. The margin can vary between 195 bps and 205 bps over SONIA ("Sterling Overnight Index Average") for sterling drawings and EURIBOR for euro drawings, depending on performance against the ESG targets.

Two of the three KPI targets were successfully achieved in the first year of implementation of this facility, and the Board remains committed to delivering all three KPI targets prior to the end of the facility agreement.

In addition to the revolving credit facility, several of the projects have underlying project-level debt. There is an additional gearing limit in respect of such debt of 85% of the aggregate gross project value (being the fair market value of such portfolio companies increased by the amount of any financing held within the projects) for PFI/PPP projects and 65% for renewable energy generation projects.

As at 30 September 2022, drawings under the RCF were £71.4 million. Under its investment policy, JLEN may borrow up to 30% of its NAV.

The project-level gearing at 30 September 2022 across the portfolio was 21.5% (31 March 2022: 19.9%). Taking into account the amount drawn down under the revolving credit facility of £71.4 million, the overall fund gearing at 30 September 2022 was 25.5% (31 March 2022: 23.7%).

As at 30 September 2022, the Group, which comprises the Company and the intermediate holding companies, had cash balances of £10.5 million (31 March 2022: £18.0 million).

Financing
at 30 September 2022

£71.4m
drawn on RCF

25.5%
fund gearing[1]

(1) Gearing is an alternative performance measure ("APM"). The APMs within the accounts are defined on page 69.

SUSTAINABILITY AND ESG

At a glance[1]

GREEN ECONOMY
LONDON STOCK EXCHANGE

ESG performance 2022/23: half-year results

>654,500
MWh renewable energy generated by our portfolio

>69,500
waste recycled (tonnes)

>351,500
waste diverted from landfill (tonnes)

>14.5bn
wastewater treated (litres)

4
new investments since 31 March 2022

19
SPV health and safety audits

(1) These statistics exclude FEIP.

Awards

Winner:

Better Society Network,
National Sustainability Awards 2022
Best Renewable Company of the Year

aic Shareholder Communication Awards 2022 WINNER

AIC Communication Awards 2022
Best ESG Communication

Shortlisted:

Investment Week,
Investment Company of the Year Awards 2022
Environmental and Renewables

Investment Week,
Sustainable Investment Awards 2022
Best Sustainable Specialist Fund

BEST ir society PRACTICE AWARDS 2022 SHORTLISTED

IR Society
Best Practice Awards 2022
Best Annual Report

Governance of ESG

JLEN continues to embed assessment and monitoring of its ESG KPIs into its business-as-usual activities. Regular monitoring of the portfolio against the ESG KPIs[1] occurs through monthly management team meetings, which discuss:

- the performance of the investment portfolio against the KPIs; and
- progress made in improving data collection and reporting.

Performance of JLEN's portfolio against the United Nations Sustainable Development Goals

The United Nations Sustainable Development Goals ("SDGs") are a set of 17 goals for sustainable development.

To be achieved by 2030, they recognise that ending poverty must go hand-in-hand with strategies that build economic growth and address a range of social needs including education, health, social protection and job opportunities, while tackling climate change and environmental protection. JLEN first mapped its portfolio against the SDGs in its 2021 Annual Report and an update on performance against the material SDGs is set out overleaf.

(1) jlen.com/sustainability

Updates in the period

Task Force on Climate-related Financial Disclosures ("TCFD")

In its 2022 Annual Report, JLEN voluntarily included a TCFD disclosure for the first time. TCFD is now a standing agenda point on the Board-level ESG sub-committee and the Investment Manager has been working with an external consultant to assess the portfolio's scope 3 GHG emissions.

Taskforce on Nature-related Financial Disclosures ("TNFD")

TNFD is rapidly moving up the agenda, with the launch of the third iteration of the TNFD beta framework at the beginning of November 2022, with publication of its final recommendations due in September 2023. In July this year the Task force also released its Nature-related Data Catalyst in addition to two new working groups tasked with developing specific guidance and the approach to scenario planning. A number of pilots of the TNFD framework are ongoing and JLEN continues to watch the progress with interest.

The development of TNFD is of particular relevance given Foresight's announcement, in June 2022, of its partnership with the Eden Project. This announcement launched a project to develop a blueprint for biodiversity protection and enhancement across Foresight's investment sites. Further information on how this is being applied to the JLEN portfolio of assets can be seen on page 38 of this report.

Foresight Sustainability Evaluation Tool ("SET")

Foresight's in-house SET facilitates the integration of sustainability and ESG factors into its investment management processes, and throughout an asset's lifecycle. The SET is made up of five criteria, which were described in detail in JLEN's 2022 Annual Report. One of the five criteria applied by the SET is the Sustainable Development Contribution criterion, which aims to capture the impact of an investment using the SDG framework. Aquaculture assets have recently been mapped against this criterion, which enables us to identify and track the SDGs that Rjukan is best aligned with.

SDG	Target	JLEN's performance
6 CLEAN WATER AND SANITATION	**6.3** Improve water quality by reducing pollution, eliminating dumping and minimising release of hazardous chemicals and materials, halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally.	>14.5 billion litres of wastewater treated in the six-month period to 30 September 2022.
7 AFFORDABLE AND CLEAN ENERGY	**7.2** Increase substantially the share of renewable energy in the global energy mix.	359.5MW capacity renewable energy assets.
8 DECENT WORK AND ECONOMIC GROWTH	**8.4** Improve progressively global resource efficiency in consumption and production and endeavour to decouple economic growth from environmental degradation, in accordance with the 10-year framework of programmes on sustainable consumption and production, with developed countries taking the lead.	JLEN's portfolio is optimised to make the most of naturally available resources such as wind power. As an example, by maximising the power produced by each turbine, JLEN ensures that its assets are operating as efficiently as they can.
	8.5 Achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value.	JLEN's KPI tracking jobs in the portfolio as full time equivalent ("FTE") informs this target which at 31 March 2022 was 370 FTE jobs supported.
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	**9.1** Develop quality, reliable, sustainable and resilient infrastructure, including regional and transborder infrastructure, to support economic development and human wellbeing, with a focus on affordable and equitable access for all.	359.5MW capacity contributing renewable energy to the local grid.
15 LIFE ON LAND	**15.5** Take urgent and significant action to reduce the degradation of natural habitats, halt the loss of biodiversity and, by 2020, protect and prevent the extinction of threatened species.	JLEN has identified, through monitoring of the ESG KPIs, an opportunity to expand habitat management practices to a larger proportion of its portfolio assets See the environmental case study on page 38 for more information.

ENVIRONMENTAL

Objective: Promote the efficient use of resources

Portfolio electricity performance
This year, JLEN's energy portfolio projects have generated >372.8GWh electricity, equivalent to the annual electricity demand of 128,546 households. Detailed information on portfolio energy performance is provided on page 29 of this report.

No new energy assets have been acquired during the period, therefore there are no GHG emissions reductions associated with new assets in the period.

Aligning JLEN and Foresight's carbon accounting methodologies
For the past four years, JLEN has commissioned GHG performance calculations from an external consultant. Since JLEN joined Foresight, the Investment Manager has been working with the wider Foresight team to identify how best to align the two separate methodologies to ensure consistency in calculation across the Foresight portfolio of funds. The aim is also to bring this calculation in-house, using a transparent approach so that asset-level and aggregated portfolio figures are available on demand.

In its Annual Report 2022, JLEN reported GHG emissions avoided that were aligned with the Foresight methodology. The Investment Manager has been undertaking a full review of the GHG emissions avoidance calculation methodology to reflect best practice and, going forward, intends to calculate GHG emissions avoided using country-specific grid emissions factors for the geography in which the asset is based. There are similarities between this method and the method used previously, although variances in results are anticipated. Meanwhile, as forecasts are not a reliable indicator of future performance, the focus will now be primarily on reporting the emissions avoided within the reporting period.

Case study

KPIs driving habitat management plans

JLEN has identified, through monitoring of the ESG KPIs, an opportunity to expand habitat management practices to a larger proportion of its portfolio assets. This opportunity is well aligned with Foresight's announcement, in June 2022, of its partnership with the Eden Project. The partnership is aiming to boost biodiversity across Foresight's sites, provide a blueprint for its assets and demonstrate how businesses can contribute to nature recovery efforts. Foresight's partnership with the Eden Project aims to Define, Demonstrate and Engage on biodiversity issues across its sites. In support of this goal, habitat management plans have been developed for all solar assets in JLEN's portfolio that don't already have one, aiming to protect and enhance biodiversity. JLEN aspires to expand this to all other JLEN sites in future.

www.foresightgroup.eu/news/foresight-partners-with-the-eden-project-to-boost-biodiversity-across-its-sites

www.foresightgroup.eu/landing/the-eden-project-partnership

SOCIAL

Objective: Develop positive relationships with the communities in which JLEN works

The following social criteria are typically considered during due diligence and ongoing monitoring of assets:

- health and wellbeing;
- local economic impact;
- local social impact; and
- legal, employment and human rights compliance.

JLEN contributes upwards of £350k to community benefit funds in the areas in which it works, on an annual basis. During the period, particular attention has been paid to improving the accessibility of community benefit funds arising from the AD portfolio and, as a result, greater uptake of funds has been seen.

Case study

Local social impact: Meden Vale Football Club & Rugby Club

The Meden Vale Football Club & Rugby Club is located adjacent to Biogas Meden, which is operated by Future Biogas. Biogas Meden has operated a community funding scheme for four years and has developed a relationship with the Welbeck Colliery Miners Welfare Trust, a charity which administers the sports facilities and village hall, formerly part of Welbeck Colliery.

Community funding has helped the Welfare Trust to establish and support 21 football teams (including juniors and ladies), three rugby teams (two senior, one junior) and the village hall. Biogas Meden's support has helped to improve the facilities available to the teams, including:

- automatic LED lighting in the clubhouse and changing rooms;
- new sanitary facilities such as improved showers and washing machines, which allow club kit to be cleaned on site; and
- purchase of sports and ground maintenance equipment.

