RNS Final Results

FINAL RESULTS FOR THE PERIOD ENDED 30 SEPT 2022

ATRATO ONSITE ENERGY PLC

Released 07:00:05 29 November 2022

RNS Number : 8531H
Atrato Onsite Energy PLC
29 November 2022

LEI: 213800IE1PPREDIIZB62

ATRATO ONSITE ENERGY PLC

(the "Group" or the "Company")

RESULTS FOR THE PERIOD ENDED 30 SEPTEMBER 2022

Atrato Onsite Energy plc (LSE: ROOF), the renewables investment trust focusing on UK commercial onsite energy, today reports its audited results for the period from incorporation on 16 September 2021 to 30 September 2022 (the "Period").

Key metrics	As at 30 September 2022 (audited)	As at 31 March 2022 (unaudited)
Net Asset Value ("NAV")	£139.1m	£146.1m
NAV per ordinary share[1]	92.8 pence	97.4 pence
Ordinary share price (p)	99.5 pence	112.5 pence
Ordinary share price premium to NAV[1]	7.2%	15.5%
Dividends declared per ordinary share (p)	3.01 pence	Nil
Ongoing charges ratio[1]	1.4%	1.5%

Highlights in the Period

- Raised £150m in the Company's Initial Public Offering ("IPO")
- Deployed £49m into a diversified portfolio of solar photovoltaic ("PV") systems
  - 91% of revenue contracted under Power Purchase Agreement ("PPA") or subsidy[2]
  - 82% of revenue has contracted annual inflation or fixed uplifts[2]
  - 19 years weighted average unexpired PPA term and assumed asset life
- 3.01 pence dividend declared for the Period, in line with the target set out at IPO
- Portfolio valuation based on an unlevered discount rate of 6.6%. The rate reflects the elevated macro-economic volatility and the increase in UK government bond yields observed at the end of the financial reporting period
- The increase in the discount rate equated to a reduction in the NAV of 6.5 pence per share
- Awarded the LSE Green Economy Mark
- Supporter of the Task Force on Climate Related Financial Disclosures ("TCFD")
- Signatory of the UN Principals for Responsible Investment ("UNPRI")
- The Portfolio has achieved a 6,000t CO_{2e} equivalent saving to date

Juliet Davenport, Chair of Atrato Onsite Energy plc commented:

"I am pleased to be reporting the solid progress on our strategy of building an investment portfolio of onsite clean energy generation systems. During the Period, the Company invested over £49 million into a diversified portfolio of solar PV systems, totalling 63MW of generation capacity.

Our business model has stability of income at its core. We have a secure and growing revenue stream with 91% of revenue contracted under long-term PPA or subsidy, and 82% receiving contracted inflation or fixed annual uplifts. This is underpinned by the very long weighted average PPA term of 19 years. There have been some delays in deployment, driven in the main by external factors, but we are confident in the proposition delivering going forward.

Our investments support the UK's net zero agenda whilst delivering progressive dividend income and long-term opportunities for capital growth. We are encouraged and feel confident in the position we have built for onsite solar in the UK."

The Company will be holding an in-person presentation for analysts at 08.30am today at 36 Queen Street, London, EC4R 1BN. There will be a webcast facility for the presentation. To join the presentation via the webcast please register using the following link: https://brrmedia.news/Roof_FY

Further information is available on the Company's website www.atratoroof.com

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Notes to Editors

Atrato Onsite Energy plc (LSE: ROOF) is an investment company focused on onsite clean energy generation, providing new renewable energy capacity with 100% carbon traceability to industrial and commercial counterparties. The Company focuses on UK commercial rooftop and onsite solar, helping its corporate clients achieve net zero and reduce their energy bills. It raised £150 million in a significantly oversubscribed IPO in November 2021. ROOF provides investors with attractive capital growth and secure, index-linked income, targeting a 5% dividend yield and a total shareholder return of 8 - 10%(1). Its shares were admitted to trading on the premium segment of the Main Market of the London Stock Exchange on 23 November 2021. Atrato Partners Limited is the Company's investment adviser.

(1) The target dividend and target NAV total return set out above are targets only and are not profit forecasts. There can be no assurance that these targets can or will be met. These targets have been developed based upon assumptions with respect to future business decisions and conditions that are subject to change, including the Company's execution of its investment objective and strategies, as well as growth in the sector and markets in which the Company operates. As a result, the Company's actual results may vary from the targets set out above and those variations may be material. The target dividend yield reflects the IPO price of 100 pence per ordinary share.

Chair's Statement

Dear Shareholder

I am pleased to present the Company's maiden results for the period from the Company's incorporation on 16 September 2021 to 30 September 2022.

Since our IPO in November 2021, we have made solid progress on our strategy of building an investment portfolio of onsite clean energy generation systems. Our investments support the UK's net zero agenda whilst delivering progressive dividend income and opportunities for capital growth.

During the Period, the Company invested £49 million into a diversified portfolio of solar PV systems, totalling 63MW of generation capacity. These assets are all commercialised through private wire connections secured under long term PPAs.

Our business model has stability of income at its core. We have a secure and growing revenue stream with 91% of revenue contracted under long-term PPA or subsidy, and 82% receiving contracted inflation or fixed annual uplifts. This is underpinned by the very long weighted average PPA term of 19 years.

Dividends

In May 2022, the Board of Directors ("the Board") declared a maiden quarterly dividend of 1.76 pence per ordinary share in respect of the period IPO to 31 March 2022. This was followed by a further dividend of 1.25 pence per ordinary share for the quarter ended 30 June 2022 and 1.26 pence per ordinary share for the quarter ended 30 September 2022, declared on 11th November 2022. This annualised dividend of 5 pence per ordinary share for the Period ending 30 September 2022 is in line with our IPO target.

Outlook

The security of energy supply has become one of the critical social and political issues of our time. Extraordinary highs in energy prices have necessitated unprecedented intervention by the UK Government to protect both businesses and consumers from these extreme cost increases.

The current crisis in the energy market heightens the interest of companies to transition to an independent private wire supply of clean energy, providing long term price certainty at an affordable cost. In the corporate boardroom, renewable energy systems have moved from being a 'net zero' agenda item to now being an economic necessity.

Set against this, several factors have slowed the pace of companies committing to long term PPAs. This includes the significant volatility in wholesale prices, which increased by 587% to its peak before subsequently falling by 58% by the end of the financial period, and other factors such as the Company's own cost of capital, together with regulatory uncertainty. Corporate decision making has been slow, particularly since the financial period end, and this has in turn slowed our initial pace of deployment. We appreciate that this means the IPO proceeds will not be fully deployed as originally planned.

However, there are encouraging signs of stability. Energy and financial markets have calmed in recent weeks and our customers are looking to accelerate their decision making with respect to long term commitments to renewable energy PPAs. This means the remaining capital can now be invested factoring in the higher cost of capital environment.

We recently revised our deployment timeline to CY Q2 2023. We also published an increase in our selected near-term pipeline from £86m to £100m and the overall pipeline of opportunities to over £360m.

We have also been focused on building our brand with an ambition to be the renewables partner of choice for both corporates and landlords. In our first year we have demonstrated an ability to execute private solar PV projects with some of the largest companies in the world. This has allowed us to broaden our footprint into new sectors and develop new customer relationships. Atrato Onsite Energy is rapidly becoming a prominent player in the UK renewables sector.

We are encouraged and feel confident in the position we have built for onsite solar in the UK. The Company's strategy sits neatly at the confluence of two major global macroeconomic investment thematics. That is, structurally higher energy prices and commitments by corporates and governments to reach net zero. The investment case underpinning these two long-term themes continues to strengthen and hence we believe the Company is well positioned for the future.

Juliet Davenport

Chair

28 November 2022

Investment Adviser's Report

Atrato Partners Limited is the Investment Adviser to Atrato Onsite Energy plc and is pleased to report on the operations of the Company for the Period.

Overview

The Company's first Period of operations has seen the energy sector thrown into the limelight. Record highs in power prices have galvanised businesses to search for solutions to their rising costs.

The Company's goal is to advance its clients' sustainability targets by decarbonising their energy supply whilst also delivering material energy cost savings. The current climate has reinforced our belief that the right financial choice is also inextricably bound to the responsible environmental choice. This produces a virtuous circle that will increasingly drive our investment opportunities.

World Leaders recently gathered once again for the COP27 Summit in Sharm El-Sheikh, Egypt, to restate and possibly define their commitments to the 1.5 degree temperature rise target. This is despite a new United Nations report that states current commitments will achieve a 2.8 degree rise in temperature. This re-iterates how important investment vehicles such as Atrato Onsite Energy are to decarbonising the UK economy and the immediate need to invest in decarbonising all aspects of the UK economy.

The Company has deployed £49 million into high quality onsite solar projects whilst also growing our pipeline of opportunities to more than £360m. Over 90% of revenue is contracted under long-term PPA or subsidy, and 82% has contracted annual inflation or fixed uplifts. In addition, the Portfolio has a very long weighted average unexpired PPA term of 19 years.

The Company acknowledges that it has not achieved the IPO target of fully deploying the equity within twelve months. The pace of deployment at the start of the year was slower than anticipated because of specific findings in the due diligence process on certain transactions. The Company delayed closing until contractual remedies were put in place to protect our exposure. We then experienced one of the most turbulent energy markets in history. The volatility and uncertainty in energy markets caused many of our customers to pause their own decision-making processes to avoid locking in to PPAs at the top of the market. The more recent outlook for energy markets is one of relative stability and the level of government support now appears to be a known quantity. We have consequently experienced an acceleration in the decision making of our clients and are confident that our equity deployment will be complete by Q2 of 2023.

The Investment Adviser has significantly invested in their renewables team, which now totals nine dedicated professionals, hiring the right skills and experience to expedite the execution of the pipeline. They have hired resource across engineering, sustainability, project delivery, business development and financial analysis.

At the end of the Period, three projects originated by the team were undergoing installation and are expected to be commissioned in the coming months. This will add over 22MW to our operational portfolio. During the Period we also completed two strategic transactions. First, the purchase of a 6MW project on the rooftop of a Marks and Spencer distribution warehouse in the East Midlands. Second, the acquisition of a portfolio of 32 projects at sites across the UK occupied by Amazon, Tesco and Anglian Water.

The Company enters its second year with a strong pipeline of well progressed and diversified projects in which to invest the remainder of the IPO proceeds. The current market backdrop has made our offering even more compelling, promising both stable and affordable clean energy for our clients. We fully expect the Company to become the leading dedicated investor in the UK renewables sector in 2023.

Portfolio

As at 30 September 2022, the Company's £49 million investment portfolio at cost comprised 37 individual projects with a total capacity of 62.6MW.

The Portfolio was weighted towards operating assets with 64% invested in operating assets and 36% invested in installation assets. The remaining capital committed to completion of the installation assets is expected to be £1.4 million. The Portfolio now spans 19 counties, ensuring geographic diversification, split across eight off-takers across multiple industries.

Portfolio summary as at 30 September 2022

Off-taker	Location	Sector	Capacity (MWp)	Status	Remaining term
Nissan Motor Manufacturing UK Limited	County Durham	Manufacturing	20.0	Installation	19.9
Anglian Water Services Limited	Cambridgeshire	Utility	11.7	Operational	22.9
Marks & Spencer Plc	Leicestershire	Grocery	6.1	Operational	12.2
Amazon UK Services Ltd.	Essex	Distribution	3.1	Operational	17.9
Amazon UK Services Ltd.	Leicestershire	Distribution	2.2	Operational	19.1
Amazon UK Services Ltd.	Fife	Distribution	1.6	Operational	18.2
Amazon UK Services Ltd.	Warwickshire	Distribution	1.6	Operational	18.0
Amazon UK Services Ltd.	Cheshire	Distribution	1.5	Operational	18.2

Amazon UK Services Ltd.	Luton	Distribution	1.5	Operational	18.3
Gardner Group Limited	Derbyshire	Manufacturing	1.3	Installation	25.2
Recipharm HC Ltd	Cheshire	Pharmaceuticals	1.0	Installation	25.2
Vale of Mowbray	North Yorkshire	Food production	1.0	Operational	24.3
Anglian Water Services Limited	Essex	Utility	0.9	Operational	21.9
Tesco Stores Limited	Greater Manchester	Grocery	0.7	Operational	17.8
Tesco Stores Limited	Nottinghamshire	Grocery	0.7	Operational	19.1
Anglian Water Services Limited	Northamptonshire	Utility	0.6	Operational	21.5
Tesco Stores Limited	Lincolnshire	Grocery	0.6	Operational	19.2
Amazon UK Services Ltd.	Northamptonshire	Distribution	0.6	Operational	17.2
Tesco Stores Limited	North Yorkshire	Grocery	0.5	Operational	19.3
Tesco Stores Limited	Greater London	Grocery	0.5	Operational	17.7
Anglian Water Services Limited	Essex	Utility	0.5	Operational	20.8
Tesco Stores Limited	Lincolnshire	Grocery	0.5	Operational	17.4
Tesco Stores Limited	Kent	Grocery	0.4	Operational	17.4
Tesco Stores Limited	Suffolk	Grocery	0.4	Operational	17.6
Tesco Stores Limited	Essex	Grocery	0.4	Operational	17.2
Tesco Stores Limited	Kent	Grocery	0.3	Operational	17.3
Tesco stores Limited	Somerset	Grocery	0.3	Operational	17.5
Tesco Stores Limited	Wiltshire	Grocery	0.3	Operational	17.3
Tesco Stores Limited	Kent	Grocery	0.3	Operational	17.7
Tesco Stores Limited	Kent	Grocery	0.3	Operational	18.7
Tesco Stores Limited	Essex	Grocery	0.3	Operational	17.1
Anglian Water Services Limited	Cambridgeshire	Utility	0.2	Operational	21.0
Anglian Water Services Limited	Lincolnshire	Utility	0.2	Operational	21.5
Anglian Water Services Limited	Cambridgeshire	Utility	0.2	Operational	21.0
Tesco Stores Limited	Greater Manchester	Grocery	0.2	Operational	17.5
Tesco Stores Limited	Kent	Grocery	0.1	Operational	17.1
Tesco Stores Limited	Essex	Grocery	0.1	Operational	17.2
Total			**62.6**		**19.0 average**

Portfolio performance

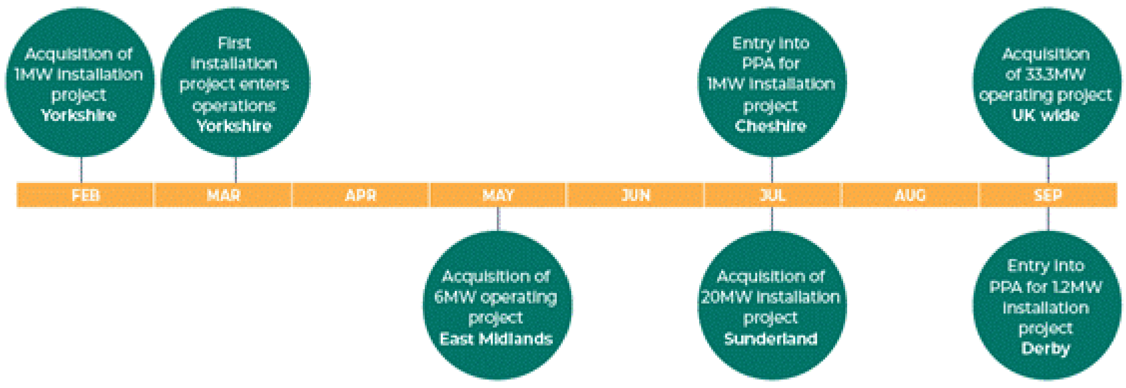
The Portfolio of operational assets has performed above expectations. In the Period ended 30 September 2022, the Portfolio generated 28,816 GWh of clean energy. The underlying operating portfolio generated revenues of £2.9 million for the Company.