GOVERNANCE

Objective: Ensure effective, ethical governance across the portfolio

The Fund's principles and governance are aligned with the UK Corporate Governance Code (the "UK Code"), via the Company reporting against the Code of Corporate Governance, issued by the Association of Investment Companies (the "AIC Code"). The FRC has confirmed that AIC member companies who report against the AIC Code will be meeting their obligations in relation to the UK Code. Third-party service providers are required to provide confirmation that appropriate controls are in place to promote effective governance across the Fund's investments.

JLEN holds Board positions for each of its assets, which are fulfilled by Foresight on its behalf. The Board members work to promote good governance as part of the Fund's active engagement with projects.

JLEN expects its third-party service providers to implement, and to regularly review, anti-bribery policies and practices for each asset within its portfolio.

JLEN typically considers the following governance criteria during due diligence and ongoing monitoring of assets:

- anti-bribery and corruption;
- modern slavery;
- audit and tax practices; and
- Board composition.

Additionally, JLEN commissions independent audits and reviews of core governance processes such as tax and health and safety management.

Case study

Cyber security and supply chain due diligence

JLEN is undertaking enhanced due diligence on its assets. It has engaged KryptoKloud to undertake cyber security checks on its portfolio assets. These checks include:

- legislation compliance;
- facility resilience;
- cyber resilience;
- risk reduction; and
- remediation planning.

Any concerns raised by these due diligence exercises will be scrutinised further by the Investment Manager and further security measures will be implemented for any assets which receive a low score on these areas.

It has also engaged ethiXbase to undertake enhanced due diligence on the Tier 1 suppliers for each of its assets.

This due diligence will assess suppliers to the portfolio assets against the UN Global Compact's key themes including, but not limited to:

- company background;
- shareholders and management;
- sanctions, enforcements and watch lists;
- bribery and corruption;
- political exposure risk;
- human rights and modern slavery;
- environmental practices;
- labour practices; and
- health and safety.

Any concerns raised by these due diligence exercises will be scrutinised further by the JLEN team, to assess the level of risk to the asset and the portfolio.

ENVIRONMENTAL AND HEALTH AND SAFETY COMPLIANCE

JLEN takes its environmental and health and safety responsibilities very seriously and seeks to ensure effective management of these issues in both its own operations and in its investment portfolio. JLEN aims to manage risks and incidents in a fair and transparent manner with appropriate action to reduce risk wherever possible. This report identifies the reportable environmental and health and safety incidents in the JLEN portfolio in the half-year period 2022/23.

During the period under review, there have been no reportable health and safety events.

19
health and safety audits have been carried out on JLEN's assets in the first half of the year

30 September 2022	
Reportable H&S incidents	0
Reportable environmental incidents	0

Material, non-reportable health and safety and environmental incidents are logged in JLEN's asset management software and raised for discussion at monthly portfolio meetings.

FINANCIAL REVIEW

Analysis of financial results

The financial statements of the Company for the six-month period ended 30 September 2022 are set out on pages 48 to 67.

The Company prepared the condensed unaudited financial statements for the six-month period to 30 September 2022 in accordance with IAS 34 as adopted by the UK and issued by the International Accounting Standards Board. In order to continue providing useful and relevant information to its investors, the financial statements also refer to the "Group", which comprises the Company, its wholly owned subsidiary (JLEN Environmental Assets Group (UK) Limited ("UK HoldCo")) and the indirectly held wholly owned subsidiary HWT Limited (which holds the investment interest in the Tay project).

Net assets

Net assets increased from £762.9 million at 31 March 2022 to £829.6 million at 30 September 2022.

The net assets of £829.6 million comprise £890.2 million portfolio value of environmental infrastructure investments and the Company's cash balances of £0.3 million, partially offset by £58.4 million of intermediate holding companies' net liabilities and other net liabilities of £2.5 million.

The intermediate holding companies' net liabilities of £58.4 million comprise a £71.4 million credit facility loan, partially offset by cash balances of £10.2 million and other net assets of £2.8 million.

Analysis of the Group's net assets at 30 September 2022

All amounts presented in £million (except as noted)	At 30 Sep 2022	At 31 Mar 2022
Portfolio value	**890.2**	795.4
Intermediate holding companies' cash	**10.2**	16.0
Intermediate holding companies' revolving credit facility	**(71.4)**	(53.6)
Intermediate holding companies' other assets	**2.8**	5.1
Fair value of the Company's investment in UK HoldCo	**831.8**	762.9
Company's cash	**0.3**	2.0
Company's other net liabilities (excluding cash)	**(2.5)**	(2.0)
Net Asset Value	**829.6**	762.9
Number of shares	**661,531,229**	661,531,229
Net Asset Value per share	**125.4p**	115.3p

At 30 September 2022, the Group (the Company plus intermediate holding companies) had a total cash balance of £10.5 million (31 March 2022: £18.0 million), including £0.3 million in the Company's statement of financial position (31 March 2022: £2.0 million) and £10.2 million in the intermediate holding companies (31 March 2022: £16.0 million), which is included in the Company's statement of financial position within "investments at fair value through profit or loss".

At 30 September 2022, UK HoldCo had drawn £71.4 million of its revolving credit facility (31 March 2022: £53.6 million) which is included in the Company's statement of financial position within "investments at fair value through profit or loss".

The movement in the portfolio value from 31 March 2022 to 30 September 2022 is summarised as follows:

All amounts presented in £million	Six months ended 30 Sep 2022	Year ended 31 Mar 2022
Portfolio value at start of the period/year	**795.4**	571.4
Acquisitions/further investments (net of post-acquisition price adjustments)	**40.1**	88.0
Disposal of assets	**—**	(5.6)
Distributions received from investments	**(43.5)**	(56.5)
Growth in value of portfolio	**98.2**	198.1
Portfolio value	**890.2**	795.4

Further details on the portfolio valuation and an analysis of movements during the year are provided in the investment portfolio and valuation section on pages 16 to 27.

Profit before tax

The Company's profit before tax for the six-month period was £89.7 million (six-month period ended 30 September 2021: £51.8 million), generating earnings of 13.6 pence per share (six-month period ended 30 September 2021: 8.8 pence per share).

All amounts presented in £million (except as noted)	Six months ended 30 Sep 2022	Six months ended 30 Sep 2021
Interest received on UK HoldCo loan notes	**15.7**	14.4
Dividend received from UK HoldCo	**10.2**	10.1
Net gain on investments at fair value	**69.0**	31.1
Operating income	**94.9**	55.6
Operating expenses	**(5.2)**	(3.8)
Profit before tax	**89.7**	51.8
Earnings per share	**13.6p**	8.8p

In the six months to 30 September 2022, the operating income was £94.9 million, including the receipt of £15.7 million of interest on the UK HoldCo loan notes, £10.2 million of dividends also received from UK HoldCo and a net gain on investments at fair value of £69.0 million.

The operating expenses included in the income statement for the period were £5.2 million, in line with expectations. These comprise £4.2 million of Investment Manager fees and £1.0 million operating expenses. The details on how the Investment Manager fees are charged are set out in note 14 to the condensed unaudited financial statements.

Ongoing charges

The "ongoing charges" ratio is an indicator of the costs incurred in the day-to-day management of the Fund. JLEN uses the Association of Investment Companies ("AIC") recommended methodology for calculating this ratio, which is an annual figure.

For the year ended 31 March 2022 the ratio was 1.19% and it is anticipated that the full-year ratio for the year ended 31 March 2023 will continue to decrease. The ongoing charges percentage is calculated on a consolidated basis and therefore takes into consideration the expenses of UK HoldCo as well as the Company's.

FINANCIAL REVIEW continued

Cash flow

The Company had a total cash balance at 30 September 2022 of £0.3 million (31 March 2022: £2.0 million). The breakdown of the movements in cash during the period is shown below.

Cash flows of the Company for the period (£million):

	Six months ended 30 Sep 2022	Six months ended 30 Sep 2021
Cash balance at 1 April	**2.0**	1.9
Net proceeds from share issue/(expenses from previous issues)	**(0.2)**	55.9
Investment in UK HoldCo (equity and loan notes)	**—**	(56.1)
Interest on loan notes received from UK HoldCo	**15.7**	14.4
Dividends received from UK HoldCo	**10.2**	10.1
Directors' fees and expenses	**(0.2)**	(0.1)
Investment Manager fees	**(3.8)**	(3.0)
Administrative expenses	**(0.4)**	(0.8)
Dividends paid in cash to shareholders	**(23.0)**	(20.4)
Company cash balance at 30 September	**0.3**	2.0

The Group had a total cash balance at 30 September 2022 of £10.5 million (31 March 2022: £18.0 million) and borrowings under the revolving credit facility of £71.4 million (31 March 2022: £53.6 million). The breakdown of the movements in cash during the period is shown below.

Cash flows of the Group for the period (£million):

	Six months ended 30 Sep 2022	Six months ended 30 Sep 2021
Cash distributions from environmental infrastructure investments	**43.5**	26.7
Administrative expenses	**(0.5)**	(0.6)
Directors' fees and expenses	**(0.2)**	(0.1)
Investment Manager fees	**(3.8)**	(3.0)
Financing costs (net of interest income)	**(1.2)**	(1.3)
Cash flow from operations(1)	**37.8**	21.7
Net proceeds from share issues	**—**	55.9
Expenses from previous share issues	**(0.2)**	—
Acquisition of investment assets and further investments	**(40.1)**	(75.6)
Disposal of asset	**1.6**	—
Acquisition costs (including stamp duty)	**(0.3)**	(1.7)
Short-term projects debtors	**(0.2)**	(1.1)
Debt arrangement fee cost	**—**	(2.2)
Drawdown under the revolving credit facility	**16.6**	29.0
Dividends paid in cash to shareholders	**(23.0)**	(20.4)
Cash movement in the period	**(7.8)**	5.6
Opening cash balance	**18.0**	13.5
Exchange (losses)/gains on cash	**0.3**	—
Group cash balance at 30 September	**10.5**	19.1

During the period, the Group received cash distributions of £43.5 million from its environmental infrastructure investments, in line with the distributions expected by the Group after adjusting for acquisitions during the period.

Cash received from investments in the period covered the operating and administrative expenses and financing costs, as well as the dividends declared to shareholders in respect of the six-month period ended 30 September 2022. Cash flow from operations of the Group of £37.8 million covered dividends paid in the six-month period to 30 September 2022 of £23.0 million by 1.64x.

The Group anticipates that future revenues from its environmental infrastructure investments will continue to be in line with expectations and therefore will continue to cover future costs as well as planned dividends payable to its shareholders.[2]

Dividends

During the period, the Company paid a final interim dividend of 1.70 pence per share in June 2022 (£11.2 million) in respect of the quarter to 31 March 2022. Interim dividends of 1.78 pence per share were paid in September 2022 (£11.8 million) in respect of the quarter to 30 June 2022.

On 25 November 2022, the Board approved an interim dividend of 1.79 pence per share in respect of the quarter ended 30 September 2022 (£11.8 million), which is payable on 30 December 2022.

In line with the 2022 Annual Report, the target dividend for the year to 31 March 2023 is 7.14 pence per share.[2]

(1) "Cash flow from operations" is an alternative performance measure ("APM"). The APMs within the accounts are defined on page 69.
(2) These are targets only and not profit forecasts. There can be no assurance that these targets will be met.

RESPONSIBILITY STATEMENT

We confirm that to the best of our knowledge:

- the condensed set of unaudited financial statements has been prepared in accordance with United Kingdom adopted International Accounting Standard 34 Interim Financial Reporting and in accordance with the accounting policies set out in the audited Annual Report to 31 March 2022; and
- the Chair's statement and Investment Manager's report meet the requirements of an interim management report and include a fair review of the information required by:
  a) DTR 4.2.7R, being an indication of important events during the first six months of the financial year and a description of principal risks and uncertainties for the remaining six months of the year; and
  b) DTR 4.2.8R, being the disclosure of related parties' transactions and changes therein.

This responsibility statement was approved by the Board of Directors on 25 November 2022 and is signed on its behalf by:

Ed Warner
Chair

25 November 2022

INDEPENDENT REVIEW REPORT

to JLEN Environmental Assets Group Limited

Conclusion

We have been engaged by the Company to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30 September 2022 which comprises the income statement, the statement of financial position, the statement of changes in equity, the cash flow statement and related notes 1 to 18.

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 30 September 2022 is not prepared, in all material respects, in accordance with United Kingdom adopted International Accounting Standard 34 and the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

Basis for conclusion

We conducted our review in accordance with International Standard on Review Engagements (UK) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Financial Reporting Council for use in the United Kingdom ("ISRE (UK) 2410"). A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

As disclosed in 2, the annual financial statements of the Company are prepared in accordance with United Kingdom adopted international accounting standards. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with United Kingdom adopted International Accounting Standard 34, "Interim Financial Reporting".

Conclusion relating to going concern

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

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

Responsibilities of the Directors

The Directors are responsible for preparing the half-yearly financial report in accordance with the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

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

Auditor's responsibilities for the review of the financial information

In reviewing the half-yearly financial report, we are responsible for expressing to the Company a conclusion on the condensed set of financial statements in the half-yearly financial report. Our conclusion, including our conclusion relating to going concern, are based on procedures that are less extensive than audit procedures, as described in the basis for conclusion paragraph of this report.

Use of our report

This report is made solely to the Company in accordance with ISRE (UK) 2410. Our work has been undertaken so that we might state to the Company those matters we are required to state to it in an independent review report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company, for our review work, for this report, or for the conclusions we have formed.

Deloitte LLP
Recognised Auditor
St Peter Port, Guernsey

25 November 2022

CONDENSED UNAUDITED INCOME STATEMENT

for the six months ended 30 September 2022

	Notes	Six months ended 30 Sep 2022 (unaudited) £'000s	Six months ended 30 Sep 2021 (unaudited) £'000s
Operating income	8	**94,918**	55,615
Operating expenses	4	**(5,170)**	(3,831)
Operating profit		**89,748**	51,784
Profit before tax		**89,748**	51,784
Tax	5	**—**	—
Profit for the period		**89,748**	51,784
Earnings per share			
Basic and diluted (pence)	7	**13.6**	8.8

The accompanying notes form an integral part of the condensed set of financial statements.

All results are derived from continuing operations.

There are no items of other comprehensive income in either the current or preceding period, other than the profit for the period, and therefore no separate statement of comprehensive income has been presented.

CONDENSED UNAUDITED STATEMENT OF FINANCIAL POSITION

as at 30 September 2022

	Notes	30 Sep 2022 (unaudited) £'000s	31 Mar 2022 (audited) £'000s
Non-current assets			
Investments at fair value through profit or loss	8	**831,829**	762,855
Total non-current assets		**831,829**	762,855
Current assets			
Trade and other receivables	9	**184**	219
Cash and cash equivalents		**337**	2,022
Total current assets		**521**	2,241
Total assets		**832,350**	765,096
Current liabilities			
Trade and other payables	10	**(2,718)**	(2,191)
Total current liabilities		**(2,718)**	(2,191)
Total liabilities		**(2,718)**	(2,191)
Net assets		**829,632**	762,905
Equity			
Share capital account	12	**664,401**	664,401
Retained earnings	13	**165,231**	98,504
Equity attributable to owners of the Company		**829,632**	762,905
Net assets per share (pence per share)		**125.4**	115.3

The accompanying notes form an integral part of the condensed set of financial statements.

The condensed set of unaudited financial statements were approved by the Board of Directors and authorised for issue on 25 November 2022.

They were signed on its behalf by:

Ed Warner
Chair

Stephanie Coxon
Director

CONDENSED UNAUDITED STATEMENT OF CHANGES IN EQUITY

for the six months ended 30 September 2022

		Six months ended 30 Sep 2022 (unaudited)		
	Notes	**Share capital account £'000s**	**Retained earnings £'000s**	**Total £'000s**
Balance at 1 April 2022		**664,401**	**98,504**	**762,905**
Profit and total comprehensive income for the period		**—**	**89,748**	**89,748**
Dividends paid	6, 13	**—**	**(23,021)**	**(23,021)**
Balance at 30 September 2022		**664,401**	**165,231**	**829,632**

		Six months ended 30 Sep 2021 (unaudited)		
	Notes	Share capital account £'000s	Retained earnings £'000s	Total £'000s
Balance at 1 April 2021		548,848	(44,647)	504,201
Profit and total comprehensive income for the period		—	51,784	51,784
Issue of share capital	12	56,859	—	56,859
Expenses of issue of equity shares	12	(927)	—	(927)
Dividends paid	6, 13	—	(20,387)	(20,387)
Balance at 30 September 2021		604,780	(13,250)	591,530

The accompanying notes form an integral part of the condensed set of financial statements.

CONDENSED UNAUDITED CASH FLOW STATEMENT

for the six months ended 30 September 2022

	Notes	**Six months ended 30 Sep 2022 (unaudited) £'000s**	Six months ended 30 Sep 2021 (unaudited) £'000s
Profit from operations		**89,748**	51,784
Adjustments for:			
Interest received		**(15,744)**	(14,390)
Dividends received		**(10,200)**	(10,100)
Net gain on investments at fair value through profit or loss		**(68,974)**	(31,125)
Operating cash flows before movements in working capital		**(5,170)**	(3,831)
Decrease/(increase) in receivables		**35**	(228)
Increase in payables		**677**	134
Net cash outflow from operating activities		**(4,458)**	(3,925)
Investing activities			
Investments in subsidiaries		**—**	(56,100)
Interest received		**15,744**	14,390
Dividends received		**10,200**	10,100
Net cash generated from investing activities		**25,944**	(31,610)
Financing activities			
Proceeds on issue of share capital		**—**	56,859
Expenses relating to issue of shares		**(150)**	(927)
Dividends paid	6	**(23,021)**	(20,387)
Net cash (outflow)/inflow from financing activities		**(23,171)**	35,545
Net (decrease)/increase in cash and cash equivalents		**(1,685)**	10
Cash and cash equivalents at beginning of period		**2,022**	1,874
Cash and cash equivalents at end of period		**337**	1,884

The accompanying notes form an integral part of the condensed set of financial statements.

NOTES TO THE CONDENSED UNAUDITED FINANCIAL STATEMENTS
for the six months ended 30 September 2022

1. General information
JLEN Environmental Assets Group Limited (the "Company" or "JLEN") is a closed-ended investment company domiciled and incorporated in Guernsey, Channel Islands, under Section 20 of the Companies (Guernsey) Law, 2008. The shares are publicly traded on the London Stock Exchange under a premium listing. The condensed unaudited financial statements of the Company are for the six-month period ended 30 September 2022 and have been prepared on the basis of the accounting policies set out below. The financial statements comprise only the results of the Company as its investment in JLEN Environmental Assets Group (UK) Limited ("UK HoldCo") is measured at fair value as detailed in the significant accounting policies below. The Company and its subsidiaries invest in environmental infrastructure projects that utilise natural or waste resources or support more environmentally friendly approaches to economic activity.

2. Significant accounting policies
(a) Basis of preparation
The condensed set of financial statements were approved and authorised for issue by the Board of Directors on 25 November 2022. The condensed set of financial statements included in this Half-year Report have been prepared in accordance with United Kingdom adopted International Accounting Standard 34 "Interim Financial Reporting".

As a result of adopting the amendments to IFRS 10, IFRS 12 and IAS 28 first adopted in the Company's Annual Report to 31 March 2015, the Company is required to hold its subsidiaries that provide investment services at fair value, in accordance with IFRS 9 Financial Instruments.