Net production variance vs. expected (GWh) for the Period to 30 September 2022, from the operating portfolio

	Actual (GWh)	Budget (GWh)	GWh above expectation	% above expectation
Total	**28,816.65**	**27,886.69**	**929.96**	**3.33**

A key objective of the Company's investment strategy is to produce a stable and resilient cash flow through investment in renewable energy assets that benefit from a high degree of contracted revenues.

Acquisitions and investments timeline



Portfolio Valuation

The valuation of the Portfolio as at 30 September 2022 was £47m. The table below shows a breakdown of the portfolio valuation during the period.

	£m
Portfolio valuation as at 16 September 2021	-
Portfolio acquisition cost	48.3
Capitalised acquisition costs	0.6
Portfolio Fair value movement	(1.8)
Portfolio valuation as at 30 September 2022	47.1

Valuation of the Company's Portfolio is performed on a semi-annual basis at 31 March and 30 September. The Investment Adviser is responsible for advising the Board in determining the valuation of the Portfolio and, when required, carrying out the fair market valuation of the Company's investments.

A discounted cash flow ("DCF") valuation methodology is applied to determine the fair value of each investment which is customary for valuing privately owned renewable energy assets and considered consistent with the requirements of compliance with International Financial Reporting Standard ("IFRS") 9 and IFRS 13.

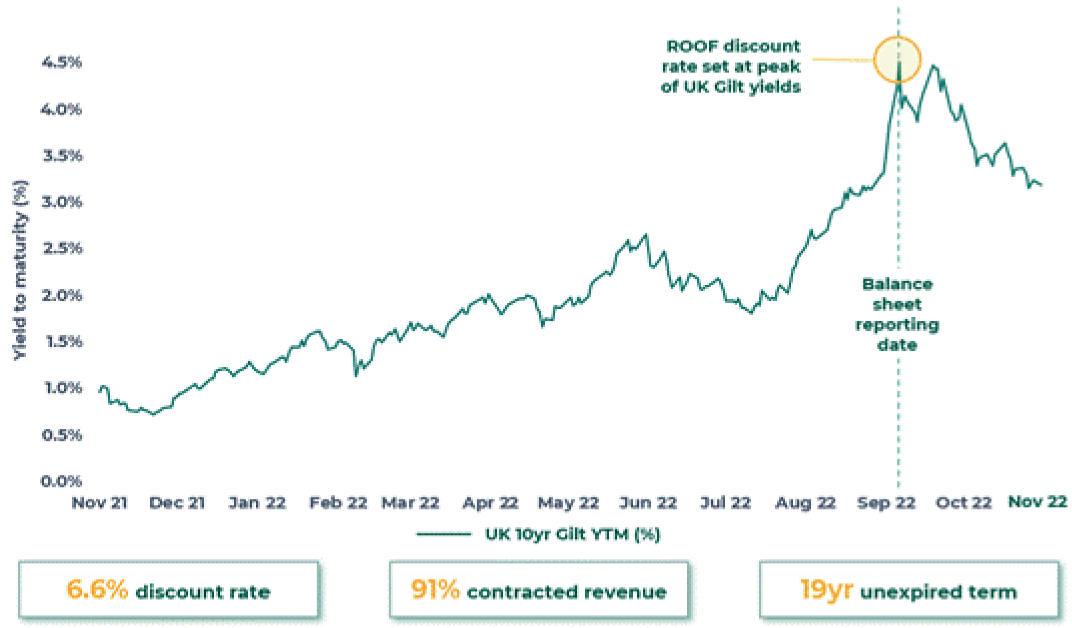
Using the DCF methodology, the fair value is derived from the present value of each investment's expected future cash flows, using reasonable assumptions and forecasts for revenues and operating costs and an appropriate discount rate.

Assumptions impacting the valuation include discount rates, annual energy production, merchant power prices, various operating expenses and associated annual escalation rates. These are often tied to inflation, including asset management, balance of plant, land leases, insurance, and relevant taxes. The discount rate applied on the post-tax levered project cash flows is the weighted average discount rate and the valuation is benchmarked against comparable market multiples. Asset life on the current Portfolio is assumed to be the length of the PPA and lease term as the assets are handed over to the off-taker at the end of this term, with no extension options included in the contracts.

Weighted average discount rate for valuation

The valuation of the Portfolio at 30 September 2022 reflects an underlying blended weighted average post-tax discount rate of 6.6%. The reduction in the Portfolio valuation is due to the increase in the discount rate as at 30 September 2022 valuation date.

Elevated macro-economic volatility, higher inflation expectations and UK political uncertainty drove both a rapid and a significant increase in long-term UK government bond yields as at 30 September 2022. Given the scale of the movements, the Investment Adviser and the Board have valued the portfolio based on a weighted average unlevered discount rate of 6.6%. This is based on a spread over the 10-year UK gilt yield, which rose substantially at the financial period end.

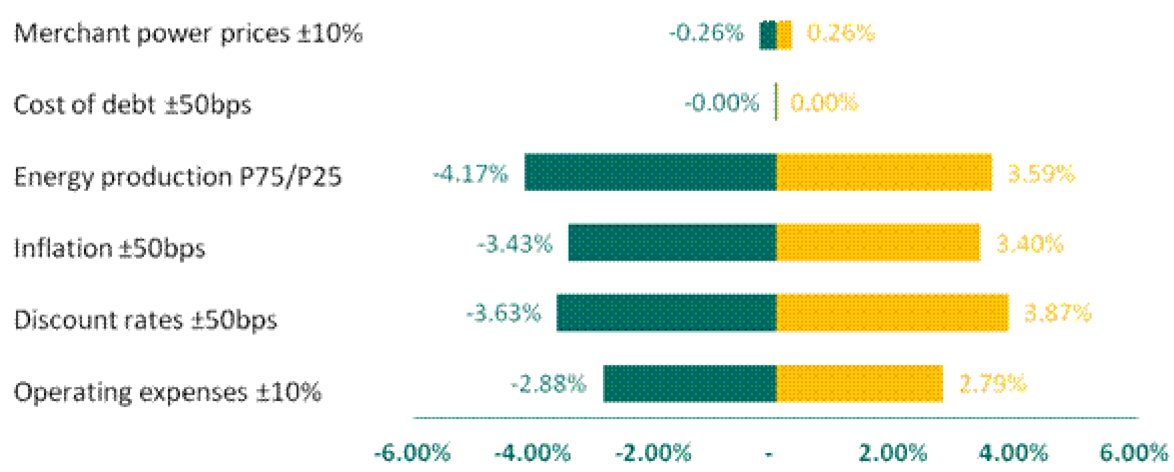


This discount rate is higher than the average unlevered discount rates observed in the UK renewables market pre-September 2022. The increase in the discount rate equated to a reduction in the NAV of 6.5 pence per share.

The Company's future pipeline will be underwritten based on this increased discount rate. As a result, the Company expects to deliver a higher unlevered return on future projects.

Portfolio Valuation Sensitivities

The figure below shows the impact on the portfolio valuation of changes to the key input assumptions ("Sensitivities"). The Sensitivities are based on the Portfolio as at 30 September 2022. For each sensitivity illustrated, it is assumed that potential changes occur independently with no effect on any other assumption. The low sensitivity to changes in merchant power prices reflects the long-term contracted revenues in the Company's Portfolio. Similarly, the moderate impacts due to variations in operational expenses, reflects the Company's assets having a majority of fixed price, long-term operating expenses including operations and maintenance ("O&M"), property leases and payments in lieu of taxes.



Key financials and NAV

NAV as at 30 September 2022 was announced on 31 October 2022 as 92.8 pence per share. The NAV reflects the valuation of the Company's portfolio and incorporates the costs associated with the IPO, ongoing running costs and dividend distributions.

At IPO on 23 November 2021, the Company raised gross issue proceeds of £150.0 million by issuing 150,000,000 Shares. As set out in the table below, the Company's NAV as at 30 September 2022 was £139 million, predominantly reflecting the movement in the valuation of investments and dividends paid.

NAV Bridge from IPO to 30 September 2022

Movement in Net Asset Value from IPO to 30 September 2022	**£m**	**Pence per share**
NAV following IPO	£147.1	98.1
Dividends paid	£(4.5)	(3.0)
Rerate on yield	£5.0	3.3
Operating cash flow	£2.8	1.9
Increase in unlevered discount rate	£(9.7)	(6.5)
Net operating expenses	£(1.6)	(1.0)
NAV as at 30 September 2022	**£139.1**	**92.8**

Dividends paid: Dividends of £4.5 million (3.01 pence per share) were paid during the Period in respect of the period to 30 June 2022. In addition, after the Period end, the Company declared a further dividend of 1.26 pence per share in respect of the quarter ended 30 September 2022. Furthermore, the annualised dividend is 50% cash covered by the current Portfolio.

Rerate on yield: Represents the difference between the invested capital and the discounted future cash flows for development sites prior to reflecting an increase in discount rates resulting from risk-free rate increases at year end. This would have resulted in a NAV increase of £5.0 million, since the IPO on 23 November 2021 ("IPO"), but has been offset by an increase in the discount rate, detailed below.

Operating cash flow: Represents the net cashflows generated by each project.

Increase in unlevered discount rate: Represents the impact on the fair value from changes to the discount rate due to recent movements in the risk-free rate. Elevated macro-economic volatility, higher inflation expectations and UK political uncertainty over recent weeks has led to an increase in long-term UK government bond yields.

Net operating expenses: Represents the net movement in Company administration expenses.

The assumptions set out in this section remain subject to continuous review by the Investment Adviser and the Board.

The Company's total loss before tax for the Period was £(3.4) million (revenue loss of £1.2m and capital loss of £2.2m) and earnings per share, based on distributions received from the Company's unconsolidated subsidiary, Atrato Onsite Energy Holdco Limited ("Holdco") (which indirectly holds the Company's assets through underlying subsidiaries), were (2.7) pence per share (revenue of (0.92) pence and capital of (1.75) pence). As at 30 September 2022, of the 37 total assets, 34 were in operation and three were in installation and scheduled to become operational during Q4 2022 and Q1 2023.

Financing

The Company has not sought any external financing in the Period as its immediate priority is the investment of the IPO proceeds. However, the Company engages regularly with debt providers to maintain up-to-date assumptions about the prospects and pricing of secured senior debt against appropriate parts of its portfolio in future, in line with its stated investment policy. The Investment Adviser constantly monitors the appropriate source, whether debt or equity, and the timing of such funding required to execute on the pipeline of acquisition opportunities secured by the Company.

Dividends

In May 2022, in line with the timeframe set out in the IPO, the Board declared a maiden quarterly dividend of 1.76 pence per share in respect of the period from IPO to 31 March 2022. This was followed by further dividends of 1.25 pence per share for the quarter ended 30 June 2022, and in November 2022 a further 1.26 pence per Share for the quarter ended 30 September 2022.

As a result, on an annualised basis, the Company achieved its 5 pence per share IPO target for the dividend in respect of the initial period to 30 September 2022. Aligned with the target set out at IPO, the Company will target an annualized dividend target of 5 pence per ordinary share for the financial period ending 30 September 2023.

Annual General Meeting

We look forward to welcoming Shareholders in the Company ("Shareholders") to the Company's Annual General Meeting ("AGM") to be held in March 2023. More details will be provided via a RNS announcement in due course.

Post balance sheet events

Portfolio management

The Company has a PPA with Vale of Mowbray Limited ("Vale of Mowbray") under which the Company supplies behind-the-meter ("BTM") green energy generated through its rooftop solar installation. This asset is the smallest project in the Company's Portfolio and represents less than 0.6% of the Company's NAV.

Vale of Mowbray entered voluntary administration the day before the Period end. The Company has confirmed with the administrators that it will continue to sell energy to the site during the administration process, with any excess sold to the grid under an existing spill PPA at a premium of 84% above the Vale of Mowbray's contractual PPA price. When the site is vacated, all energy generated by the Company's solar installation will be sold to the grid under the higher spill PPA price.

The Company does not expect any material adverse consequences because of this administration, illustrating the value of the credit protections that the Company typically benefits from in its contracts.

Recent government legislation

A multitude of factors has driven UK wholesale electricity prices to historic highs. Daily prices reached almost £600/MWh in August 2022. For August as a whole, the average auction price exceeded £370/MWh, compared to £107/MWh last year and £37/MWh in August 2020.

This triggered new UK legislation that provided financial support for businesses struggling with higher energy costs.

The Electricity Generator Levy

As part of the Autumn Statement, the UK Government outlined an Electricity Generator Levy ("the Levy"). The Levy is a temporary windfall tax of 45% that will be applied to wholesale market revenues above £75/MWh on UK low-carbon electricity generation. The Levy will be applied from 1 January 2023 until 31 March 2028.

The Company's focus on long-term highly contracted solar PV systems results in a low sensitivity to wholesale power prices. Based on the current portfolio and pipeline, the Levy is not expected to impact the Company's target returns or net asset value.

Pipeline

At the time of the interim results, the Company published a selected pipeline of near-term projects to be completed by September 2022 (worth £39m), and a further batch of projects that were due to be completed by December 2022 (worth £86m, the "December Selected Pipeline"). The initial target was met in September with the Company successfully committing a total of £49m, amassing a portfolio with a total capacity of 63MWp.

The December Selected Pipeline remains broadly intact. However, the recent market backdrop of economic and political instability has led, in some cases the Company and, in other cases the off-taker, to delay the decision to execute on those deals. The Company has revised its deployment timeline and now expects to have 100% of IPO proceeds committed by CY Q2 2023. The Investment Adviser has also increased its selected near-term pipeline from £86m to £100m, out of a total pipeline of over £360m.

We have two opportunities in our pipeline that are under exclusivity totalling >£40m of capital value, including a c.30MW ground mounted installation. Advanced discussions are currently ongoing with several corporates to enter into a long term sleeved or "virtual" PPA on this asset. Investment in these systems can deliver attractive returns with a comparable risk profile where the sponsoring corporate undertakes to pay for the energy generated via a long-term off-take agreement.

We have observed an increase in corporates seeking to achieve scale in renewable energy generation through increased investment in ground mounted installations. In many cases, like our Nissan and Anglian Water assets, these are behind the meter installations. However, corporates are also sponsoring new front of meter developments through long term PPAs as an option to advance net zero targets.

Sustainability

During the reporting period, the Company has continued to develop its sustainability strategy, with a focus on defining the Company's investment impact. This includes environmental, social and governance risk management, as well as quantifying positive and negative impacts from its investment activities. These actions are designed to ensure that investments are made having assessed all aspects of risks and opportunities to preserve and grow capital for the long term.

We have identified our key sustainability related priorities based on an in-depth materiality assessment which highlighted six key elements. These cover the mitigation of environmental impact and social risks within the solar industry, high standards of governance and reporting frameworks, engagement with tenants and responsible citizenship and support for communities. These are covered in more detail in the Sustainability section on pages 21 to 23.

Outlook

The Company finds itself in a position of significant competitive strength given the amount of undeployed 'dry powder' capital on its balance sheet, especially at this point in the cycle when many in the industry are capital constrained. We are currently able to achieve materially higher unlevered returns on new projects.