The Company accounts for its investment in its wholly owned direct subsidiary UK HoldCo at fair value. The Company, together with its wholly owned direct subsidiary UK HoldCo and the intermediate holding subsidiary HWT Limited, comprise the Group (the "Group") investing in environmental infrastructure assets.

The net assets of the intermediate holding companies (comprising UK HoldCo and HWT Limited), which at 30 September 2022 principally comprise working capital balances, the RCF loan and investments in projects, are required to be included at fair value in the carrying value of investments.

Consequently, the Company does not consolidate its subsidiaries or apply IFRS 3 Business Combinations when it obtains control of another entity as it is considered to be an investment entity under IFRS. Instead, the Company measures its investment in its subsidiary at fair value through profit or loss.

The condensed unaudited financial statements incorporate the financial statements of the Company only.

The accounting policies and significant judgements are consistent with those used in the latest audited financial statements to 31 March 2022 and should be read in conjunction with the Company's annual audited financial statements for the year ended 31 March 2022.

The following standards became effective during the period and did not have a material impact on the Company's reported results:

- Reference to the Conceptual Framework – Amendments to IFRS 3 (applicable for annual periods beginning on or after 1 January 2022);
- Property, Plant and Equipment: Proceeds Before Intended Use – Amendments to IAS 16 (applicable for annual periods beginning on or after 1 January 2022);
- Onerous Contracts – Costs of Fulfilling a Contract – Amendments to IAS 37 (applicable for annual periods beginning on or after 1 January 2022);
- AIP IFRS 1 First-time Adoption of International Financial Reporting Standards – Subsidiary as a First-time Adopter (applicable for annual periods beginning on or after 1 January 2022);
- AIP IFRS 9 Financial Instruments – Fees in the "10 per cent" Test for Derecognition of Financial Liabilities (applicable for annual periods beginning on or after 1 January 2022);
- AIP IAS 41 Agriculture – Taxation in Fair Value Measurements (applicable for annual periods beginning on or after 1 January 2022); and
- Annual improvements to IFRS standards 2018-2020 Cycle (effective for annual periods beginning on or after 1 January 2022).

Key sources of estimation uncertainty
The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The fair value of environmental infrastructure investments is calculated by discounting at an appropriate discount rate future cash flows expected to be received by the Company's intermediate holdings, from investments in both equity (dividends and equity redemptions), shareholder and inter-company loans (interest and repayments). Estimates such as the cash flows are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about the fair value of assets not readily available from other sources. Actual results may differ from these estimates.

The project cash flows used in the portfolio valuation at 30 September 2022 reflect contractual fixed price arrangements under PPAs, where they exist, and short-term market forward prices for the next two years where they do not. After the initial two-year period, the project cash flows assume future electricity and gas prices in line with a blended curve informed by the central forecasts from three established market consultants, adjusted by the Investment Manager for project-specific arrangements and price cannibalisation as required.

At the balance sheet date, in consideration of the uncertainty that existed at that time regarding market intervention by the UK government and also the ongoing volatility in wholesale pricing, the Company considered it appropriate to apply a one-off discount to near term price forecasts. Discounts started at 50% across the relevant assets in the portfolio for the next 12 months, stepping down by 10% per annum to zero over the next five years as prices are forecast to stabilise. Post the balance sheet date, the UK government published high-level details of its mechanism for market intervention, the Electricity Generator Levy, and the Company has responded to this as a post balance sheet event.

The power price assumptions, including the discount to the near-term power price assumptions are a key source of estimation and uncertainty. Information on the sensitivity of the portfolio to movement in power price is disclosed in note 15.

Discount rates used in the valuation represent the Investment Manager's and the Board's assessment of the rate of return in the market for assets with similar characteristics and risk profile. The discount rate is deemed to be one of the most significant unobservable inputs and any change could have a material impact on the fair value of investments. Underlying assumptions and discount rates are disclosed in note 8 and sensitivity analysis is disclosed in note 15.

Due to the current economic environment, the rate of inflation is also considered a key source of estimation uncertainty. Information on the sensitivity of the portfolio valuation to movements in inflation rate is disclosed in note 15.

2. Significant accounting policies continued

(b) Going concern

The Directors, in their consideration of going concern, have reviewed comprehensive cash flow forecasts prepared by the Company's Investment Manager, Foresight Group, which are based on prudent market data, a reasonable worst case and a stress test scenario and believe, based on those forecasts and an assessment of the Company's subsidiary's banking facilities, that it is appropriate to prepare the financial statements of the Company on the going concern basis.

In arriving at their conclusion, the Directors assessed the impact of the ongoing volatility in the energy wholesale pricing, the increase in the long-term UK gilt and the announcements by the UK government regarding potential energy market intervention. The Investment Manager has reviewed the portfolio's exposure to these risks and has concluded that these do not represent a material risk to the going concern of the Company. The Investment Manager continues to monitor the market attentively.

The Directors also considered that the Company has adequate financial resources, and were mindful that the Group had unrestricted cash of £10.5 million (including £0.3 million in the Company) as at 30 September 2022 and a revolving credit facility (available for investment in new or existing projects and working capital) of £170 million. As at 30 September 2022, the Company's wholly owned subsidiary UK HoldCo had borrowed £71.4 million under the facility, and as such £98.6 million is available to draw. All key financial covenants under this facility are forecast to continue to be complied with for at least 12 months from the date of signing of the condensed unaudited financial statements.

Post the balance sheet date, the UK government announced plans for its "Electricity Generator Levy". The Directors have also considered the potential cash impact of the levy during the going concern reporting period and have concluded that this does not present a material risk to the going concern of the Company.

As at 30 September 2022, the Group has the following future investment obligations over a 12-month horizon: €10.1 million (equivalent to £9.0 million) to FEIP, £11.6 million to the CNG Foresight project, 159.9 million NOK (equivalent to £13.7 million) to Rjukan, £18.2 million to the glasshouse project, £9.4 million to Sandridge battery storage, £6.9 million to West Gourdie, £0.4 million to Clayfords and £0.3 million to Lunanhead.

The Directors are satisfied that the Company has sufficient resources to continue to operate for the foreseeable future, a period of not less than 12 months from the date of this report. Accordingly, they continue to adopt the going concern basis in preparation of these financial statements.

(c) Segmental reporting

The Board is of the opinion that the Company is engaged in a single segment of business, being investment in environmental infrastructure to generate investment returns while preserving capital. The financial information used by the Board to allocate resources and manage the Company presents the business as a single segment comprising a homogeneous portfolio.

(d) Statement of compliance

Pursuant to the Protection of Investors (Bailiwick of Guernsey) Law, 2020 the Company is a registered closed-ended investment scheme. As a registered scheme, the Company is subject to certain ongoing obligations to the Guernsey Financial Services Commission, and is governed by the Companies (Guernsey) Law, 2008 as amended.

3. Seasonality

Neither operating income nor profit are impacted significantly by seasonality. While meteorological conditions resulting in fluctuation in the levels of wind and sunlight can affect revenues of the Company's environmental infrastructure projects, due to the diversified mix of projects, these fluctuations do not materially affect the Company's operating income or profit.

4. Operating expenses

	Six months ended 30 Sep 2022 (unaudited) £'000s	Six months ended 30 Sep 2021 (unaudited) £'000s
Investment management fees	**4,237**	3,213
Directors' fees and expenses	**160**	149
Administration fee	**55**	57
Other expenses	**718**	412
	5,170	3,831

5. Tax

Income tax expense

The Company has obtained exempt status from income tax in Guernsey under the Income Tax (Exempt Bodies) (Guernsey) Ordinance, 1989. JLEN is charged an annual exemption fee of £1,200.

The income from its investments is therefore not subject to any further tax in Guernsey, although the investments provide for and pay taxation at the appropriate rates in the jurisdictions in which they operate. The underlying tax within the subsidiaries and environmental infrastructure assets, which are held as investments at fair value through profit or loss, is included in the estimate of the fair value of these investments.

6. Dividends

	Six months ended 30 Sep 2022 (unaudited) £'000s	Six months ended 30 Sep 2021 (unaudited) £'000s
Amounts recognised as distributions to equity holders during the period (pence per share):		
Final dividend for the year ended 31 March 2022 of 1.70 (31 March 2021: 1.69)	**11,246**	10,164
Interim dividend for the quarter ended 30 June 2022 of 1.78 (30 June 2021: 1.70)	**11,775**	10,224
	23,021	20,387

A dividend for the quarter to 30 September 2022 of 1.79 pence per share was approved by the Board on 25 November 2022 and is payable on 30 December 2022. The dividend has not been included as a liability at 30 September 2022.

7. Earnings per share

Earnings per share is calculated by dividing the profit attributable to equity shareholders of the Company by the weighted average number of ordinary shares in issue during the period:

	Six months ended 30 Sep 2022 (unaudited) £'000s	Six months ended 30 Sep 2021 (unaudited) £'000s
Earnings		
Earnings for the purposes of basic and diluted earnings per share, being net profit attributable to owners of the Company	**89,748**	51,784
Number of shares		
Weighted average number of ordinary shares for the purposes of basic and diluted earnings per share	**661,531,229**	586,753,076

The denominator for the purposes of calculating both basic and diluted earnings per share is the same, as the Company has not issued any share options or other instruments that would cause dilution.

	Six months ended 30 Sep 2022 (unaudited) £'000s	Six months ended 30 Sep 2021 (unaudited) £'000s
Basic and diluted earnings per share (pence)	**13.6**	8.8

8. Investments at fair value through profit or loss

As set out in note 1, the Company accounts for its interest in its 100% owned subsidiary UK HoldCo as an investment at fair value through profit or loss. UK HoldCo in turn owns investments in intermediate holding companies and environmental infrastructure projects.

The table below shows the movement in the Company's investment in UK HoldCo as recorded on the Company's statement of financial position:

	30 Sep 2022 (unaudited) £'000s	31 Mar 2022 (audited) £'000s
Fair value of environmental infrastructure investments	**890,194**	795,408
Fair value of intermediate holding companies	**(58,365)**	(32,553)
Total fair value of investments	**831,829**	762,855

Reconciliation of movement in fair value of portfolio of assets

The table below shows the movement in the fair value of the Company's portfolio of environmental infrastructure assets. These assets are held through other intermediate holding companies. The table below also presents a reconciliation of the fair value of the asset portfolio to the Company's condensed unaudited statement of financial position as at 30 September 2022, by incorporating the fair value of these intermediate holding companies.

	Six months to 30 Sep 2022 (unaudited)			Year to 31 Mar 2022 (audited)		
	Portfolio value £'000s	**Cash, working capital and debt in intermediate holding companies £'000s**	**Total £'000s**	Portfolio value £'000s	Cash, working capital and debt in intermediate holding companies £'000s	Total £'000s
Opening balance	**795,408**	**(32,553)**	**762,855**	571,414	(67,321)	504,093
Acquisitions						
Portfolio of assets acquired/further investment	**40,128**	**—**	**40,128**	87,972	—	87,972
Disposal of assets	**—**	**—**	**—**	(5,559)	—	(5,559)
	40,128	**—**	**40,128**	82,413	—	82,413
Growth in portfolio[1]	**98,176**	**—**	**98,176**	198,129	—	198,129
Cash yields from portfolio to intermediate holding companies	**(43,518)**	**43,518**	**—**	(56,548)	56,548	—
Yields from intermediate holding companies						
Interest on loan notes[1]	**—**	**(15,744)**	**(15,744)**	—	(28,827)	(28,827)
Dividends from UK HoldCo to the Company[1]	**—**	**(10,200)**	**(10,200)**	—	(21,300)	(21,300)
	—	**(25,944)**	**(25,944)**	—	(50,127)	(50,127)
Other movements						
Investment in working capital in UK HoldCo	**—**	**(22,327)**	**(22,327)**	—	5,189	5,189
Administrative expenses borne by intermediate holding companies[1]	**—**	**(3,258)**	**(3,258)**	—	(5,239)	(5,239)
Drawdown of UK HoldCo revolving credit facility borrowings	**—**	**(17,801)**	**(17,801)**	—	28,397	28,397
Fair value of the Company's investment in UK HoldCo	**890,194**	**(58,365)**	**831,829**	795,408	(32,553)	762,855

(1) The net gain on investments at fair value through profit or loss for the period ended 30 September 2022 is £68,974,000 (year ended 31 March 2022: gain of £142,763,000, six-month period ended 30 September 2021: gain of £31,125,000). This, together with interest received on loan notes of £15,744,000 (year ended 31 March 2022: £28,827,000, six-month period ended 30 September 2021: £14,390,000) and dividend income of £10,200,000 (year ended 31 March 2022: £21,300,000, six-month period ended 30 September 2021: £10,100,000) comprises operating income in the condensed income statement.

The balances in the table above represent the total net movement in the fair value of the Company's investment. The "cash, working capital and debt in intermediate holding companies" balances reflect investment in, distributions from or movements in working capital and are not value generating.

Fair value of portfolio of assets

The Investment Manager has carried out fair market valuations of the investments as at 30 September 2022. The Directors have satisfied themselves as to the methodology used and the discount rates applied for the valuation. Investments are all investments in environmental infrastructure projects and are valued using a discounted cash flow methodology, being the most relevant and most commonly used method in the market to value similar assets to the Company's. The Company's holding of its investment in UK HoldCo represents its interest in both the equity and debt instruments. The equity and debt instruments are valued as a whole using a blended discount rate and the value attributed to the equity instruments represents the fair value of future dividends and equity redemptions in addition to any value enhancements arising from the timing of loan principal and interest receipts from the debt instruments, while the value attributed to the debt instruments represents the principal outstanding and interest due on the loan at the valuation date.

8. Investments at fair value through profit or loss continued

Fair value of portfolio of assets continued

The valuation techniques and methodology have been applied consistently with the valuation performed in the Company's latest annual audited financial statements.

Discount rates applied to the operating portfolio of assets range from 5.75% to 10.75% (weighted average 8.4%) (at 31 March 2022: from 5% to 10% – weighted average 7.3%).

The following economic assumptions were used in the discounted cash flow valuations:

	30 Sep 2022 (unaudited)	31 Mar 2022 (audited)
UK – RPI inflation rates	**10.4% for 2022, decreasing to 4.6% in 2023, decreasing to 3.0% to 2030 and 2.25% thereafter**	5% for 2022, decreasing to 3% until 2030, decreasing to 2.25% from 2031
Italy – inflation rates	**8.1% for 2022, decreasing to 5.5% in 2023, decreasing to 2.30% in 2024, decreasing to 2.1% to 2026 and 2.0% thereafter**	1.3% for 2022, stepping to 2% from 2025
UK – deposit interest rates	**0.25% for 2022, rising to 1% from 2020**	0.25% for 2022, rising to 1% from 2025
Italy – deposit rates	**0%**	0%
UK – corporation tax rates	**19% to April 2023, increasing to 25% thereafter**	19% to April 2023, increasing to 25% thereafter
Italy – corporation tax rates	**National rate of 24%, plus applicable regional premiums**	National rate of 24%, plus applicable regional premiums
Euro/sterling exchange rate	**1.12**	1.18

The UK corporation tax rate assumed in the 30 September 2022 portfolio valuation is 19%, stepping up to 25% from 2023 (31 March 2022: 19%, stepping up to 25% from 2023). The equivalent rate for the Italian assets is 24% plus the applicable regional premiums for the Italian assets (31 March 2022: 24% plus the applicable regional premiums).

The assets in the intermediate holding companies substantially comprise working capital, cash balances and the outstanding revolving credit facility debt; therefore, the Directors consider the fair value to be equal to the book values.

Details of investments made during the period

In August 2022, the Group acquired a 50% equity stake in Clayfords Energy Storage Limited, which holds the development rights to construct a 49.9MW lithium-ion battery energy storage plant based in Buchan, Aberdeenshire, UK.

In August 2022, the Group reached financial close on a minority equity investment in a controlled environment aquaculture project. The project consists of a land-based aquaculture facility to be built in Rjukan, Norway. The Group's total investment is expected to be up to approximately £40 million over the next three to four years.

In September 2022, the Group announced an investment of up to £26.7 million into a glasshouse project via a combination of senior secured loan for the construction of the glasshouse and a convertible loan and a minority equity stake in the glasshouse operator.

In September 2022, the Group acquired a 50% equity stake in Gigabox No 4 Limited, which holds the development rights to construct a 49.9MW lithium-ion battery energy storage plant based in Angus, Scotland.

During the period, £2.8 million was injected into CNG Foresight Limited. The portfolio now holds ten natural gas refuelling stations, of which two are in construction phase.

The Group also invested £8.5 million into the FS West Gourdie battery construction asset, €5.2 million into FEIP and £0.8 million to various projects for value enhancement initiatives.

9. Trade and other receivables

	30 Sep 2022 (unaudited) £'000s	31 Mar 2022 (audited) £'000s
Prepayments	**184**	219
Closing balance	**184**	219

10. Trade and other payables

	30 Sep 2022 (unaudited) £'000s	31 Mar 2022 (audited) £'000s
Accruals	**2,718**	2,191
Closing balance	**2,718**	2,191

11. Loans and borrowings

The Company had no outstanding loans or borrowings at 30 September 2022 (31 March 2022: none), as shown in the Company's condensed statement of financial position.

As at 30 September 2022, the Company held loan notes of £348.9 million which were issued by UK HoldCo (31 March 2022: outstanding amount of £348.9 million).

As at 30 September 2022, UK HoldCo had an outstanding balance of £71.4 million under a revolving credit facility (31 March 2022: £53.6 million). The loan bears interest of SONIA + 195 to 205 bps and is intended to be repaid by proceeds from future capital raises.

There were no other outstanding loans or borrowings in either UK HoldCo or HWT at 30 September 2022.

12. Share capital account

	30 Sep 2022 (unaudited)		31 Mar 2022 (audited)	
	Number of shares	£'000s	Number of shares	£'000s
Opening balance	**661,531,229**	**664,401**	546,720,025	548,848
Shares issued in the period/year	**–**	**–**	114,811,204	117,599
Expenses of issue of equity shares	**–**	**–**	–	(2,046)
Closing balance	**661,531,229**	**664,401**	661,531,229	664,401

All new shares issued rank pari passu and include the right to receive all future dividends and distributions declared, made or paid.

13. Retained earnings

	30 Sep 2022 (unaudited) £'000s	31 Mar 2022 (audited) £'000s
Opening balance	**98,504**	(44,647)
Profit for the period/year	**89,748**	185,007
Dividends paid	**(23,021)**	(41,856)
Closing balance	**165,231**	98,504

14. Transactions with Investment Manager and related parties

Transactions between the Company and its subsidiaries, which are related parties of the Company, are fair valued and are disclosed within note 8. Details of transactions between the Company and related parties are disclosed below.

This note also details the terms of the Company's engagement with Foresight Group as Investment Manager.

Transactions with the Investment Manager

Foresight Group is the Company's Investment Manager. Foresight's appointment as Investment Manager is governed by an Investment Management Agreement.

Foresight Group is entitled to a base fee equal to:

a) 1.0% per annum of the Adjusted Portfolio Value[1] of the Fund[2] up to and including £500 million; and
b) 0.8% per annum of the Adjusted Portfolio Value of the Fund in excess of £500 million.

The total Investment Manager fee charged to the condensed unaudited income statement for the six months ended 30 September 2022 was £4,237,233 (six-month period ended 30 September 2021: £3,213,284) of which £2,142,319 remained payable as at 30 September 2022 (31 March 2022: £1,734,909).

(1) Adjusted Portfolio Value is defined in the Investment Management Agreement as:
   a) the fair value of the investment portfolio; plus
   b) any cash owned by or held to the order of the Fund; plus
   c) the aggregate amount of payments made to shareholders by way of dividend in the quarterly period ending on the relevant valuation day, less
      i. any other liabilities of the Fund (excluding borrowings); and
      ii. any uninvested cash.