The Company now expects to have committed 100% of the £150m IPO proceeds in Q2 2023. Once all capital is deployed, the portfolio will provide an estimated 50,000 tonnes of carbon emissions savings per annum.

Our Market

Power prices

A confluence of factors including the war in Ukraine, weather, market structures and demand patterns has driven wholesale electricity prices during the Period to historic highs in Great Britain, with daily prices on the N2EX day ahead auction reaching almost £600/MWh in August 2022. For the month, the average auction price topped £370/MWh, an increase from £107/MWh in the same month of 2021 and a ten-fold increase from August 2020.

Bloomberg baseload forward winter 1-year prices

Such dramatic increases in the wholesale electricity price naturally impact consumers, both at home and in business, and the Government is introducing a raft of measures to provide support and protect against rocketing energy costs. In September 2022, a temporary price cap for businesses was announced, limiting the unit price paid to £211/MWh for electricity and removing green levies from the bills of non-domestic clients. This price cap will be in force for six months from October 2022, with expectations of some continued targeted support for vulnerable sectors thereafter.

The capped unit price is in line with the monthly average grid import price at the time of the Company's IPO in November 2021. As the PPA price for onsite generation is typically lower than this, the Government support measures therefore support the case for businesses to commit to onsite solutions. Indeed, the relatively short-term nature of the support and continued uncertainty from March 2023 are expected to highlight to businesses the advantages of taking control of their energy costs by securing long term price certainty such as that which can be delivered through onsite PPAs. The commercial case for onsite PPAs is further underpinned by predictions of sustained high prices. Analysis from some market forecasters suggest that wholesale electricity prices will remain above the pre-2021 historic average until at least the end of this decade.

The investment opportunity

Elevated grid power prices are an important factor for businesses in evaluating alternative supply options, with 77% of businesses surveyed in the nPower 2022 Business Energy Tracker reporting that energy costs were seen as the top business risk. Sustainability and net zero measures remained an important consideration for most businesses surveyed, but an overwhelming majority of more than 90% had concerns about the costs of funding the energy transition and so a PPA solution may be attractive to those evaluating the potential for onsite generation. This is supported by research from the CBI in August 2022, which reported that 30% of firms consider that energy price rises were likely to negatively impact current or planned investment in net zero measures. For these businesses, a fully funded PPA solution for onsite generation could provide an attractive route to attain sustainability goals whilst also reducing costs. Corporate PPAs, which provide direct agreements between generators and business consumers for grid connected, offsite assets, are also garnering more attention as an option for aiding price certainty whilst simultaneously achieving corporate sustainability targets.

Inflation in power prices and the economy more generally is feeding through into increases in equipment and labour costs for delivery of projects, resulting in some rises in the PPA rate which we need to achieve for new installations. However, these rises are outstripped by the increases in the grid import prices described above, ensuring that the economic rationale for clients is preserved.

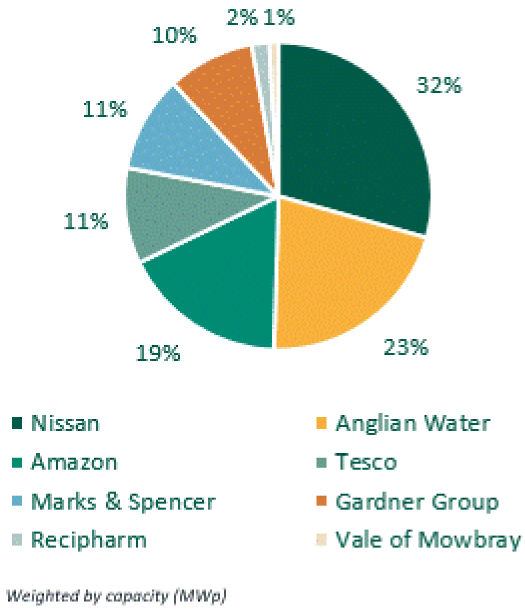
We expect that the backdrop of elevated and volatile wholesale electricity prices should prove favourable for the Company's investment proposition, driving corporates to focus on alternative solutions such as onsite generation and thus facilitating the realisation of the potential market.

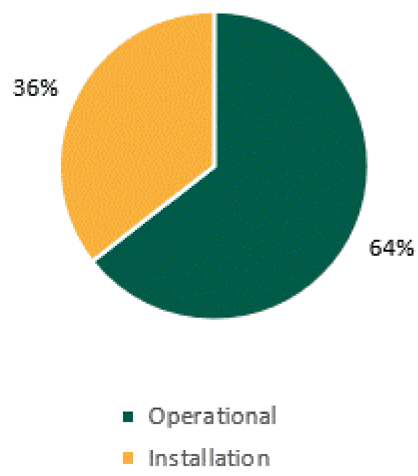
Our Portfolio

We provide below further details of our Portfolio in case studies of individual projects which have either been acquired or developed during the period.

As at 30 September 2022		
Number of renewable energy assets	Off-takers supplied	Portfolio generating capacity[3]
37	8	62.6MW
Clean electricity generated since IPO	Tonnes of CO_{2e} avoided	Weighted average unexpired PPA term
28,817GWh	6,000	19 years

Portfolio Off-takers **Status**





Case Studies

Nissan

Type	Ground mount solar PV
PPA length	20 years
Size	20MWp
Status	Commissioning expected Jan 2023

A 20MW ground mount solar PV system for Nissan Motor Manufacturing UK Limited ("Nissan"). The installation is located at Nissan's Sunderland manufacturing plant which is the subject of a £1bn investment plan to transform the site into an electric vehicle hub, including the UK's first large scale battery factory.

Nissan's Sunderland plant forms the centrepiece of NissanEV360, a £1bn electric vehicle hub which aims to create a sustainable blueprint for vehicle manufacturing by incorporating electric vehicles, renewable energy and battery production. In 2021 Nissan became the first Japanese carmaker to join the United Nations backed Race to Zero campaign which accelerates the company's full electrification and carbon neutrality goals.

Marks & Spencer

Type	Rooftop solar PV
PPA length	12 years
Size	6MWp
Status	Operational

A 6MWp rooftop solar PV system for Marks & Spencer plc ("M&S") located in Leicestershire. The system benefits from Renewables Obligation Certificates (ROCs) at a rate of 1.6 ROCs per megawatt hour of generation. The system is operational and immediately income producing for the Company. At the time of completion, it was the largest rooftop solar array in the UK and was expected to lower M&S's carbon footprint by 48,000 tonnes over 20 years.

M&S intends to become a net zero business by 2035 and net zero across their entire value chain by 2040. They have joined the UN's Race to Zero campaign and have aligned their targets with the Paris Climate Agreement to limit global warming.

Sonne Solar Portfolio

Type	Ground mount and rooftop solar PV
PPA length	20 year average remaining
Size	33MWp
Status	Operational

A 33MW mixed ground mount and rooftop portfolio of operational behind-the-meter solar PV systems. The portfolio, held within Sonne Solar Limited, consists of assets at 32 sites in England and Scotland which are occupied by Amazon, Tesco or Anglian Water. Electricity from the assets is sold to the relevant site occupier under a long-term PPA, with excess generation being exported to the grid. The sites were commissioned between 2018 and 2022, and several of the earlier sites also benefit from government-backed feed-in-tariffs linked to RPI. Sonne Solar Limited is the counterparty to a framework agreement with a FTSE 100 business through which it has access to a development pipeline of 33 further behind-the-meter sites in the UK.

This is one of the largest operational behind-the-meter portfolios in the UK and generates an annual CO_{2e} saving of c. 6,500t relative to grid imports. The deal provided an accelerated route to scale for the Company's portfolio, delivering immediate revenues and securing relationships with key off-takers.

Sustainability Report

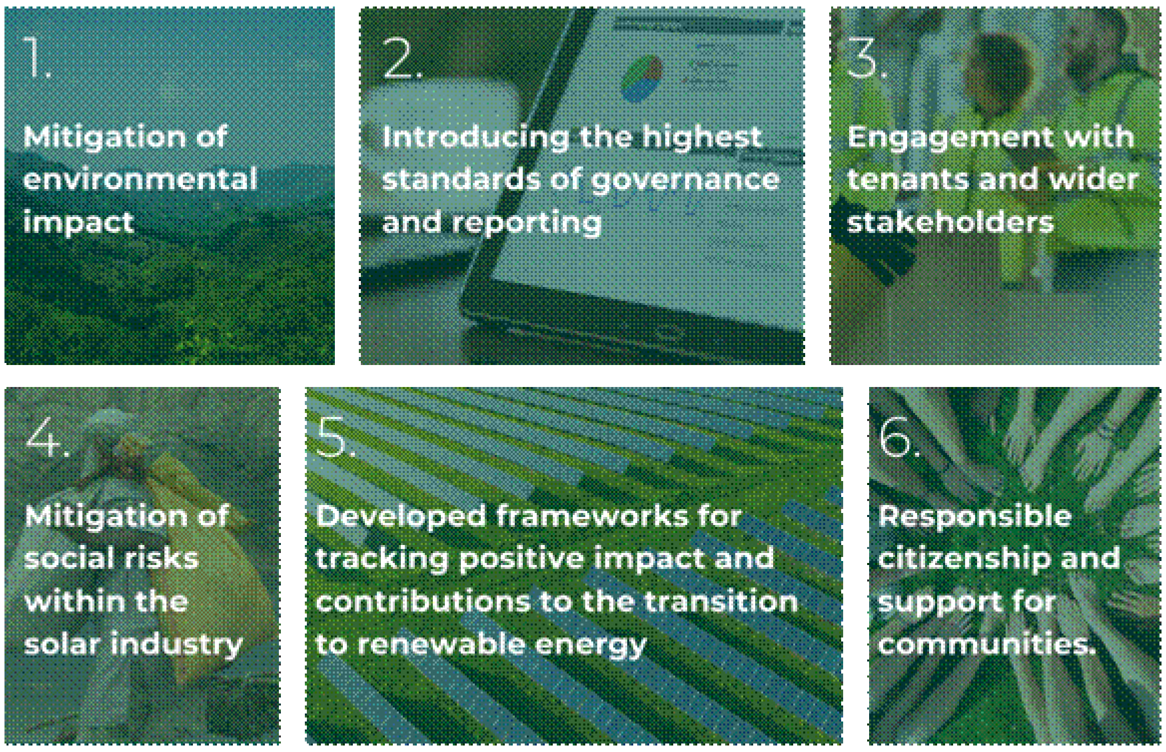
Introduction

During the reporting period, the Company has continued to develop its sustainability strategy.

As part of the implementation of this strategy the Investment Adviser has recruited a Head of Sustainability, Christoph Scaife. Christoph took up this role in February 2022 and will take the lead in further developing and implementing the Company's sustainability strategy with the Company's investment team.

A key element of the Company's ESG strategy focuses on defining the Company's investment impact. This includes environmental, social and governance risk management, as well as quantifying positive and negative impacts from its investment activities. These actions are designed to ensure that investments are made having assessed all aspects of risks and opportunities to preserve and grow capital for the long term.

Since IPO, sustainability related priorities have been identified as key to delivering value for the Company's stakeholders. These were based on an in-depth materiality assessment which highlighted six key elements as detailed below:



Market supply chain developments

In May 2021 the University of Hallam, Sheffield, published a report that was widely regarded as the tipping point to exposing forced labour practices in the Xinjiang Uyghur Autonomous Region ("XUAR") of China, and in particular within the solar sector. Over the past two years various reports have emerged and investigation have been launched, however, the true scale of forced labour practices is still not fully understood. Investigations are not comprehensive enough and the degree to which these practices occur varies. Investors and project developers are required to evaluate and mitigate this risk through their own procurement practices until such a time as the industry has fully addressed these issues. Dame Sara Thornton DBE QPM has stated in December 2021:

"Forced labour is a global problem, hidden in farms, factories, mines, and construction sites around the world. No sector is immune from exploitation and no business can afford to be complacent. Audits can help unearth the indicators of forced labour as defined by the International Labour Organization (ILO). Tracking these indicators is important for building a nuanced picture of risks in the workplace.

However, audits alone are not sufficient for addressing forced labour risk or finding modern slavery. They should be part of a wider portfolio of engagement, including worker voice tools, to deepen understanding of the complex commercial ecosystems in which businesses operate. Admitting that all businesses are at risk is an important development as this sector matures. The next steps should be the identification and remediation of victims. Ultimately all stakeholders - businesses, government, investors, NGOs and society - should work collaboratively to prevent forced labour from entering supply chains in the first place. These are not easy steps for any organisation, but those businesses that show leadership will be rewarded by more resilient business models and competitive advantage as scrutiny from investors, consumers, legislators and NGOs intensifies in this space."

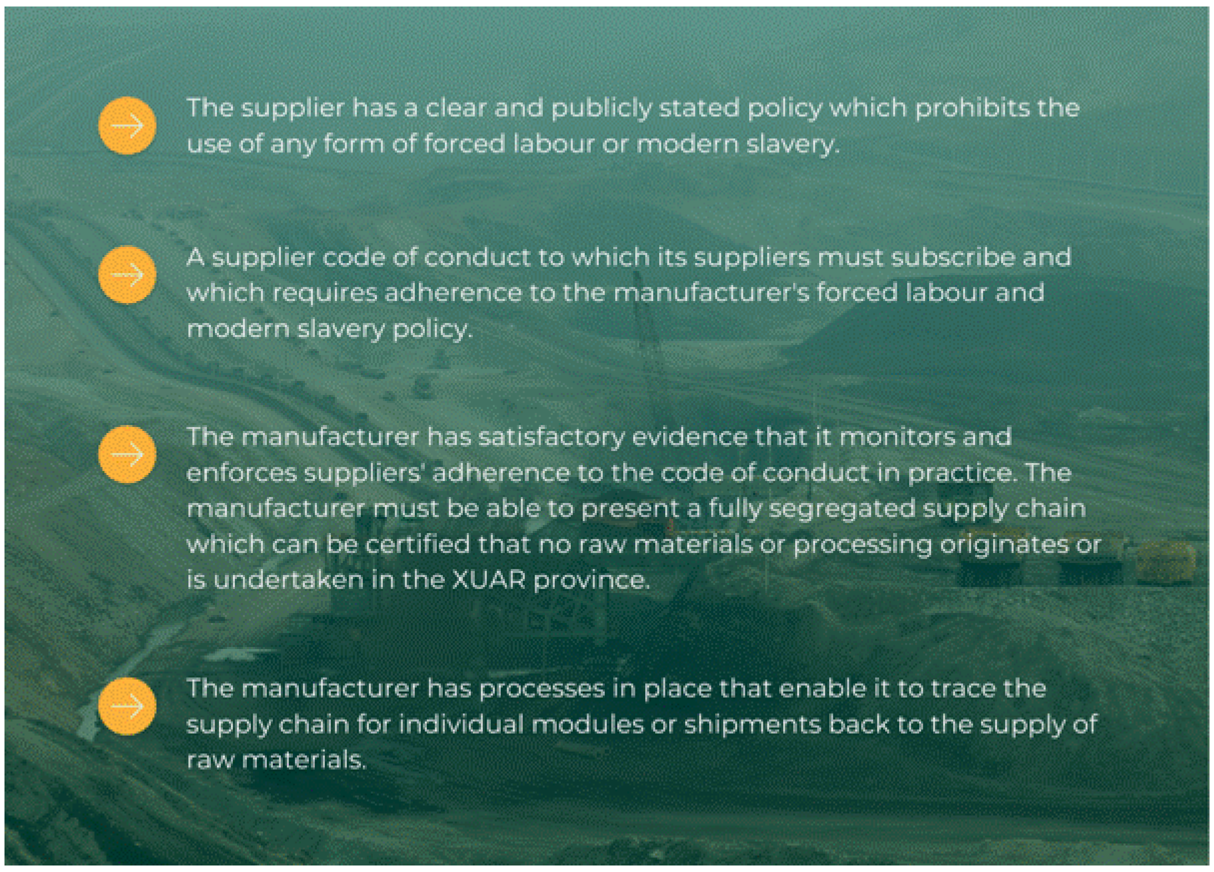
As the Company is an active participant in the sector, procuring and installing solar panels that will most likely have originated in China, whether through the extraction of raw materials, manufacturing of silicon ingots or the assembly of photovoltaic panels, the risk of the Company's supply chain having forced labour is material. The Company's investment adviser has recognised this risk and has developed various mitigation measures to address these. Whilst the ability to fully exclude the companies that have exposure to forced labour practices remains challenging, the Company does have control over its own procurement processes. The Investment Adviser has developed a set of criteria for ensuring that panels and equipment are not procured from any supplier associated with forced labour. Ensuring its own supply chain is considered "clean" is the first step to ensuring that shareholders in the Company are protected from this social risk Additionally, increasing demand for ethically produced panels contributes to the industry incentive that good operational and labour practices are rewarded.

Procurement policy

The Investment Adviser has developed a procurement policy that attempts to mitigate the exposure to forced labour issues that are present in the solar PV industry. The Module Procurement Policy will be reviewed semi-annually and signed off by a Company Director in collaboration with the Investment Adviser's Head of Sustainability, on behalf of the Company's Board. The Board's obligations and commitments relating to equipment procurement are documented in the modern slavery and human trafficking statement and are included in the Company's prospectus dated 1 November 2021 (Part 4 ESG and Sustainability).

Application of the Supplier Criteria

The availability of independent and corroborated information regarding modern slavery in the Chinese region of Xinjiang and the involvement (whether directly or indirectly) of individual manufacturers is limited. This situation has been exacerbated in the last two years by a lack of access attributable to the coronavirus pandemic. However, the supplier criteria ("Supplier Criteria") is updated to reflect industry best practice as it evolves with the improving availability of standardised and audited information. Suppliers are excluded if they are unable to meet our Supplier Criteria, these include:



The Module Procurement Policy was approved by the Company's Board of Directors in June 2022 and the Investment Adviser is responsible for maintaining the Module Procurement Policy.

The Improvement List ("Improvement List") is a list whereby the Company acquires a project that already has panels installed/purchased where the manufacturer has not met the Supplier Criteria, and/or the origin and manufacture of the panels have not been adequately documented. The Improvement List is an identification process for steps that need to be taken and is not an investment exclusion list. The Improvement List requires a retrospective approach with those assets to bring them into alignment with best procurement practices.

Where an asset has been added to the Improvement List, the Investment Advisor will:

a) Determine the manufacturer of the panels installed, on a best-efforts basis and obtain the certificates of origin or details of raw material sources, processing and manufacturing.

b) Determine if the panels manufacturer has exposure to the Xinjian province, and / or no evidence provided that the panels have been procured through a segregated supply chain that excludes the Xinjiang province.

c) Request certificates of origin for any post transactions panels that are procured, in accordance with the Supplier Criteria, and link these to the original screening and investment paper.

d) Clearly communicate to the Investment Committee, Board and Head of Sustainability what actions are still required to satisfy compliance criteria, and seek to agree an improvement plan,

e) Develop an improvement plan, which should be signed off by the Head of Sustainability and registered in the Panels Compliance register.

Contractual commitments

In all contracts which relate to the procurement of modules, the Investment Adviser will require the inclusion of a commitment from its counterparty to the eradication of all forms of forced labour in the supply chain for those modules.

As part of the Company's supplier selection process for possible installers and operators, due diligence activities will also consider local procurement content as well as equal opportunities. The Company believes that its investments should benefit local stakeholders at every level including opportunities to work in developing local infrastructure. The Investment Adviser will track local content involvement as transactions are developed.

Carbon emissions

As this is the first year of operation with investments being completed in the latter part of the reporting period, noting that the Company did not emit emissions that have exceeded 40,000kWh during the year and is not required to disclose carbon emissions related to its operations. It should be noted that the Investment Adviser will be publishing its full carbon related emissions at the end of the reporting year where the emissions associated with the fund and operations for 2022 will be reported.

Corporate Social Responsibility

The Company has made a commitment to donate one per cent of its profits to charitable causes through an independent foundation. 2022 is the first year of operations for the Company, and no profit has been achieved in this operating year.

The Investment Adviser is establishing The Atrato Foundation (the "Foundation") as a UK charity. The Investment Adviser will develop a selection policy to evaluate charities that help in the growth and acceptance of sustainable energy generation.

The Foundation will support charities promoting education, training and personal development with respect to skills relevant to the clean energy sector. It will also support the Board's agenda of diversity, equal opportunity and social mobility. It will achieve this by working with the Investment Adviser to provide training and education and the development of a diverse and stable workforce.

The Investment Adviser has also committed to make donations to the Foundation of 3% of profits. The minimum funding level for donation is set at £5,000.

In addition, employees at the Investment Adviser currently volunteer on several charitable initiatives including mentoring young people in schools and select students through IntoUniversity. Steve Windsor, Principal, and the Head of Human Resources mentor through STEM Learning. STEM and IntoUniversity are aimed at supporting students from underprivileged and diverse backgrounds into work and higher/further education.

Board developments and activities as per Section 172(1) Statement

The Board considers that in conducting the business of the Company over the course of the year ended 30 September 2022, they have acted to promote the long-term success of the Company for the benefit of Shareholders, whilst having regard to the matters set out in section 172(1)(a-f) of the Companies Act 2006 ("the Act").

Details of our key stakeholders and how the Board engages with them can be found on pages 27 to 29.

Other disclosures relating to our consideration of the matters set out in s172(1)(a-f) of the Act have been noted as follows:

s172 Factor		Our approach	Relevant disclosures
A	The likely consequences of any decision in the long term	The Board has regard to its wider obligations under Section 172 of the Act. As such strategic discussions involve careful considerations of the longer-term consequences of any decisions and their implications on Shareholders and other stakeholders and the risk to the longer-term success of the business. Any recommendation is supported by detailed cash flow projections based on various scenarios, which include availability of funding; borrowing; as well as the wider economic conditions and market performance.	Our Key Stakeholder relationships on pages 27 to 29. Board activities during the year on pages 38 and 41.
B	The interests of the Company's employees	The Company does not have any employees because of its external management structure. The Board's main working relationship is with the Investment Adviser. Consequently, the Directors have regard to the interests of the individuals who are responsible for delivery of the investment advisory services to the Company to the extent that they can do so. Secondary to the Investment Adviser, the consider the interests of individuals in other service providers to the Company.	Our Key stakeholders on pages 27 to 29. Culture on page 39.
C	The need to foster the Company's business relationships with suppliers, customers and others	The Board believes that building effective business relationships with suppliers, customers and other key counterparties is crucial to preserving long-term shareholder value. Excluding the Investment Adviser, at the corporate level, these stakeholders include the Administrator and Company Secretary, Corporate Broker, Legal Counsel, public relations agency and the Auditor and tax advisers. At the operational level, this includes asset-level counterparties, local communities and debt providers.	Our Key stakeholders on pages 27 to 29.
D	The impact of the Company's operations on the community and the environment	As an owner of assets located in communities across the UK, we aim to ensure that our solar assets provide safe and comfortable environments and contribute to the reduction of fossil fuels. The impact on the community is covered in the Company's Sustainability section of this Report.	Our Key stakeholders on pages 27 to 29. Details of the ESG policy and strategy are included on pages 21 to 23. The Board's approach to sustainability is explained on pages 21 to 23.
E	The desirability of the Company maintaining a reputation for high standards of business conduct	The Board is mindful that the ability of the Company to continue to conduct its investment business and to finance its activities depends in part on the reputation of the Board, the Investment Adviser and Investment Advisory Team. The risk of falling short of the high standards expected and thereby risking business reputation is included in the Audit and Risk Committee's review of the Company's risk register, which is conducted at least annually.	Chair's letter on corporate governance on pages 51 and 53. Principal risks and uncertainties on pages 30 to 34. Our culture on page 39.
F	The need to act fairly as between members of the Company	The Board recognises the importance of treating all members fairly and oversees investor relations initiatives to ensure that views and opinions of Shareholders can be considered when setting strategy.	Chair's letter on corporate governance on pages 51 and 53. Our Key stakeholders on pages 27 to 29.

Our Key Stakeholder Relationships

Building strong relationships with our key stakeholders is a critical element to our success. The Board recognises that the foundation underpinning effective corporate governance is determined on how it aligns the strategic decisions of the Company with the views of its various stakeholders. We aim to build long lasting relationships with all our key stakeholders based on professionalism and integrity.

The Board regularly consults with the Investment Adviser, who in turn manage and foster the relationships with our clients, supply chain, key partners and advisers.

Investor engagement

The Company's shareholders are an incredibly important stakeholder group and the ultimate owners of the business. To deliver our strategy, it is vital that Shareholders continue to understand and support the Company's performance, investment thesis as well as the wider market in which we operate. The Board oversees the Investment Adviser's formal investor relations programme which is supported by the Company's brokers and public relations consultants, providing Shareholders with frequent business updates as well as facilitating regular meetings both in person and on-line. The Board aims to be open with Shareholders and available to them, subject to compliance with relevant securities laws.

How did we engage?

- The 2023 AGM will be held as a physical meeting in London and will be attended by all the board. The meeting details will be announced by RNS and open to all Shareholders.

- Because the Company had no formal analyst coverage in March 2022, there was no FY22 interim results presentation to analysts. The Company's broker arranged a roadshow for institutional shareholders.

- The Board approves all resolutions and related documentation to be put to Shareholders at the AGM, together with circulars, prospectuses, listing particulars and regulatory announcements concerning the Company.

- Our website contains comprehensive information about our business, regulatory news and press releases alongside information about our approach to ESG issues.

- The formal investor relations programme is designed to promote engagement with major investors, generally defined as those holding more than approximately 1% of the shares in the Company. Major investors are offered meetings after each results announcement or other significant announcements. The Investment Adviser also held multiple virtual meetings with prospective and new investors.

Topics discussed

- Financial performance of the Company and disclosures contained within the interim report

- The impact on the Company because of Vale of Mowbray administration.

- Macroeconomic themes including the impact of inflation, merchant power prices and government decisions in relation to energy prices.

How did we respond?

- Investor feedback has helped shape our disclosures, with additional supplementary information provided in these annual results.

- Positive feedback using virtual meetings has improved accessibility to our international and regional based Shareholders. We anticipate that on-line engagement will continue to play an important part in engagement with our Shareholders in addition to helping to reduce associated carbon emissions in line with our sustainability strategy. Further details on our sustainability strategy can be found on pages 21 to 23.

EPC contractors

We recognise the importance of EPC contractors to our business, not only to develop and build the solar projects for us and our clients, but also to recognise us as experienced partner to fund their projects and to deliver a constant stream of pipeline work for us. We currently have a strong relationship with selected EPC contractors, and regularly interact with them during the design and installation process of a project. Our EPC contractors on site are currently performing in line with our expectations. No major H&S incidents have been reported at the time of writing this report.

How did we engage?

- Regular meetings held with EPC contractors to discuss development pipeline and performance on current projects in construction.

- We carried out site visits, both internally and using 3rd party technical advisors, to assess construction quality and verify construction is in line with contractual timelines.

Topics discussed

- Issues on sites, particularly related to timelines and safety on site.

- New PPA projects on the horizon, contractors' ability to deliver such sites, and potential PPA pricing.

- Design issues pre-construction, to ensure that the solar PV plants are in line with our specifications.

- Topics related to commissioning, acceptance and handover documentation.

How did we respond?

- We provide PPA prices to EPC contractors for projects that meet our investment criteria.

- We provide PPA prices to EPC contractors for projects that meet our investment criteria.

- We translate contractor's reports to report to the off-takers as required under the PPA.

- We manage the EPC contractors to ensure that projects are built on time and budget, and that all acceptance criteria are being met.

Operations and maintenance contractors

The Company recognises the importance of the operations and maintenance contractors to ensure the ongoing operation of the projects. The relationship with these providers is managed via the asset manager who has regular interaction with the providers to ensure the ongoing performance of the sites. The Investment Adviser overlooks this interaction and is regularly updated on performance and health and safety related situations.

The Investment Adviser

The Board's main working relationship is with the Investment Adviser. The Investment Adviser brings a depth of experience in the renewable energy sector. This gives the Company a competitive advantage through its knowledge, specialist focus and network of industry contacts. The Investment Adviser has a crucial role in the performance and long-term success of the Company.

Whilst the Company has no employees, other than the Directors, the Board has regard to the interests of the individuals who are responsible for delivery of investment advisory services to the Company to the extent that they are able to do so. The Board does not have direct responsibility for any employees.

The Board and the Investment Adviser maintain a positive and transparent relationship to ensure alignment of values and business objectives.

How did we engage?

- The Board engages with the Investment Adviser at a minimum on a quarterly basis which follows the Company corporate calendar. In addition to the scheduled quarterly meetings, the Board will also have separate unscheduled Board meetings to approve recommendations for all acquisitions, approval of asset management opportunities, and appointment of advisers.

- The Management Engagement Committee met after year end and have performed a detailed review of the Investment Adviser's performance.
- The Independent Directors will seek to obtain and assess feedback from investors, advisers and other market participants, where appropriate, in order to monitor standards of conduct, including the conduct and reputation of the Investment Adviser and the reputation of the business.
- The Board will also engage with the Investment Adviser through the annual strategy day in addition to informal meetings as and when required.

Topics discussed

- The process for operating the delegated authorities and related controls at the Investment Adviser.
- Deployment speed and pipeline updates.

How did we respond?

- Inclusion of a section on activities undertaken pursuant to the delegated authorities within the quarterly Investment Advisers report.
- Establishment of monthly meetings to update the Board on the pipeline and deployment progress.

Asset Manager

We recognise that the success of the Company relies on the continued success of the asset manager, appointed by Holdco and managed by the IA, to provide financial and technical services on the projects. The asset manager relies on the quality of the operations and maintenance contractors to succeed. Therefore, we place particular emphasis on having a strong relationship with the asset manager to better understand the challenges and opportunities facing their business.

How did we engage?

Regular meetings held between the Investment Adviser and the asset manager to understand current and future needs. Any potential opportunities or risks facing the Company are fed back to the Board to inform future strategy. The Investment Adviser will visit sites on a periodic basis and feedback on material issues reported back to the Board.

Topics discussed

- Issues on sites, particularly in connection with the asset managers ability to monitor the meters and operation and maintenance contractors remotely.
- Performance of the solar assets and their generation during the relevant period.
- Performance of the operations and maintenance service providers.
- Financial issues that have arisen on any of the assets in the portfolio.

How did we respond?

- The asset manager's monitoring software will be connected to all sites.
- Monthly and quarterly reports provided by the asset manager are reviewed and discussed at informal weekly meetings with the Investment Adviser and the formal quarterly meetings.