(2) Fund means the Company and JLEN Environmental Assets Group (UK) Limited together with their wholly owned subsidiaries or subsidiary undertakings (including companies or other entities wholly owned by them together, individually or in any combination, as appropriate) but excluding project entities.

Other transactions with related parties

The Directors of the Company, who are considered to be key management, received fees for their services for the six-month period of £154,879 (six-month period ended 30 September 2021: £148,420). The Directors were paid expenses of £5,959 in the six-month period (six-month period ended 30 September 2021: £368).

The Directors held the following shares:

	Total number of shares held at 30 Sep 2022 (unaudited)	Total number of shares held at 31 Mar 2022 (audited)
Richard Morse (resigned on 15 July 2022)	**103,535**	103,535
Ed Warner (shares acquired on 4 August 2022)	**60,000**	n/a
Richard Ramsay	**53,813**	53,813
Hans Joern Rieks	**95,000**	95,000
Stephanie Coxon	**15,000**	15,000
Alan Bates	**—**	—
Jo Harrison	**—**	—

All of the above transactions were undertaken on an arm's length basis.

The Directors were paid dividends in the period of £8,529 (six-month period ended 30 September 2021: £5,839).

15. Financial instruments

Financial instruments by category

The Company held the following financial instruments at fair value at 30 September 2022. There are no non-recurring fair value measurements.

30 Sep 2022 (unaudited)	Cash and bank balances £'000s	Financial assets held at amortised cost £'000s	Financial assets at fair value through profit or loss £'000s	Financial liabilities at amortised cost £'000s	Total £'000s
Non-current assets					
Investments at fair value through profit or loss (Level 3)	—	—	831,829	—	831,829
Current assets					
Trade and other receivables	—	184	—	—	184
Cash and cash equivalents	337	—	—	—	337
Total financial assets	337	184	831,829	—	832,350
Current liabilities					
Trade and other payables	—	—	—	(2,718)	(2,718)
Total financial liabilities	—	—	—	(2,718)	(2,718)
Net financial instruments	337	184	831,829	(2,718)	829,632

31 Mar 2022 (audited)	Cash and bank balances £'000s	Financial assets held at amortised cost £'000s	Financial assets at fair value through profit or loss £'000s	Financial liabilities at amortised cost £'000s	Total £'000s
Non-current assets					
Investments at fair value through profit or loss (Level 3)	—	—	762,855	—	762,855
Current assets					
Trade and other receivables	—	219	—	—	219
Cash and cash equivalents	2,022	—	—	—	2,022
Total financial assets	2,022	219	762,855	—	765,096
Current liabilities					
Trade and other payables	—	—	—	(2,191)	(2,191)
Total financial liabilities	—	—	—	(2,191)	(2,191)
Net financial instruments	2,022	219	762,855	(2,191)	762,905

The Company's investments at fair value through profit or loss are classified at Level 3 within the IFRS fair value hierarchy.

The Level 3 fair value measurements derive from valuation techniques that include inputs to the asset or liability that are not based on observable market data (unobservable inputs).

In the tables above, financial instruments are held at carrying value as an approximation to fair value unless stated otherwise.

15. Financial instruments continued

Reconciliation of Level 3 fair value measurement of financial assets and liabilities

An analysis of the movement between opening to closing balances of the investments at fair value through profit or loss is given in note 8.

The fair value of the investments at fair value through profit or loss includes the use of Level 3 inputs. Please refer to note 8 for details on the valuation methodology.

Sensitivity analysis of the portfolio

The sensitivity of the portfolio to movements in the discount rate is as follows:

30 Sep 2022 (unaudited)

Discount rate	**Minus 0.5%**	**Base 8.4%**	**Plus 0.5%**
Change in portfolio valuation	**Increases £21.2m**	**£890.2m**	**Decreases £20.2m**
Change in NAV per share	**Increases 3.2p**	**125.4p**	**Decreases 3.1p**

31 Mar 2022 (audited)

Discount rate	Minus 0.5%	Base 7.3%	Plus 0.5%
Change in portfolio valuation	Increases £22.0m	£795.4m	Decreases £21.0m
Change in NAV per share	Increases 3.3p	115.3p	Decreases 3.2p

The sensitivity of the portfolio to movements in long-term inflation rates is as follows:

30 Sep 2022 (unaudited)

Inflation rates	**Minus 0.5%**	**Base 10.4% (2022), then 4.6% (2023), then 3.0% (to 2030), then 2.25% thereafter**	**Plus 0.5%**
Change in portfolio valuation	**Decreases £18.6m**	**£890.2m**	**Increases £18.2m**
Change in NAV per share	**Decreases 2.8p**	**125.4p**	**Increases 2.8p**

31 Mar 2022 (audited)

Inflation rates	Minus 0.5%	Base 5% (2022), then 3% to 2030, then 2.25%	Plus 0.5%
Change in portfolio valuation	Decreases £19.0m	£795.4m	Increases £19.4m
Change in NAV per share	Decreases 2.9p	115.3p	Increases 2.9p

The fair value of the investments is based on a "P50" level of electricity generation for the renewable energy assets, being the expected level of generation over the long term.

Wind, solar and hydro assets are subject to electricity generation risks.

The sensitivity of the portfolio to movements in energy yields based on an assumed "P90" level of electricity generation (i.e. a level of generation that is below the "P50", with a 90% probability of being exceeded) and an assumed "P10" level of electricity generation (i.e. a level of generation that is above the "P50", with a 10% probability of being achieved) is as follows:

30 Sep 2022 (unaudited)

Energy yield: wind	**P90 (10 year)**	**Base P50**	**P10 (10 year)**
Change in portfolio valuation	**Decreases £31.3m**	**£890.2m**	**Increases £31.3m**
Change in NAV per share	**Decreases 4.7p**	**125.4p**	**Increases 4.7p**
Energy yield: solar	**P90 (10 year)**	**Base P50**	**P10 (10 year)**
Change in portfolio valuation	**Decreases £9.4m**	**£890.2m**	**Increases £9.4m**
Change in NAV per share	**Decreases 1.4p**	**125.4p**	**Increases 1.4p**
Energy yield: hydro	**P90 (10 year)**	**Base P50**	**P10 (10 year)**
Change in portfolio valuation	**Decreases £1.9m**	**£890.2m**	**Increases £1.9m**
Change in NAV per share	**Decreases 0.3p**	**125.4p**	**Increases 0.3p**

31 Mar 2022 (audited)

Energy yield: wind	P90 (10 year)	Base P50	P10 (10 year)
Change in portfolio valuation	Decreases £28.8m	£795.4m	Increases £28.8m
Change in NAV per share	Decreases 4.4p	115.3p	Increases 4.4p
Energy yield: solar	P90 (10 year)	Base P50	P10 (10 year)
Change in portfolio valuation	Decreases £8.7m	£795.4m	Increases £8.8m
Change in NAV per share	Decreases 1.3p	115.3p	Increases 1.3p
Energy yield: hydro	P90 (10 year)	Base P50	P10 (10 year)
Change in portfolio valuation	Decreases £2.2m	£795.4m	Increases £2.7m
Change in NAV per share	Decreases 0.3p	115.3p	Increases 0.4p

The project cash flows used in the portfolio valuation at 30 September 2022 reflect contractual fixed price arrangements under PPAs, where they exist, and short-term market forward prices for the next two years where they do not. The Company maintains a programme of rolling price fixes for its energy generating projects, typically having the majority of projects on fixed price arrangements for the next six to 12 months in order to reduce the revenue risk from price volatility.

15. Financial instruments continued

Sensitivity analysis of the portfolio continued

The sensitivity of the portfolio to movements in electricity and gas prices is as follows:

The Directors have assessed that a reasonable possible long-term movement of energy prices continues to be +/-10% given the long-term nature of the portfolio, notwithstanding that significant short-term energy price movements have occurred in the period due to the recent energy market disruption.

30 Sep 2022 (unaudited)

Energy prices	**Minus 10%**	**Base**	**Plus 10%**
Change in portfolio valuation	**Decreases £43.6m**	**£890.2m**	**Increases £44.1m**
Change in NAV per share	**Decreases 6.6p**	**125.4p**	**Increases 6.7p**

31 Mar 2022 (audited)

Energy prices	Minus 10%	Base	Plus 10%
Change in portfolio valuation	Decreases £44.3m	£795.4m	Increases £43.6m
Change in NAV per share	Decreases 6.7p	115.3p	Increases 6.6p

Waste & bioenergy assets (excluding Bio Collectors) do not have significant volume and price risks and therefore are not included in the above volume and price sensitivities.

The sensitivity of the portfolio to movements in AD feedstock prices is as follows:

30 Sep 2022 (unaudited)

Feedstock prices	**Minus 10%**	**Base**	**Plus 10%**
Change in portfolio valuation	**Increases £8.2m**	**£890.2m**	**Decreases £8.4m**
Change in NAV per share	**Increases 1.2p**	**125.4p**	**Decreases 1.3p**

31 Mar 2022 (audited)

Feedstock prices	Minus 10%	Base	Plus 10%
Change in portfolio valuation	Increases £9.0m	£795.4m	Decreases £9.0m
Change in NAV per share	Increases 1.4p	115.3p	Decreases 1.4p

The sensitivity of the portfolio to movements in corporation tax rates is as follows:

30 Sep 2022 (unaudited)

Corporation tax	**Minus 2%**	**Base 19% then 25%**	**Plus 2%**
Change in portfolio valuation	**Increases £14.4m**	**£890.2m**	**Decreases £14.9m**
Change in NAV per share	**Increases 2.2p**	**125.4p**	**Decreases 2.3p**

31 Mar 2022 (audited)

Corporation tax	Minus 2%	Base 19% then 25%	Plus 2%
Change in portfolio valuation	Increases £11.7m	£795.4m	Decreases £11.5m
Change in NAV per share	Increases 1.8p	115.3p	Decreases 1.7p

Euro/sterling exchange rate sensitivity

As the proportion of the portfolio assets with cash flows denominated in euros represents a small proportion of the portfolio value at 30 September 2022, the Directors consider the sensitivity to changes in euro/sterling exchange rates to be insignificant.