Our Suppliers

The Company's key suppliers include professional firms such as accounting and law firms and transaction counterparties, which can vary in size and sophistication.

Whilst most engagements are subject to a tender process to ensure the Company continues to obtain value for money, we aim to partner with suppliers who share our values and ethos and work to secure the best people with an established track record and, where possible, retain key partners on successive transactions and workstreams.

Where material counterparties are new to the business, checks, including anti money laundering checks, are conducted prior to transacting any business to ensure that no reputational or legal issues would arise from engaging with that counterparty. The Company also reviews the compliance of all material counterparties with relevant laws and regulations such as the Criminal Finances Act 2017.

The Company and its subsidiary entities have a policy of paying suppliers in accordance with pre agreed terms as reported in the Supplier Payment Policies:

How did we engage?

- Key suppliers such as our Company's corporate broker, Alvarium Securities, are invited to attend the quarterly Board meetings in order for the Board to be kept informed of the current market within which we operate.
- The Board and Committees are able to speak with accounting and law firms on an informal or one to one basis to discuss specific issues relating to the Company.

Topics discussed

- Service levels and annual performance.
- Fees charged during the year for key suppliers engaged during the year.
- Relationship management.

How did we respond?

- There is direct engagement between the Investment Adviser and the Board in respect of suppliers engaged during the year. Feedback has continued to be positive on all our key supplier arrangements.

- The Board has established a Management Engagement Committee, where the supplier performance and fees are reviewed on an annual basis to ensure that the Company continues to obtain best value for money on services procured.

- Face to face meetings with key service providers will be arranged in order to discuss the ongoing relationship with the company, these will be held without the Investment Adviser present.

- The Company has implemented a procurement policy, which aims to eliminate the practices of modern slavery in the supply chain of module suppliers. Our procurement policy states that the purchasing of panels should include a guarantee that the raw materials and manufacturing will exclude any forced labour and should be procured outside of the known regions where these practices are known to be happening. The policy has been developed with the UK's Modern Slavery Act 2015 as set out below and is reviewed annually. Suppliers are reviewed at least semi-annually to ensure that procurement procedures are up to date.

Supplier payment policies

Neither the Company nor any of its subsidiary undertakings exceeds the thresholds for reporting payment practices and performance.

The following voluntary disclosures relate to the Company:

- the Company does not have standard or maximum payment terms but seeks to settle supplier invoices in accordance with pre-agreed terms.

- invoices may be submitted electronically but as the volume of payments is relatively low, the Company does not operate electronic tracking for suppliers.

- the Company does not offer supply chain finance.

- there are no arrangements for participation on supplier lists and no charges for being on such a list.

- the Company is not a member of a payment code of conduct.

Modern slavery and human trafficking policy

The Company is committed to maintaining the highest standards of ethical behaviour and expects the same of its business partners. Slavery and human trafficking are entirely incompatible with the Company's business ethics. We believe that every effort should be made to eliminate slavery and human trafficking in the Company's supply chain. The Board has considered and approved our Modern Slavery Statement, which demonstrates our commitment to seeking to ensure that there is no slavery, forced labour or human trafficking within any part of our business or suppliers. A copy of our Modern Slavery Statement is available at https://atratoroof.com/regulatory-documents/.

Risks and Risk Management

The Board and JTC Global AIFM Solutions Limited, the Company's Alternative Investment Fund Manager (the "AIFM"), together have joint overall responsibility for the Company's risk management and internal controls, with the Audit Committee reviewing the effectiveness of the Board's risk management processes on its behalf.

To ensure that risks are recognised and appropriately managed, the Board has agreed a formal risk management framework. This framework sets out the mechanisms through which the Board identifies, evaluates and monitors its principal risks and the effectiveness of the controls in place to mitigate them.

The Board and the AIFM recognise that effective risk management is key to the Company's success. Risk management ensures a defined approach to decision making that seeks to decrease the uncertainty surrounding anticipated outcomes, balanced against the objective of creating value for Shareholders.

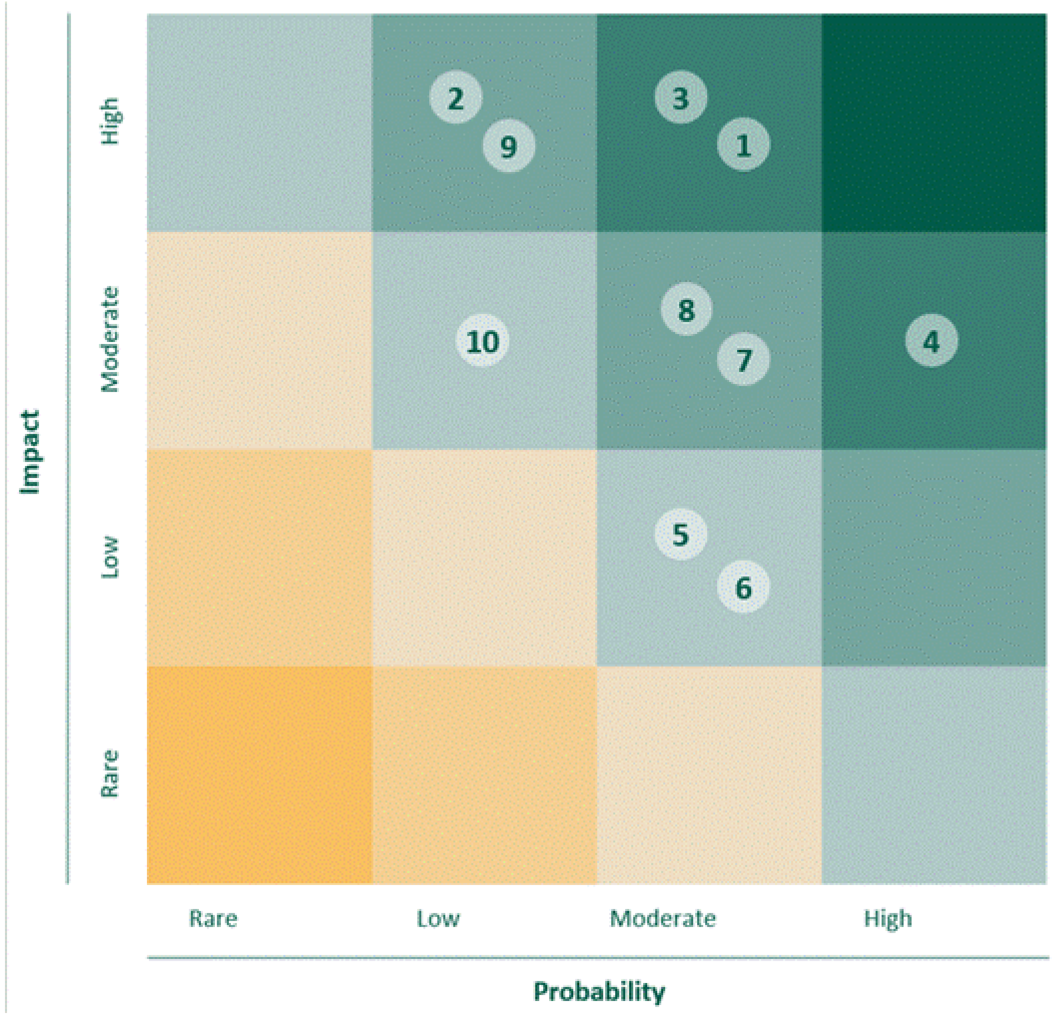
The Board determines the level of risk it will accept in achieving its business objectives, and this has not changed throughout the period. We have no appetite for risk in relation to regulatory compliance or the health, safety and welfare of our contractors, service providers and the wider community in which we work. We continue to have a moderate appetite for risk in relation to activities which drive revenues and increase financial returns for our investors.

There are a number of potential risks and uncertainties which could have a material impact on the Company's performance over the forthcoming financial year and could cause actual results to differ materially from expected and historical results.

The risk management process includes the Board's identification, consideration and assessment of those emerging risks which may impact the Company. Emerging risks are specifically covered in the risk framework, with assessments made both during the regular quarterly risk review and as potentially significant risks arise. The quarterly assessment includes input from the Investment Adviser and review of information by the AIFM, prior to consideration by the Audit Committee.

The matrix below illustrates our assessment of the impact and the probability of the principal risks identified after the application of mitigating measures. The rationale for the perceived increases and decreases in the risks identified is contained in the commentary for each risk category.

This risk map shows our assessment of each area of principal risk after mitigation:



1. Deployment of capital and pipeline
2. Performance of third-party service providers
3. Investment performance and measurement
4. Changes in cost of finance
5. Project counterparty risk
6. Power Price risk
7. Operational, climate and ESG risk
8. Economic and regulatory conditions, locally and globally
9. ITC tax status and changes in tax legislation
10. Local and global political risk and impact of pandemics

Principal Risks

Risk category	Potential impact	Mitigation
1. ***Deployment of capital and pipeline*** **Probability:** Moderate **Impact:** High	The Company's intention is to deploy the capital raised into Clean Energy Assets. However, there is a risk that the pipeline of opportunities does not crystalise or that the Company is uncompetitive and fails to secure the assets that meet the investment objectives in a timely manner to provide the target return to the investors. Delays in deployment will impact returns.	The Investment Adviser has multiple routes to source assets allowing us to benefit from off market transactions through: (i) an extensive network of contacts providing access to operational assets and development opportunities, (ii) a developed network of EPC contractors with their own dedicated sales teams to source new opportunities, and (iii) contacts with material landlords. The Investment Adviser has identified a pipeline of opportunities with an estimated investment value of is 2.4 times the capital raised. Delays in capital deployment have been a result of a turbulent market, however several exclusivity agreements have been secured in relation to this pipeline.
	There is a risk that due diligence carried out on acquisition of or investment in any Clean Energy Asset is insufficient and does not reveal all the facts that are relevant to the opportunity, leading to the Company overpaying.	The Company will engage with reputable and knowledgeable service providers to provide due diligence and appropriate contractual protection for liabilities is sought.
2. ***Performance of third-party service providers*** **Probability**: Low **Impact:** High	The Company has no employees and is reliant on third party services providers to perform services that are integral to the operation of the Company, and on non-executive directors to oversee the performance of these service providers and the Company.	Contractual performance is measured through performance metrics and fee structures are established to align the incentive of the service providers of the Company. This is achieved by contract fees linked to shares and the Company's NAV. The Board regularly reviews the appropriateness of these service providers and their performance.
3. **Investment performance and measurement** **Probability:** Moderate **Impact:** High	Investment valuation and decisions are based on financial projections and assumptions captured in a financial model. These assumptions may change from to time to time and	The Investment Adviser bases assumptions on industry data and reputable solar irradiance databases. The P50 irradiance scenario is used as a base case and sensitivity to changes in irradiation are assessed. Assumptions are updated and

	the actual performance may vary significantly from the assumptions. Assumptions are reliant on various factors, including environmental conditions, which are not guaranteed. Historical trends are only an indication of future conditions. The financial model may contain errors that will impact the forecast returns.	benchmarked frequently and the model itself is regularly reviewed.
4. Changes in cost of finance **Probability:** High **Impact:** Moderate	The discount rates used in the valuation represents the Investment Adviser's and the Board's assessment of the rate of return in the market for assets with similar characteristics and risk profile. Increased underlying interest rates or expectations of prolonged high inflation may lead to increased discount rates being applied by the market and a consequential decrease in the portfolio value.	The discounts rates are reviewed on a regular basis and updated, where appropriate, to reflect changes in the market and in project risk characteristics.
	The Company's use of debt financing in future may also be affected by changes in the cost and availability of finance. While the use of borrowings should enhance the total return on the ordinary shares, it is possible that borrowing costs will exceed income and therefore returns will be negatively impacted.	The Company currently has no debt. Any future debt would be subject to the 40% cap set out in the investment policy. The Company will enter interest rate caps and swaps where appropriate to mitigate the risk of interest rate rises.
5. Project counterparty risk **Probability:** Moderate **Impact:** Low	Each revenue generation agreement is subject to the credit worthiness of the counterparty and in the event of non-payment or insolvency of the off-taker, the revenue will be lost and there is no guarantee that an alternative user is found.	The portfolio of off-takers is diversified to alleviate concentration risk. Credit assessments are conducted prior to and during the PPA term to identify default risk. Each property is assessed for suitability for alternative occupiers and the availability of an export connection to the grid to allow for sale of generation via the public grid to a licensed supplier.
	Service providers are engaged to install, operate and manage Clean Energy Assets. If these providers fail to perform or have financial difficulties, the financial performance and reputation of the Company could be adversely affected.	Service providers are subject to credit assessments and appropriate security is sought where advance payments are required. Performance levels are stipulated in the contracts and performance is monitored during the period of contract performance.
6. Power price risk **Probability:** Moderate **Impact:** Low	**I**nvestments in Clean Energy Assets may have exposure to power prices. Where the counterparty does not use all the electricity generated the rate at which the excess can be sold will be determined by market prices, which may be lower than the contracted rates.	The Company's strategy is to seek to enter long term fixed price PPAs for at least 80% of the energy generated from its Onsite Solar Assets. Any excess generation is exported to the grid under shorter term arrangements. The sensitivity of the NAV to a change in wholesale power prices is monitored by the Investment Adviser and the impact of any new asset on the portfolio sensitivity is reported during the investment approval process.
	If market rates are very low, users may not be willing to enter into an agreement for supply from the Company.	Third party wholesale power price forecasts are monitored by the Investment Adviser relative to the prices available under PPAs for Onsite Solar Assets to confirm that PPAs remain attractive.
7. Operational, climate and ESG risk **Probability:** Moderate **Impact:** Moderate	The Company's indirect subsidiaries owns assets on third party property and assumes obligations under the contracts and could be liable for non-performance. In some instances, parent company guarantees are required in respect of a portfolio company's obligations under its contracts.	When conducting due diligence on potential investments, the Investment Adviser considers the potential impact of asset failures and provides for appropriate contractual and insurance protections. Security around assets is reviewed regularly and assets are inspected regularly for damage or signs of decay.