The Directors consider that the carrying value amounts of financial assets and financial liabilities recorded at amortised cost in the financial statements are approximately equal to their fair values.

16. Guarantees and other commitments

As at 30 September 2022, the Company has provided a guarantee under the Company's wholly owned subsidiary UK HoldCo's £170 million revolving credit facility. The facility was successfully refinanced in May 2021 and is due to expire in May 2024.

As at 30 September 2022, the Group has the following future investment obligations over a 12-month horizon: €10.1 million (equivalent to £9.0 million) to FEIP, £11.6 million to the CNG Foresight project, 159.9 million NOK (equivalent to £13.7 million) to Rjukan, £18.2 million to the glasshouse project, £9.4 million to Sandridge battery storage, £6.9 million to West Gourdie, £0.4 million to Clayfords and £0.3 million to Lunanhead.

The Company had no other commitments or guarantees.

17. Subsidiaries

The following subsidiaries have not been consolidated in these financial statements as a result of applying the requirements of "Investment Entities: Applying the Consolidation Exception (Amendments to IFRS 10, IFRS 12 and IAS 27)":

Name	Category	Place of business	Registered office	Ownership interest	Voting rights
JLEN Environmental Assets Group (UK) Limited(1)	Intermediate holding	UK	A	100%	100%
HWT Limited	Intermediate holding	UK	B	100%	100%
JLEAG Solar 1 Limited	Operating subsidiary	UK	C	100%	100%
Croft Solar PV Limited	Dormant	UK	C	100%	100%
Cross Solar PV Limited	Dormant	UK	C	100%	100%
Domestic Solar Limited	Dormant	UK	C	100%	100%
Ecossol Limited	Dormant	UK	C	100%	100%
Hill Solar PV Limited	Dormant	UK	C	100%	100%
Share Solar PV Limited	Dormant	UK	C	100%	100%
Residential PV Trading Limited	Dormant	UK	C	100%	100%
Angel Solar Limited	Dormant	UK	C	100%	100%
Easton PV Limited	Project holding company	UK	D	100%	100%
Pylle Solar Limited	Project holding company	UK	D	100%	100%
Second Energy Limited	Operating subsidiary	UK	D	100%	100%
ELWA Holdings Limited	Project holding company	UK	E	80%	80%
ELWA Limited(2)	Operating subsidiary	UK	E	80%	81%(2)
JLEAG Wind Holdings Limited	Project holding company	UK	A	100%	100%
JLEAG Wind Limited	Project holding company	UK	A	100%	100%
Amber Solar Parks (Holdings) Limited	Project holding company	UK	F	100%	100%
Amber Solar Park Limited	Operating subsidiary	UK	F	100%	100%
Fryingdown Solar Park Limited	Operating subsidiary (dormant)	UK	F	100%	100%
Five Oaks Solar Parks Limited	Operating subsidiary (dormant)	UK	F	100%	100%
Bilsthorpe Wind Farm Limited	Operating subsidiary	UK	G	100%	100%
Ferndale Wind Limited	Project holding company	UK	G	100%	100%
Castle Pill Wind Limited	Project holding company	UK	G	100%	100%
Wind Assets LLP	Operating subsidiary	UK	G	100%	100%
Hall Farm Wind Farm Limited	Operating subsidiary	UK	G	100%	100%
Branden Solar Parks (Holdings) Limited	Project holding company	UK	F	100%	100%
Branden Solar Parks Limited	Operating subsidiary	UK	F	100%	100%

(1) JLEN Environmental Assets Group (UK) Limited is the only entity directly held by the Company.
(2) ELWA Holdings Limited holds 81% of the voting rights and a 100% share of the economic benefits in ELWA Limited.

NOTES TO THE CONDENSED UNAUDITED FINANCIAL STATEMENTS continued
for the six months ended 30 September 2022

17. Subsidiaries continued

Name	Category	Place of business	Registered office	Ownership interest	Voting rights
KS SPV 3 Limited	Operating subsidiary	UK	F	100%	100%
KS SPV 4 Limited	Operating subsidiary	UK	F	100%	100%
Carscreugh Renewable Energy Park Limited	Operating subsidiary	UK	G	100%	100%
Wear Point Wind Limited	Operating subsidiary	UK	G	100%	100%
Monksham Power Ltd	Project holding company	UK	F	100%	100%
Frome Solar Limited	Operating subsidiary	UK	F	100%	100%
BL Wind Limited	Operating subsidiary	UK	G	100%	100%
Burton Wold Extension Limited	Operating subsidiary	UK	G	100%	100%
New Albion Wind Limited	Operating subsidiary	UK	G	100%	100%
Dreachmhor Wind Farm Limited	Operating subsidiary	UK	G	100%	100%
France Wind GP Germany GmbH	Project holding company	DE	I	100%	100%
France Wind Germany GmbH & Co. KG	Project holding company	DE	I	100%	100%
CSGH Solar Limited	Project holding company	UK	A	100%	100%
CSGH Solar (1) Limited	Project holding company	UK	A	100%	100%
sPower Holdco 1 (UK) Limited	Project holding company	UK	D	100%	100%
sPower Finco 1 (UK) Limited	Project holding company	UK	D	100%	100%
Higher Tregarne Solar (UK) Limited	Operating subsidiary	UK	D	100%	100%
Crug Mawr Solar Farm Limited	Operating subsidiary	UK	D	100%	100%
Golden Hill Solar (UK) Limited	Project holding company	UK	D	100%	100%
Golden Hill Solar Limited	Operating subsidiary	UK	D	100%	100%
Shoals Hook Solar (UK) Limited	Operating subsidiary	UK	D	100%	100%
CGT Investment Limited	Project holding company	UK	J	100%	100%
CWMNI GWYNT TEG CYF	Operating subsidiary	UK	J	100%	100%
Moelogan 2 (Holdings) Cyfyngedig	Project holding company	UK	J	100%	100%
Moelogan 2 C.C.C.	Operating subsidiary	UK	J	100%	100%
Vulcan Renewables Limited	Operating subsidiary	UK	K	100%	100%
Llynfi Afan Renewable Energy Park (Holdings) Limited	Dormant	UK	G	100%	100%
Llynfi Afan Renewable Energy Park Limited	Operating subsidiary	UK	G	100%	100%
Bio Collectors Holdings Limited	Project holding company	UK	H	70%	70%
Bio Collectors Limited	Operating subsidiary	UK	H	70%	70%
Riverside Bio Limited	Operating subsidiary	UK	H	70%	70%
Riverside AD Limited	Operating subsidiary	UK	H	70%	70%
Green Gas Oxon Limited	Project holding company	UK	L	52.6%	52.6%
Icknield Gas Limited	Operating subsidiary	UK	L	52.6%	52.6%
Egmere Energy Limited	Operating subsidiary	UK	K	100%	100%
Grange Farm Energy Limited	Operating subsidiary	UK	K	100%	100%
Biogas Meden Limited	Operating subsidiary	UK	K	100%	100%
Yorkshire Hydropower Holdings Limited	Project holding company	UK	G	100%	100%
Yorkshire Hydropower Limited	Operating subsidiary	UK	G	100%	100%
Northern Hydropower Holdings Limited	Project holding company	UK	G	100%	100%
Northern Hydropower Limited	Operating subsidiary	UK	G	100%	100%
Warren Power Limited	Project holding company	UK	K	100%	100%
Warren Energy Limited	Operating subsidiary	UK	K	100%	100%
Merlin Renewables Limited	Operating subsidiary	UK	K	100%	100%
JLEN Holdings (Sky Blue) Limited	Dormant	UK	A	100%	100%
Codford Biogas Limited	Operating subsidiary	UK	M	100%	100%
Rainworth Energy Limited	Operating subsidiary	UK	N	100%	100%
FS West Gourdie Limited	Operating subsidiary	UK	F	100%	100%
Spruce Bioenergy Limited	Project holding company	UK	A	100%	100%
Cramlington Renewable Energy Developments Limited	Operating subsidiary	UK	O	100%	100%

Registered offices
A. C/O Foresight Group LLP, The Shard, 32 London Bridge Street, London SE1 9SG, United Kingdom
B. 50 Lothian Road, Festival Square, Edinburgh, Midlothian EH3 9WJ, United Kingdom
C. C/O Freetricity, 1 Filament Walk, Suite 203, Wandsworth, London SW18 4GQ, United Kingdom
D. Long Barn, Manor Farm, Stratton-on-the-Fosse, Radstock BA3 4QF, United Kingdom
E. Dunedin House, Auckland Park, Mount Farm, Milton Keynes MK1 1BU, United Kingdom
F. Long Barn, Manor Courtyard, Stratton-on-the-Fosse, Radstock BA3 4QF, United Kingdom
G. C/O Res White Limited, Beaufort Court, Egg Farm Lane, Kings Langley WD4 8LR, United Kingdom
H. 10 Osier Way, Mitcham, Surrey CR4 4NF, United Kingdom
I. Steinweg 3-5, Frankfurt am Main, 60313, Germany
J. Cae Sgubor Ffordd Pennant, Eglwysbach, Colwyn Bay, Conwy LL28 5UN, United Kingdom
K. 10-12 Frederick Sanger Road, Guildford, Surrey GU2 7YD, United Kingdom
L. Friars Ford, Manor Road, Goring, Reading RG8 9EL, United Kingdom
M. Upton Wold, Moreton-in-Marsh, Gloucestershire GL56 9TR, United Kingdom
N. C/O Material Change, The Watering Farm, Creeting St. Mary, Ipswich, Suffolk IP6 8ND, United Kingdom
O. 8 White Oak Square, London Road, Swanley BR8 7AG, United Kingdom

18. Events after balance sheet date
A dividend for the quarter ended 30 September 2022 of 1.79 pence per share was approved by the Board on 25 November 2022. Please refer to note 6 for further details.

Post the balance sheet date, but prior to the publication of this Half-year Report, the UK government announced the Electricity Generator Levy, the means by which it intends to capture what is sees as excess profits being made in the wholesale electricity market by low carbon generators.

The Directors have made an assessment of the way in which the Levy will apply to assets within the Company's portfolio based on the information available and have calculated an updated NAV that also uses updated near-term electricity price forecasts and that removes discounts to price curves adopted in light of the uncertainty. The Directors' best estimate of the impact on NAV is shown here:

Net Asset Values	£m	Pence/share
NAV at 30 September 2022	£829.6m	125.4p
Add back short-term price discounts	£84.6m	12.8p
Application of Electricity Generator Levy	(£79.0m)	(11.9p)
PBSE NAV at 30 September 2022	**£835.2m**	**126.3p**
Latest power prices and actual inflation	(£12.6m)	(1.9p)
NAV at 18 November 2022	**£822.6m**	**124.4p**

The standard suite of sensitivities on pages 62 to 64 are based on the 30 September 2022 valuation and therefore reflect the Company's assessment at that time of UK government intervention. In light of the subsequent publication of the Electricity Generator Levy on 17 November 2022, a further sensitivity as of 18 November 2022 has been produced to illustrate the interaction between price movements across JLEN's diversified mix of electricity and gas generating assets and the Levy. Therefore for illustrative purposes, should unhedged power and gas prices be 10% higher or lower than JLEN's valuation assumptions until the Levy ceases on 31 March 2028, NAV would be expected to increase or decrease by approximately 2.1 pence per share or 2.4 pence per share respectively.

GLOSSARY OF KEY TERMS

AD
anaerobic digestion

AIFM
Alternative Investment Fund Manager

AIFM Directive
the EU Alternative Investment Fund Managers Directive (No. 2011/61/EU)

APMs
alternative performance measures are financial measures that are not currently defined or specified in the applicable financial reporting framework

bps
basis points

the Company or JLEN or the Fund
JLEN Environmental Assets Group Limited (formerly John Laing Environmental Assets Group Limited)

CPI
Consumer Price Index

ESG
Environmental, Social and Governance

EU
European Union

Foresight Group or Foresight
Foresight Group LLP

gross project value
the fair market value of the investment interests held in a project as increased by the amount of any financing in the relevant project entity

Group
JLEN Environmental Assets Group Limited and its intermediate holding companies UK HoldCo and HWT Limited

GWh
gigawatt hour

intermediate holding companies
companies within the Group which are used as pass-through vehicles to invest in underlying environmental infrastructure assets, namely UK HoldCo and HWT Limited

Investment Manager
Foresight Group

IPO
Initial Public Offering

Levy
Electricity Generator Levy

MWe
megawatt electric

MWh
megawatt hour

MWth
megawatt thermal

NAV
Net Asset Value

PBSE
post balance sheet event

portfolio
the 41 assets in which JLEN had a shareholding as at 30 September 2022

portfolio valuation
the sum of all the individual investments' net present values

PPAs
Power Purchase Agreements

PPP/PFI
the Public Private Partnership procurement model

price cannibalisation
the depressive influence on the wholesale power price at timings of high output from intermittent weather-driven generation such as solar and wind

PV
photovoltaic

RCF
revolving credit facility

RPI
Retail Price Index

SONIA
Sterling Overnight Index Average

SPV
special purpose vehicle

TCFD
Task Force on Climate-related Financial Disclosures

total shareholder return
total shareholder return combines the share price movement and dividends since IPO expressed as an annualised percentage

UK HoldCo
JLEN Environmental Assets Group (UK) Limited, wholly owned subsidiary of JLEN Environmental Assets Group Limited

WADR
weighted average discount rate

ALTERNATIVE PERFORMANCE MEASURES ("APMs")

APM	Purpose	Calculation
Total shareholder return (since IPO and annualised)	Measure of financial performance, indicating the amount an investor reaps from investing since IPO and expressed as a percentage (annualised or total since IPO of the Fund)	Since IPO: closing share price as at 30 September 2022 plus all dividends since IPO assumed reinvested, divided by the share price at IPO, expressed as a percentage Annualised: closing share price as at 30 September 2022 plus all dividends since IPO assumed reinvested, divided by the share price at IPO, to the power of one over the number of years since IPO, expressed as a percentage
Net Asset Value per share	Allows investors to gauge whether shares are trading at a premium or a discount by comparing the Net Asset Value per share with the share price	The net assets divided by the number of ordinary shares in issuance
Market capitalisation	Provides an indication of the size of the Company	Closing share price as at 30 September 2022 multiplied by closing number of ordinary shares in issuance
Gearing	Ascertain financial risk in the Group's balance sheet	Total debt in the Company, the Group's intermediate holding companies and the Portfolio as a percentage of the sum of the Gross Project Value of the portfolio and the Company's debt
Cash flow from operations	Gauge operating revenues and expenses of the Group	Cash flow of the Group. Breakdown can be observed on page 44 (financial review)
Cash dividend cover	Investors can gauge the ability of the Group to generate cash surplus after payment of dividend	Cash flow from operations of the Group (refer to page 44) divided by dividend paid within the reporting period (six months period ending 30 September 2022: 1.64x)

COMPANY SUMMARY

Below are the Company key facts, advisers and other information.

Company information	JLEN Environmental Assets Group Limited is a Guernsey-registered closed-ended investment company (registered number 57682) with a premium listing on the London Stock Exchange
Registered address	Sarnia House, Le Truchot, St Peter Port, Guernsey GY1 1GR
Ticker/SEDOL	JLEN/BJL5FH8
Company year end	31 March
Dividend payments	Quarterly in March, June, September and December
Investment Manager	Foresight Group LLP, No OC300878, registered in England and Wales and authorised and regulated by the Financial Conduct Authority
Company Secretary and Administrator	Sanne Fund Services Limited, a company incorporated in Guernsey on 13 April 2005 (registered number 43046)
Market capitalisation	£787.2 million at 30 September 2022
Investment Manager fees	1.0% per annum of the Adjusted Portfolio Value of the investments up to £0.5 billion, falling to 0.8% per annum for investments above £0.5 billion. No performance or acquisitions fees
Investment Manager term	Rolling one-year notice
ISA, PEP and SIPP status	The ordinary shares are eligible for inclusion in PEPs and ISAs (subject to applicable subscription limits) provided that they have been acquired in the market, and they are permissible assets for SIPPs
AIFMD status	The Company is classed as an externally managed Alternative Investment Fund under the Alternative Investment Fund Managers Regulations 2013 and the AIFM Directive. The Investment Manager acts as the Company's AIFM
Non-mainstream pooled investment status	The Board conducts the Company's affairs, and intends to continue to conduct the Company's affairs, such that the Company would qualify for approval as an investment trust if it were resident in the United Kingdom. It is the Board's intention that the Company will continue to conduct its affairs in such a manner and that independent financial advisers should therefore be able to recommend its ordinary shares to ordinary retail investors in accordance with the FCA's rules relating to non-mainstream investment products
FATCA	The Company has registered for FATCA and has a GIIN number 2BN95W.99999.SL.831
Investment policy	The Company's investment policy is set out on pages 70 to 73 of the Annual Report 2022
Website	**www.jlen.com**

DIRECTORS AND ADVISERS

Directors
Ed Warner (Chair, appointed on 2 August 2022)
Richard Morse (resigned on 15 July 2022)
Alan Bates
Stephanie Coxon
Jo Harrison
Richard Ramsay
Hans Joern Rieks

Administrator to the Company, Company Secretary and registered office
Sanne Fund Services (Guernsey) Limited (formerly Praxis Fund Services)
Sarnia House
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St Peter Port
Guernsey GY1 1GR
Channel Islands

Registrar
Link Registrars (Guernsey) Limited
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Auditor
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Channel Islands

CAUTIONARY STATEMENT

Pages 01 to 45 of the Half-year Report, including about JLEN, our purpose, at a glance, portfolio at a glance, market and opportunities, the Chair's statement, the Investment Manager, risks and risk management, investment portfolio and valuation, operational review, sustainability and ESG, and the financial review (together, the review section) have been prepared solely to provide additional information to shareholders to assess JLEN's strategies and the potential for those strategies to succeed. These should not be relied on by any other party or for any other purpose.

The review section may include statements that are, or may be deemed to be, "forward-looking statements". These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "anticipates", "forecasts", "projects", "expects", "intends", "may", "will" or "should" or, in each case, their negative or other variations or comparable terminology.

These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this report and include statements regarding the intentions, beliefs or current expectations of the Directors and the Investment Manager concerning, amongst other things, the investment objectives and investment policy, financing strategies, investment performance, results of operations, financial condition, liquidity, prospects, opportunities and distribution policy of the Company and the markets in which it invests.

These forward-looking statements reflect current expectations regarding future events and performance and speak only as at the date of this report. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future.

Forward-looking statements are not guarantees of future performance or results and will not necessarily be accurate indications of whether or not or the times at or by which such performance or results will be achieved. The Company's actual investment performance, results of operations, financial condition, liquidity, prospects, opportunities, distribution policy and the development of its financing strategies may differ materially from the impression created by the forward-looking statements contained in this report.

Subject to their legal and regulatory obligations, the Directors and the Investment Manager expressly disclaim any obligations to update or revise any forward-looking statement contained herein to reflect any change in expectations with regard thereto or any change in events, conditions or circumstances on which any statement is based.

In addition, the review section may include target figures for future financial periods. Any such figures are targets only and are not forecasts.

This Half-year Report has been prepared for the Group as a whole and therefore gives greater emphasis to those matters which are significant to JLEN Environmental Assets Group Limited and its subsidiary undertakings when viewed as a whole.

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