	Assets can fail due to technical faults, lifespan and theft of components and there is a risk of an absence of direct connection to the grid. Where a connection exists, there is a risk the connection fails. Clean Energy Assets can cause environmental hazards and nuisance. In addition, assets profitability is dependent upon weather conditions over which the Company has no control. Insurances may not cover specific risks and changes in environmental laws may have an impact on the Company's activities.	Technical due diligence is undertaken prior to acquisition or development of an asset to identify risks and appropriate mitigating measures. Installation contracts include taking over provisions and defects liability periods, and major equipment is supplied with long-term warranties. Environmental surveys are undertaken, where appropriate. Energy generation is based on P50 forecasts which are deemed appropriate for long-term assets. Insurance brokers advise on appropriate insurance coverage.
8. Economic and regulatory conditions, locally and globally **Probability:** Moderate **Impact:** Moderate	The Company and its portfolio may be materially affected by conditions in the global financial markets and economic conditions, including inflation and deflation, business and consumer confidence, currency exchange rates and controls, trade barriers and commodity prices. These factors are outside the Company's control and may affect the valuation of its investments. There is a risk of loss of supply licence or similar exemptions. Any government subsidies and incentives to which the portfolio is entitled may reduce over time. Regulations around renewable energy may change without significant notice, invalidating the operating model of the Company. Network charges are subject to change.	The Investment Adviser will continually monitor the macro environment and ensure that it adopts appropriate mitigating strategies, including hedging, entering long term contracts and linking pricing to inflation. The Investment Adviser will engage with industry specialists to ensure it is up to date with any potential changes and will where possible feed into consultations.
9. ITC tax status and changes in tax legislation **Probability:** Low **Impact:** High	The Company may breach the conditions of an Investment Trust leading to it being subject to UK tax on gains. Tax legislation is subject to change in both the UK and any other jurisdiction in which the Company invests. There is a risk that corporation or other tax rates may increase as governments seek to finance deficits arising from, amongst other things, the consequences of the COVID-19 pandemic.	The Investment Adviser has engaged specialist tax advisers for compliance and is monitoring compliance with the Investment Trust Company conditions referencing the tax structuring advice received at IPO. The Investment Adviser with the appointed tax adviser monitor potential changes in tax legislation and rates and assess their impact on the investment portfolio.
10. Local and global political risk and impact of pandemics **Probability:** Low **Impact:** Moderate	The ongoing uncertainty around Brexit continues to cause significant volatility in financial markets and may necessitate further changes to the regulatory environment. The ongoing conflict in Ukraine has led to higher power prices, leading to energy price caps for domestic and commercial users. This may reduce appetite for PPAs in the near term. A pandemic, like COVID-19, could create operational challenges for the assets incurring failures, as service providers may not be able to attend to the failures. Additionally, energy demand at certain sites may be reduced.	The Investment Adviser will monitor industry and national news to ensure that any proposed changes are anticipated, and appropriate mitigations are taken. The price cap for commercial users is set at a rate which is significantly above typical PPA rates, and is only in force until March 2023, meaning that long-term PPAs can still be attractive. Asset performance can be monitored remotely and regular contact with the service providers is maintained to ensure ongoing service. Assets, where practicable, benefit from the ability to export excess generation to the grid.

Emerging Risks

The Directors have identified the following emerging risks:

Power prices - impact on customers

With the ending of the strict Covid-19 lockdowns and the associated reduction in economic activity that drove down power prices, wholesale electricity and gas prices have rebounded extremely strongly. Existing high prices at the start of 2022 were then pushed even higher by Russia's invasion of Ukraine and the sanctions on Russian fossil fuels that followed.

The Company's exposure to wholesale power prices is limited, although these prices have an overall impact on our clients' price sensitivity in PPA negotiations, and uncertainty around regulatory interventions for commercial energy bills can cause customers to delay decisions around long-term PPAs.

Brexit - legal and regulatory risk

On 31 January 2020, the UK ceased to be a member of the European Union, entering a limited transition period until 31 December 2020. 100% of the Portfolio is located in the UK and none of the existing assets have experienced legal or regulatory issues stemming from Brexit. Regulation changes as a fall out of Brexit continue to be monitored including the impact on the availability of resources, prices and taxation.

Power prices - impact on generators

In the recent Autumn Statement, the UK Government announced its plans to recover, and limit perceived excess profits from generators whose cost of generation is not linked to the price of gas.

The Electricity Generator Levy ("the Levy") is a temporary windfall tax of 45% that will be applied to wholesale market revenues above £75/MWh on UK low-carbon electricity generation. The Levy will be applied from 1 January 2023 until 31 March 2028. The Company's focus on long-term highly contracted solar PV systems results in a low sensitivity to wholesale power prices. Based on the current portfolio and pipeline, the Levy is not expected to impact the Company's target returns or net asset value.

Debt financing covenants

The Company's primary intention is to deploy the capital raised in the IPO and then review the markets for additional funding, potentially through debt financing. This finance will contain covenants, which if breached will lead to forced sale of assets or significant cash injections. The Board, through the AIFM and Investment Adviser will monitor compliance with covenants to ensure sufficient headroom and provide early warning of any issues that may arise.

Going concern

In light of the current macroeconomic backdrop, the Directors have continued to place significant focus on the appropriateness of adopting the going concern basis in preparing the Company's financial statements for the period ended 30 September 2022. In assessing the going concern basis of accounting the Directors have had regard to the guidance issued by the Financial Reporting Council.

The Board regularly monitors the Company's ability to continue as a going concern. Included in the information reviewed at quarterly Board meetings are summaries of the Company's liquidity position, cash flow forecasts, scenarios and sensitivities, operational and market impact, and the financial strength of its customers. Based on this information, the Directors are satisfied that the Company is able to continue in business for the foreseeable future, being a period of at least twelve months from the date of approval of the financial statements, and therefore have adopted the going concern basis in the preparation of these financial statements.

In light of the Company's current position and principal risks, the Board has assessed the prospects of the Company for the period to 29 November 2023, reviewing the Company's liquidity position, and the financial strength of its counterparties, together with forecasts of the Company's future performance under various scenarios. The Board has concluded there is a reasonable expectation that the Company will be able to continue in operation and meet its liabilities over that period. The Board has also assessed the prospects of the Company over a longer period than the going concern review and has a reasonable expectation that the Company will be able to continue in business over the five-year period examined in that assessment.

The Company generated a net cash outflow from operating activities in the period of £5.0million, with its cash balances at 30 September 2022 totalling £69million and fixed deposits greater than three months, at inception, of £20million. The Company had £1.4m in capital commitments as at the balance sheet date. 98% of contractual income for the period has been collected in full.

All clients credit risk is assessed at engagement with an annual review to highlight any risk arising subsequent to engagement. During the year Vale of Mowbray entered into administration resulting in generation being exported the grid under the spill agreement.

As a result, the Directors believe that the Company is well placed to manage its financing and other business risks and will remain viable, continuing to operate and meeting its liabilities as they fall due over the assessment period. The Directors are therefore of the opinion that the going concern basis adopted in the preparation of the financial statements is appropriate.

Viability Statement

The Board has assessed the prospects of the Company over the five years from the balance sheet date to 30 September 2027, which is the period covered by the Company's longer term financial projections. The Board considers five years to be an appropriate forecast period, although the Company's contractual income extends beyond five years, since the availability of most finance and market uncertainty reduces the overall reliability of forecast performance over a longer period.

The assumptions underpinning these forecast cash flows were sensitised to explore the resilience of the Company to the potential impact of the Company's significant risks, or a combination of those risks. The principal risks on pages 30 to 32 summarise those matters that could prevent the Company from delivering on its strategy. A number of these principal risks, because of their nature or potential impact, could also threaten the Company's ability to continue in business in its current form if they were to occur. The Directors paid particular attention to the risk of a deterioration in economic outlook which could impact solar assets, including taxes on power generation companies, which would have a negative impact on valuations. In assessing the resilience of the Company, consideration was given to operations, the geographical diversification and availability of alternative service providers who could take over existing contracts or provide additional services to ensure business continuity.

The sensitivities performed were designed to be severe but plausible; and to take full account of the availability of mitigating actions that could be taken to avoid or reduce the impact or occurrence of the underlying risks. Based on the sensitivity results on the Portfolio, a combination of generation, inflation and operating cost increases were applied to assess the Company's resilience. The outcome of these results supported the Company's resilience. In addition, the Board considered the strength of services providers and the availability of alternative options to replace underperforming providers.

The Board considers the resilience of projected liquidity, as well as compliance with the ITC rules, under a range of RPI and valuation assumptions.

The principal risks and the key assumptions that were relevant to this assessment are as follows:

Risk	**Assumption**
Inflation risk	The increase in inflationary costs are managed by capping the inflation applicable to main supplier contracts in line with inflation caps applied to PPA revenues.
Liquidity risk	The Company continues to generate sufficient cash to cover its costs while retaining the ability to make distributions.
Off-taker risk	Off-takers comply with their obligations over the term of the Power Purchase Agreement ("PPA") and no key off-taker suffers an insolvency event over the term of the review.

Based on the work performed, the Board has a reasonable expectation that the Company will be able to continue in business over the five-year period of its assessment.

Other disclosures

Disclosures in relation to the Company's business model and strategy have been included within the Investment Adviser's report on pages 10 to 17. Disclosures in relation to the main industry trends and factors that are likely to affect the future performance and position of the business have been included within Market outlook on pages 20. Disclosures in relation to environmental and social issues have been included within the ESG section on pages 21 to 23. Employee diversity disclosures have not been included as the Directors' do not consider these to be relevant to the Company.

Key Performance Indicators (KPIs)

The Company's Board of Directors meets regularly and at each meeting reviews performance against a number of key performance indicators, which include:

- Portfolio yield - the Company's objective is to seek to provide Shareholders with an attractive level of distributions with modest capital growth over the long term. In alignment with the IPO, an annualised dividend of five pence per share has been declared out of NAV, while the deployment of capital has secured a portfolio yield of 7.7%. The Portfolio yield is the average yield of the next five years for the existing portfolio, where the yield is net cash generated in each year from the Portfolio over the cost of investment.

- Dividend cover forecast - dividends form a key component of the total return to Shareholders. With the deployment of a third of the capital raised, the fully operational portfolio will provide 50% cover of dividend target in future years before funding operating expenses of the Company. While long term dividend cover will be the ratio of net cash flows generated from the investments and all costs incurred by the Company to the dividend paid in the period. This 50% dividend cover reflects the portion of a 5 pence per share dividend, covered by the cash generated by the existing portfolio once fully commissioned.

- Ongoing charges ratio - the expenses of managing the Company are carefully monitored by the Board. The standard performance measure of these is the ongoing charges ratio ("OCR"), which is calculated by dividing the sum of such expenses over the course of the year by the average NAV over the year. This ratio provides a guide to the effect on this performance of annual operating costs. The Company's OCR for the Period was 1.38% against a target of 1.5%.

- Premium / discount of share price to NAV per share - The Board monitors the price of the Company shares in relation to their NAV and the premium / discount at which the shares trade. The level of discount or premium is mostly a function of investor sentiment and demand for the shares, over which the Board may have limited influence. The share price stood at a 7.2% premium as at 30 September 2022.

The Board of Directors

Juliet Davenport
Chair

Relevant Skills and experience:

- Over 23 years' experience
- Founded Good Energy Group plc
- NED Connected Kerb, Ombudsman Services and The Crown Estate
- Juliet has had various appointments with academic organisations and think tanks focusing on sustainability and innovation, including the Bath University, Bristol University, University of Wales, Grantham Institute at Imperial College and London School of Economics, and the Smith School of Enterprise and the Environment at the University of Oxford.

Career Highlights

- In 1998, Juliet founded the AIM-listed company Good Energy plc, a 100% renewable energy utility specialising in decentralised small-scale renewables.
- In her role as CEO she oversaw its growth to a £130 million turnover business, including developing over 100MW of renewable assets and supporting a portfolio of over 100,000 small scale roof top solar sites. Juliet stepped down as CEO in 2021, moving to a non-executive board director role for 12 months.
- Juliet has a wealth of non-executive and advisory experience. She serves on the board of the Crown Estate and supports its integration of sustainability across the organisation together with the development of renewables on Crown property and more recently has been appointed as the President of the Energy Institute.

Marlene Wood

Chair of Audit Committee

Relevant Skills and experience:

- Chartered accountant with extensive experience in investment trust governance
- Held senior board positions across a broad range of both private and public companies
- Non-executive director and chair of the audit committee for RM Infrastructure Income PLC, Home REIT PLC and formerly chair of the audit committee for GCP Student Living PLC

Career Highlights

- Formerly Deputy Chair and Finance Committee Chair for the Scottish Funding Council for Further and Higher Education
- She spent 20 years with the Miller Group, a major UK property business, predominantly as finance director for Miller Developments, the property development and investment arm, and latterly as group accounting and treasury director.

Faye Goss

Chair of Management Engagement Committee

Relevant Skills and experience:

- Extensive experience as a property lawyer and senior business adviser
- General Counsel for Lendlease Europe
- Spent over 11 years at Tesco PLC where she led Tesco's group property legal function with responsibility across its international and domestic property portfolio and responsibilities included oversight of elements of Tesco's carbon reduction commitments such as the roll-out of solar panels across the estate and the associated offtake arrangements.

Career Highlights

- Faye trained as a real estate solicitor and worked for both CMS and Brian Cave Leighton Paisner LLP (previously Berwin Leighton Paisner LLP).
- Prior to leaving Tesco, Faye held the role of Group Corporate and Property Legal Director with accountability encompassing legal oversight of group finance, M&A and group procurement.

The Investment Adviser

The Atrato Group is an alternatives investment management platform founded by Ben Green and Steve Windsor in 2016. The Group has £2.2bn under advisement as at 30 September with over 50 employees, headquartered in London. Atrato Capital Limited, an Atrato Group company is the investment adviser to Supermarket Income REIT, a FTSE 250 company. Atrato Partners Limited, an Atrato Group company, is the Investment Adviser to Atrato Onsite Energy.

Ben Green

Principal

Ben is a principal at Atrato and is responsible for leading the development and execution of the firm's long-term strategy. Ben is a member of the Atrato Group Leadership Team and a member of the firm's Investment Committee.

Relevant skills and experience:

- Over 20 years' experience structuring and executing real estate transactions
- Completed more than £3.5 billion of sale and leaseback transactions, with major occupiers including Tesco, Barclays and the BBC
- Expert in executing transactions for grocery real estate and real estate corporate finance
- Qualified Lawyer

Career Highlights:

- Co-founded Atrato and led the IPO of Supermarket Income REIT and Atrato Onsite Energy plc
- Managing Director Lloyds Bank Commercial Banking, where he ran the team providing corporate finance services to corporates, infrastructure and real estate clients
- Managing Director and Head of European Structured Finance at Goldman Sachs from 2007 to 2013
- Director Barclays Capital

Steve Windsor
Principal

Steve is a principal at Atrato and is responsible for leading the development and execution of the firm's long-term strategy. Steve is a member of the Atrato Group Leadership Team and a member of the firm's Investment Committee.

Relevant skills and experience:
- Over 20 years' experience specialising in finance and risk management
- Expert in capital markets, risk management and financing
- Highly experienced in senior management positions

Career Highlights:
- Co-founded Atrato and led the IPO of Supermarket Income REIT and Atrato Onsite Energy plc
- Partner and Head of EMEA Debt Capital Markets and Risk Solutions at Goldman Sachs
- Held various roles across both Trading and Banking divisions at Goldman Sachs from 2000 to 2016
- Member of Goldman Sachs Investment Banking Risk Committee
- Advised numerous FTSE 100 firms on managing risk and financing their business

Steven Noble
Chief Investment Officer

Steven is the Chief Investment Officer and responsible for overseeing all investments for the Group. Steven is a member of the Atrato Group Leadership Team and a member of the firm's Investment Committee.

Relevant skills and experience:
- Over 20 years' experience specialising in finance, risk management and real estate
- Extensive supermarket property transaction experience
- Specialist in corporate finance, with a primary focus on commercial real estate
- Chartered Financial Analyst and Chartered Accountant

Career Highlights:
- Co-founded Atrato and led the IPO of Supermarket Income REIT
- Transacted over 30 supermarket property transactions, growing Supermarket Income REIT's portfolio to £1.2 billion
- Senior Manager at Lloyds Bank in Corporate Finance

Natalie Markham

Chief Financial Officer, Director of Holdco and member of the Investment Committee

Natalie is the Chief Financial Officer for the Atrato Group and is responsible for the management of its finance and investor relations functions. Natalie is a member of the Atrato Group leadership team and Chair of the Investment Committee.

Relevant skills and experience:

- Over 20 years' experience in finance, specialising in real estate investment funds
- Experienced in senior management positions and financial management positions of real estate investment companies
- Assisting with the sustainability strategy with the Atrato COO
- Qualified Chartered Accountant and Fellow of the Chartered Institute of Accountants

Career Highlights:

- European CFO of Macquarie Global Property Advisors, member of MGPA European Management Team and Director of the MGPA European advisory business
- Manager RSM Robson Rhodes, audit and assurance

Lara Townsend
COO, MD Origination, Director of Holdco and member of the Investment Committee

Lara is the Chief Operating Officer for the Atrato Group and is responsible for corporate development and the group's operations. Lara is a member of the Atrato Group leadership team and the Investment Committee.

Relevant skills and experience:

- More than 20 years' experience of infrastructure and asset finance
- Responsible for the establishment and integration of the Atrato Group's sustainability strategy alongside the CFO
- Manages the team's compliance and legal function

Career Highlights:

- Previously a Director within Lloyds Bank's capital markets division, where she focused on the provision of funding for real estate and infrastructure projects.
- Lara studied Economics and Business Studies at the University of Edinburgh.

Gurpreet Gujral CFA,
Managing Director, Renewable Energy

Gurpreet is the co-fund manager of Atrato Onsite Energy plc and is responsible for leading the Renewable Energy investment strategy for the Atrato Group.

Relevant skills and experience:

- Over 15 years of renewable energy experience
- Specialist knowledge of the development and commercialisation of rooftop solar PV on industrial and commercial sites
- Worked across the full spectrum of renewable energy
- Masters in Sustainable Urban Development

Career Highlights:

- 7 years with the Macquarie Group in the Green Investment Group (GIG) and in the equities business as the lead renewable energy analyst
- Coordinated and structured the sale of infrastructure assets including a fibre-to-the-home network connected to one million building units in Spain
- Responsible for the sale of a £300 million industrial and commercial energy meter portfolio to a leading infrastructure investor in the UK

Francisca Wiggins
Director, Renewable Energy

Francisca is the co-fund manager of Atrato Onsite Energy plc and is responsible for commercial negotiations with our PPA off-takers and EPC/O&M counterparties.

Relevant skills and experience:

- More than 10 years' experience in project development in the renewable energy sector
- Particular focus on new technologies
- Extensive transaction experience in development and acquisition of energy assets
- Masters in Mechanical Engineering with Renewable Energy.

Career Highlights:

- Instrumental in the financing and build of the world's largest tidal stream energy array, MeyGen
- Commercial Director for an AIM listed renewable energy project developer

Gustaf Schuler
Technical Director, Renewable Energy

Gus is the Technical Director in the renewable energy team, responsible for all technical aspects of a system's design, installation and operations.

Relevant skills and experience:

- Over 10 years' experience in the energy industry
- Primary focus on renewables and solar PV's
- Masters in Renewable Energy and Sustainability
- Diploma in Electrical Engineering

Career Highlights:

- Senior Delivery Manager at Cero Generation where he managed the development and construction of c. 80MWp of BHM C&I solar projects and has vast experience in advising lenders, investors and developers in PV projects

Jon Ashford
Head of Engineering, Renewable Energy

John is the Head of Engineering in the renewable energy team, and works closely with Gustaf to ensure the technical aspects of the system operate to the standard that is expected.

Relevant skills and experience:

- Over 25 years' experience in the property sector, focusing on operations and engineering
- 9 years as the Head of Engineering, Energy and Sustainability at Sainsbury's
- Responsible for carbon reduction planning and the application of renewable energy across the Sainsbury's portfolio
- 7 years at Tesco, latterly as the Head of Engineering and Energy

Career Highlights:

- Director of Operations at Engenie UK, an electric vehicle rapid charging start-up
- Owner, Director and Company Secretary for Sustainable Design Solutions
- Head of Engineering and Energy at Tesco Property Services

Brett Pieterse
Finance Director, Renewable Energy

Brett is the Finance Director for Atrato Onsite Energy plc, responsible for finance, tax and operations.

Relevant skills and experience:

- Over 20 years' experience in finance and Infrastructure investment
- 5 years as Finance Director at Vercity, an award-winning infrastructure and real estate project leadership group
- Chartered Accountant and member of the South African Institute of Chartered Accountants

Career Highlights:

- Established the financial framework for investing and managing renewable energy projects at Vercity and John Laing
- Over 10 years at John Laing, latterly as Divisional Finance Director responsible for asset management, renewable energy and primary investments.

Leadership and Purpose

Role of the Board

The Board has a duty to promote the long-term sustainable success of the Company for its Shareholders. The Board is responsible for the overall leadership of the Company, setting its values and standards, including approval of the Company's strategic aims and objectives and oversight of its operations.

The Board currently comprises the Chair and two independent Non-Executive Directors and is supported by Apex Limited who act as the Company Secretary. Juliet Davenport is the Chair of the Company and is responsible for leading the Board and for setting the tone in respect of the Company's purpose, values and culture. As part of her role in leading the Board, she ensures that the Board provides constructive input into the development of strategy, understands the views of the Company's key stakeholders and provides appropriate oversight, challenge and support.

The Board fulfils the responsibilities typically undertaken by a nomination committee and a remuneration committee. The Company has not appointed a senior independent director. Accordingly, the Audit Committee Chair, in combination with the other Directors, fulfils the duties of the senior independent director, acting as a sounding board for the Chair and acting as an intermediary for other Directors, as applicable.

The Board is well balanced and possesses a sufficient breadth of skills, variety of backgrounds, relevant experience and knowledge to ensure it functions effectively and promotes the long-term sustainable success of the Company. All Directors have access to the advice and services of External Counsel and the Company Secretary, who are responsible to the Chair on matters of corporate governance. Further details of each Director's experience can be found in the biographies on page 35.

The Directors consider the evaluation of the Board, its Committees and members to be an important aspect of corporate governance and as such the Board has a formal policy to evaluate its own performance annually. The Chair leads the assessment which covers:

- The performance of the Board and its committees, including how the Directors work together as a whole;
- The balance of skills, experience, independence and knowledge of the Directors; and
- Individual performance, particularly considering whether each Director continues to make an effective contribution. The assessment involves the completion of anonymous questionnaires followed by a discussion with all Directors, as a group and individually.

Following the completion of this years' evaluation process during October 2022, the Chair held one to one discussions with the Board members to consider the feedback on the performance of the individuals and of the Chair.

The results of the evaluation process were presented to and discussed by the Board and it was concluded that the Board was functioning effectively. An externally run evaluation will be undertaken during the next financial year and every three years thereafter.

The Board will regularly consider the balance of skills, experience, diversity and independence of the Board, as well as the strategy and likely future developments in order to assess the current composition of the Board and its suitability, or likely needed changes, in the longer term. In the coming year the Board will consider and formulate succession plans. The Company does not have any employees, other than the Board. In respect of appointments to the Board, we consider that each candidate should be appointed on merit to make sure that the best candidate for the role is appointed every time. The Board supports diversity and inclusion at Board level and encourage candidates from all educational backgrounds and walks of life. What is important is professional achievement and the ability to be a successful Director based on the individual's skill set and experience. Qualifications are considered when necessary to ensure compliance with regulation such as in relation to appointments to the Audit Committee.

The Board supports the recommendations set out in the Hampton-Alexander Review on gender diversity and the Parker Review on ethnic diversity and recognise the value and importance of cognitive diversity in the boardroom. As at the date of this report the Board consisted of all female members. The Board recognises that diversity extends beyond gender and will continue to drive and oversee our progress in these areas.

How we operate

The Company's business model and strategy were established at the time of the IPO in October 2021. The business seeks to support the net zero agenda whilst delivering capital growth and progressive dividend income to its shareholders; integrate ESG best practice with a focus on investing in new renewable energy capacity and onsite clean energy solutions; and target long-term secure income with limited exposure to wholesale power prices. The Company will seek to achieve its investment objective by investing in Onsite Solar Assets.

To facilitate timely execution of the business strategy the Board and the AIFM have delegated certain pre-agreed authorities to the Board of its wholly owned subsidiary Atrato Onsite Energy Holdco Limited, whose directors are provided by the Investment Adviser. The Investment Adviser will adopt a formalised review process, incorporating ESG factors at all stages of the asset lifecycle, and the delegated authorities to be granted by the Company and the AIFM to the Holdco Board are conditional upon adherence to this review process.

The Investment Adviser will conduct a review of its approach to delivery of the investment strategy on a half-yearly basis. Any resulting revisions to the investment strategy are subject to agreement by the Board and the AIFM, at which time the Board and the AIFM will also either confirm or amend any delegated authorities granted to the Holdco Board.

The sustainability of returns is absolutely fundamental to the Company's strategy, as summarised in the outline of the Company's business model on pages 4 to 5 and on the Company's website: www.atratoroof.com, and the Company's investment strategy is described in the Strategic Report on pages 1 to 34.

The Company has an outsourced operating model. JTC Global AIFM Solutions Limited has been appointed by the Company, pursuant to the AIFM Agreement, to be the Company's Alternative Investment Fund Manager, under which it is responsible for overall portfolio management and compliance with the Company's investment policy, ensuring compliance with the requirements of the Alternative Investment Fund Manager Directive ('AIFMD') that apply to the Company and undertaking risk management. The AIFM has delegated certain services in relation to the Company and its Portfolio, which include advising in relation to financing and asset management opportunities to the Investment Adviser. The Investment Adviser advises the Company and the AIFM on the acquisition of its investment portfolio and on the development, management and disposal of clean energy assets in its portfolio pursuant to the Investment Advisory Agreement.

The Management Engagement Committee keeps the appropriateness of the Investment Adviser's appointment under review. In doing so the Committee considers the past investment performance of the Company and the capability and resources of the Investment Adviser to deliver satisfactory investment performance in the future. It also reviews the fees payable to the Investment Adviser, together with the standard of services provided by key service providers to the Company, including the AIFM, Company secretary, registrar and broker.

Conflicts of interest

All the Directors are considered by the Board to be independent of the AIFM and of the Investment Adviser. As such they are considered to be free from any business or other relationships that could interfere with the exercise of their judgements.

Each Director has a duty to avoid a situation in which he or she has a direct or indirect interest that may conflict with the interests of the Company. The Board may authorise any potential conflicts, where appropriate, in accordance with the Articles of Association. Where a potential conflict of interest arises, a Director will declare their interest at the relevant Board meeting and not participate in the decision making in respect of the relevant business.

Culture

The culture and ethos of the Company are integral to its success. The Board promotes open dialogue and frequent, honest and open communication between the Investment Adviser and other key advisors to the Company. Whilst the Company has no employees, the Board pays close attention to culture of the Investment Adviser and its employees and believes that its forward thinking and entrepreneurial approach, combined with its rigour and discipline, is the right fit for delivering our strategy and purpose.

The Board believes that its positive engagement and working relationship with the Investment Adviser helps the business achieve its objectives by creating an open and collaborative culture, whilst allowing for constructive challenge. The Non-Executive Directors speak regularly with members of the Investment Adviser outside of Board meetings to discuss various key issues relating to Company matters. The Company's success is based upon the effective implementation of its strategy by the Investment Adviser and third-party providers under the leadership of the Board. The Board's culture provides a forum for constructive and robust debate, and the Board believes that this will be fundamental to the success of the Company.

Investment Advisory Agreement

In reviewing the terms of the Investment Advisory Agreement (material terms of which are summarised in note 6 to the financial statements) and the fee arrangements within it, the Board has considered the extent to which the outcome for Shareholders and management is consistent with the provisions of the Code. Specifically:

- Clarity and transparency are achieved by way of the structure of the Investment Advisory Agreement which compensates the Investment Adviser through the advisory fee to cover all overheads and running costs relating to the Company and which provides strong shareholder alignment through the payment of the Semi-annual fees, which are to be used to purchase further shares in the Company, at the Boards discretion.

- The structure of and rationale behind the Investment Adviser's fees are explained in note 6 to the financial statements and are designed to be simple and not to require subjectivity in their calculation.

- Given the simple arithmetic underlying the fee calculations, the range of potential outcomes is straightforward to calculate and not subject to discretion.

While the Code recommends oversight of the level of reward to individual team members, this is not appropriate in the case of an externally managed structure where the Independent Directors do not control the workforce.

The Board has sought and received confirmation from the Investment Adviser that it complies with all governance requirements relevant to it. Such confirmation will be sought at least annually.

The Board's attendance in 2021/2022

All Directors are expected to devote sufficient time to the Company's affairs to fulfil their duties as Directors and to attend all scheduled meetings of the Board and of the Committees on which they serve. Where Directors are unable to attend a meeting, they will provide their comments on the Board papers received in advance of the meeting to the Chair, who will share such input with the rest of the Board and the AIFM.

Attendance at scheduled Board and Committee meetings during the year was as follows:

	Quarterly Board meetings	**Audit Committee**	**Management Engagement Committee**
	4 Scheduled meetings	3 Scheduled meetings	0 Scheduled meetings
	100% attendance	100% attendance	n/a
Juliet Davenport	100% attendance	100% attendance	n/a
Marlene Wood	100% attendance	100% attendance	n/a
Faye Goss	100% attendance	100% attendance	n/a

The first scheduled meeting of the Management Engagement Committee was held post year end on 10th November 2022.

Key Board Statements

Statement of Compliance

The Board has considered the Principles and Provisions of the AIC Code of Corporate Governance (February 2019) ('AIC Code') and that these provide the most appropriate framework for the Company's governance and reporting to Shareholders.

The AIC Code addresses the Principles and Provisions set out in the UK Corporate Governance Code (July 2018) (the 'UK Code'), as well as setting out additional Provisions on issues that are of specific relevance to the Company.

The Board considers that reporting against the Principles and Provisions of the AIC Code, which has been endorsed by the Financial Reporting Council, provides more relevant information to Shareholders.

The Company has complied with the Principles and Provisions of the AIC Code throughout the year, except for the three provisions set out below:

- The role of the chief executive
- Executive directors' remuneration
- The need for an internal audit function

The Board considers that these provisions are not relevant, being an externally managed investment company. All the Company's day-to-day management and administrative functions are outsourced to third parties. As a result, the Company has no executive directors, employees or internal operations. The Company has therefore not reported further in respect of these provisions.

The Company does not have an internal audit function. The need for this is reviewed annually by the Audit Committee. Due to the relative lack of complexity and the outsourcing of the majority of the day to-day operational functions, the Audit Committee continues to be satisfied that there is no requirement for such a function.

A copy of the AIC Code can be obtained via the AIC's website, www.theaic.co.uk. It includes an explanation of how the AIC Code adapts the Principles and Provisions set out in the UK Code to make them relevant to investment companies.

This Corporate Governance Statement forms part of the Directors' Report.

AIC Code	Principle	Evidence of compliance / explanation of departure from the AIC Code
A	A successful company is led by an effective board, whose role is to promote the long-term sustainable success of the Company, generating value for Shareholders and contributing to wider society.	Section 172(1) Statement on pages 26. Leadership and Purpose on pages 38 to 41. Strategic report on pages 1 to 34.
B	The Board should establish the Company's purpose, values and strategy, and satisfy itself that these and its culture are aligned. All Directors must act with integrity, lead by example and promote the desired culture.	Strategic report on pages 1 to 34. Leadership and Purpose on pages 38 to 41.
C	The Board should ensure that the necessary resources are in place for the Company to meet its objectives and measure performance against them. The Board should also establish a framework of prudent and effective controls, which enable risk to be assessed and managed.	Our Principal Risks on pages 31 to 32. Audit Committee report on pages 45 to 47. Directors' report on pages 51 to 53.
D	For the Company to meet its responsibilities to Shareholders and stakeholders, the Board should ensure effective engagement with, and encourage participation from, these parties.	Section 172(1) Statement on page 26. Our Key stakeholders on pages 27 to 29.
F	The Chair leads the Board and is responsible for its overall effectiveness in directing the Company. They should demonstrate objective judgement throughout their tenure and promote a culture of openness and debate. In addition, the Chair facilitates constructive board relations and the effective contribution of all Non-Executive Directors, and ensures that Directors receive accurate, timely and clear information.	Board activities during the year on page 41.
G	The Board should consist of an appropriate combination of directors (and, in particular, independent Non-Executive Directors) such that no one individual or small group of individuals dominates the Board's decision making	Leadership and Purpose on pages 38 to 41.
H	Non-Executive Directors should have sufficient time to meet their Board responsibilities. They should provide constructive challenge, strategic guidance, offer specialist advice and hold third party service providers to account	Leadership and Purpose on pages 38 to 41. Management Engagement Committee report on page 44.
I	The Board, supported by the Company Secretary, should ensure that it has the policies, processes, information, time and resources it needs in order to function effectively and efficiently.	Board Activities during the year on page 41. Leadership and Purpose on pages 38 to 41.
J	Appointments to the Board should be subject to a formal, rigorous and transparent procedure, and an effective succession plan should be maintained. Both appointments and succession plans should be based on merit and objective criteria and, within this context, should promote diversity of gender, social and ethnic backgrounds, cognitive and personal strengths.	Leadership and Purpose on pages 38 to 41.
K	The Board and its committees should have a	Board of Directors Biographies on page 35.

	combination of skills, experience and knowledge. Consideration should be given to the length of service of the Board as a whole and membership regularly refreshed.	Leadership and Purpose on pages 38 to 41.
L	Annual evaluation of the Board should consider its composition, diversity and how effectively members work together to achieve objectives. Individual evaluation should demonstrate whether each Director continues to contribute effectively.	Leadership and Purpose on pages 38 to 41.
M	The Board should establish formal and transparent policies and procedures to ensure the independence and effectiveness of external audit functions and satisfy itself on the integrity of financial and narrative statements	Audit Committee report on pages 45 to 47.
N	The Board should present a fair, balanced and understandable assessment of the Company's position and prospects.	Audit Committee report on pages 45 to 47.
O	The Board should establish procedures to manage risk, oversee the internal control framework, and determine the nature and extent of the principal risks the Company is willing to take in order to achieve its long-term strategic objectives	Audit Committee report on pages 45 to 47. Alternative Investment Fund Manager's report on pages 55 to 56.
P	Remuneration policies and practices should be designed to support strategy and promote long-term sustainable success.	Directors Remuneration report on pages 48 to 50.
Q	A formal and transparent procedure for developing a remuneration policy should be established. No Director should be involved in deciding their own remuneration outcome.	Directors Remuneration report on pages 48 to 50.
R	Directors should exercise independent judgement and discretion when authorising remuneration outcomes, taking account of company and individual performance, and wider circumstances.	Directors Remuneration report on pages 48 to 50.

Key Board Statements continued

Requirement	**Board statement**	**Where to find further information**
Going concern basis	The Board is of the opinion that the going concern basis adopted in the preparation of the Annual Report is appropriate.	Further details are set out on page 33 of the Strategic Report.
Viability Statement	The Board is of the opinion that the viability statement made in the Annual Report is appropriate.	Further details are set out on page 34 of the Strategic Report.
Annual review of systems of risk management and internal control	A continuing process for identifying, evaluating and managing the risks the Company faces has been established and the Board has reviewed the effectiveness of the internal control systems.	Further details are set out in the Audit Committee Report on page 47 of this Governance Report
Robust assessment of the Company's emerging and principal risks to the business model, future performance, solvency and liquidity of the Company.	The Audit and Risk Committee and the Board undertake a full risk review annually where all the emerging, principal risks and uncertainties facing the Company and the Portfolio are considered.	Further details can be found in Our Principal Risks on pages 31 to 34 of the Strategic Report.
Fair, balanced and understandable	The Directors confirm that to the best of their knowledge the Annual Report and Accounts taken as a whole is fair, balanced and understandable and provides the information necessary for Shareholders to assess the Company's position, performance, business model and strategy.	Further details of the fair, balanced and understandable statement can be found in the Audit Committee Report on page 46.
Appointment of the Investment Adviser	The Directors consider the continuing appointment of the Investment Adviser on the terms agreed in the Investment Advisory Agreement dated 1 November	Further details are set out in Note 6 to the Financial Statements.

	2021 to be in the best interests of the Company.	
s172	The Directors have considered the requirements of s172 when making strategic decisions.	Section 172 Statement on pages 26.

Management Engagement Committee Report

Dear Shareholders,

I am pleased to present the first Management Engagement Committee Report of the Company for the period ended 30 September 2022. The Management Engagement Committee's role is to monitor and evaluate performance of the Investment Adviser and the AIFM and to review the basis for the fees charged by the Investment Adviser.

The Committee shall ensure that processes have been put in place to review the Company's risk management and internal control systems designed to safeguard Shareholders' investment and the company's assets.

The Committee shall also monitor and evaluate other service key service providers (such as the company secretary, registrar and broker) to ensure their continued competitiveness and effectiveness.

How the Committee operates

The Management Engagement Committee Terms of Reference are available on the Company's website and on request from the Company's registered office.

All three board members are committee members.

All the Committee members served for the full period. The Committee believes that its members have the right balance of skills and experience to be able to function effectively.

This report covers the Company's first operating period of less than 12 months and in recognition of the short reporting period no Committee meeting was held. The inaugural meeting was held post year end, on 10 November 2022.

Activities during the period

As set out above the Committee did not meet in the period to 30 September 2022 and held its first meeting post year end.

The business of the first meeting was to review feedback on key service providers, including the Investment Adviser, AIFM, Broker and Company Secretary. The meeting was attended in part by the AIFM and Investment Adviser, however both parties were asked to leave for the Committee to have a closed session to discuss their performance.

The Committee has scheduled face to face meetings with representatives of key service providers to be held prior to the publication of the Interim results to 31 March 2023. These meetings will include feedback on supplier questionnaires completed by the service providers.

As a result of the Management Engagement Committee ("the MEC") meeting held on 10th November 2022, the MEC confirmed the ongoing appointment of the Investment Adviser, AIFM and the other key service providers, given satisfactory performance for the Period ended 30 September 2022.

Committee effectiveness

I believe that the quality of discussion and level of challenge by the Committee with the Investment Adviser, the AIFM, the broker and Company secretary, ensures the Committee can perform its role effectively.

Faye Goss
Management Engagement Committee Chair
28 November 2022

Audit Committee Report

Dear Shareholders,

I am pleased to present the first Audit Committee Report of the Company for the period ended 30 September 2022. The Audit Committee's role is to oversee the Company's financial reporting process, including the risk management and internal financial controls in place within the AIFM and the Investment Adviser, the valuation of the asset portfolio, the Company's compliance with accepted accounting standards and other regulatory requirements as well as the activities of the Company's Auditor.

How the Committee operates

The Audit Committee Terms of Reference are available on the Company's website and on request from the Company's registered office.

All three board members are committee members. Having regard to the number of Directors of the Company and in line with recommended best practice that the audit committee should comprise the Chair and at least two other directors, all Directors are members of the audit committee. However, in accordance with the terms of reference of the audit committee the Chair of the Board may be a member of the Committee but may not act as the Committee's Chair.

All the Committee members served for the full period. The Committee believes that its members have the right balance of skills and experience within the renewable energy sector to be able to function effectively. The Board considers that I have recent and relevant financial expertise to chair the Audit Committee. Further details of each Director's experience can be found in the biographies on page 35.

During the year the Audit Committee held three formal meetings following the Company's corporate calendar, which ensures that the meetings are aligned to the Company's financial reporting timetable. The Company Secretary and I ensure that the meetings are of sufficient length to allow the Committee to consider all important matters and the Committee is satisfied that it receives full information in a timely manner to allow it to fulfil its obligations.

Members of the Investment Adviser and the Company's Auditor were invited to attend the Committee meetings. Apex Limited as Company Secretary acts as secretary to the Committee.

As the Committee's Chair, I have had regular communications with the Auditor and senior members of the Investment Adviser. In addition, the Committee has discussions throughout the year outside of the formal Committee meetings.

Activities during the period

Relationship with the Auditor

The Committee has primary responsibility for managing the relationship with the Auditor, including assessing their performance, effectiveness and independence annually and recommending to the Board their reappointment or removal.

BDO LLP ("BDO") issued an intention to act letter at the time of the IPO and were subsequently appointed as the Company's Auditor during April 2022 and we are recommending that they be re-appointed at the forthcoming AGM. Under the Company's interpretation of the transitional arrangements for mandatory audit rotation, the Company will be required to put the external audit out for tender in the financial year ended 30 September 2032.

Eran Wieder continues to remain as audit lead and, in line with the policy on lead partner rotation, he is expected to rotate off the audit ahead of the 2027 audit.

The Committee has met with the key members of the audit team over the course of the year and BDO has formally confirmed its independence as part of the reporting process. As Chair of the Committee, I regularly speak with the external audit lead without the Investment Adviser present to ascertain if there are any concerns, to discuss the audit reports and to ensure that the Auditor has received the support and information requested from management. There have been no concerns identified to date.

Effectiveness and independence

We meet with the Auditor and the Investment Adviser before the preparation of each of the Annual and Interim results, to plan and discuss the scope of the audit or review as appropriate, and challenge where necessary to ensure its rigour. At these meetings the Auditor prepares a detailed audit or review plan which is discussed and questioned by us and the Investment Adviser to ensure that all areas of the business are adequately reviewed and that the materiality thresholds are set at the appropriate level, which varies depending on the matter in question. We also discuss with the Auditor its views over significant risk areas and why it considers these to be risk areas.

The Audit Committee, where appropriate, continues to challenge and seek comfort from the Auditor over those areas which drive audit quality. The timescale for the delivery of the audit or review is also set at these meetings. We meet with the Auditor again just prior to the conclusion of the audit or review to consider, challenge and evaluate findings in depth.

We have considered the objectivity and effectiveness of the Auditor and we consider that the audit team assigned to the Company by BDO has the necessary experience, qualifications and understanding of the business to enable it to produce a detailed, high-quality, in-depth audit and permits the team to scrutinise and challenge the Company's financial procedures and significant judgements. We ask the Auditor to explain the key audit risks and how these have been addressed. We also considered BDO's internal quality control procedures and transparency report and found them to be sufficient. Overall, the Committee is satisfied that the audit process is transparent and of good quality and that the Auditor has met the agreed audit plan.

Audit and non-audit fees

We continue to believe that, in some circumstances, the external Auditor's understanding of the Company's business can be beneficial in improving the efficiency and effectiveness of advisory work. For this reason, we will continue to engage BDO as reporting accountants on the Company's issues of equity and debt capital in the normal course of the Company's business. Other reputable firms have been engaged during the year to assist with financial and tax due diligence on corporate acquisitions as well as general tax compliance advice.

The Non-Audit Services Policy requires approval by the Committee above a certain threshold before the external Auditor is engaged to provide any permitted non-audit services. The Company engaged BDO to audit the initial accounts, which is considered to be a non-audit services.

In addition to ensuring compliance with the Company's policy in respect of non-audit services, the Committee also receives confirmation from BDO that it remains independent and has maintained internal safeguards to ensure its objectivity.

Financial reporting and significant judgements

We monitor the integrity of the financial information published in the Interim and Annual Reports and any other formal announcement relating to financial performance. We consider whether suitable and appropriate estimates and judgements have been made in respect of areas which could have a material impact on the financial statements.

A variety of financial information and reports were prepared by the Investment Adviser and provided to the Board and to the Committee over the course of the year. These included budgets, periodic re-forecasting following acquisitions or corporate activity, an updated risk register and general compliance.

All financial information was fully reviewed and debated both at Committee and Board level across a number of meetings. The Investment Adviser and the Auditor update us on changes to accounting policies, legislation and best practice and areas of significant judgement by the Investment Adviser. They pay particular attention to transactions which they deem important due to size or complexity.

The significant issue considered by the Committee in respect of the period ended 30 September 2022, which contained a significant degree of estimation uncertainty, is set out in the table below.

Significant issue	How the issue was addressed
Valuation of portfolio The Investment Adviser is responsible pursuant to the Investment Advisory Agreement for the preparation of the valuation of the Company's assets, on a bi-annual basis. The Company's Portfolio value as at 30 September 2022 was £139.1 million. The valuation of the Company's portfolio is a key determinant of the Company's net asset value as	The Audit Committee met with the Investment Adviser and external auditor in October to review the valuation included within the year-end financial statements. This review included the valuation process undertaken, changes in market conditions, recent transactions in the market and how these impacted our Portfolio and reference to the discount

well as directly impacting the fee payable to the Investment Adviser. The nature of the valuation process is inherently subjective due to the assumptions made in determining market comparable discount rates and estimated generation levels.	rates used by our peer group. The Committee challenged the assumptions used and verified the external evidence used for the valuation process to ensure a robust valuation had taken place. The Auditor, BDO, reviewed the underlying assumptions using its renewable energy experts and provided the Audit Committee with a summary of its work as part of its report on the half-year and year-end results. As a result of these reviews, the Committee concluded that the valuation had been carried out appropriately. The Board approved the valuation in October 2022 for the year-end financial statements.

Internal audit function

The Company does not have an internal audit function. The need for this is reviewed annually by the Committee. Due to the relative lack of complexity and the outsourcing of the majority of the day to-day operational functions, the Committee continues to be satisfied that there is no requirement for such a function.

Fair, balanced and understandable financial statements

The production and audit of the Company's Annual Report is a comprehensive process, requiring input from a number of contributors. To reach a conclusion on whether the Annual Report is fair, balanced and understandable, as required under the AIC Code, the Board has requested that the Committee advise on whether it considers that the Annual Report fulfils these requirements. In outlining our advice, we have considered the following:

- The comprehensive documentation that outlines the controls in place to produce the Annual Report, including the verification processes to confirm the factual content.
- The detailed reviews undertaken at various stages of the production process by the Investment Adviser, AIFM, Company Secretary, Financial Advisers, Auditor and the Committee, which are intended to ensure consistency and overall balance.
- Controls enforced by the Investment Adviser, Company Secretary and other third-party service providers, to ensure complete and accurate financial records and security of the Company's assets.
- The satisfactory ISAE 3402 control report produced by the JTC (UK) Limited, who are engaged to undertake payment processing for the Company, for the year ended 30 March 2022. This report has been reviewed and reported upon by their external auditor, to verify the effectiveness of their internal controls over cash management.
- The Investment Adviser have a highly experienced team who have a strong proficiency in producing financial statements.

As a result of the work performed, we have concluded and reported to the Board that the Annual Report for the period ended 30 September 2022, taken as a whole, is fair, balanced and understandable and provides the information necessary for Shareholders to assess the Company's performance, business model and strategy.

Risk management and internal controls

The Board oversees the Company's risk management and internal controls and determines the Company's risk appetite. The Board has, however, delegated responsibility for review of the risk management methodology and the effectiveness of internal controls to the Audit Committee. The Company's system of internal controls includes financial, operational and compliance controls and risk management. Policies and procedures, including clearly defined levels of delegated authority, have been communicated throughout the Company.

Internal controls are implemented by the Investment Adviser in respect of the key operational and financial processes of the business. These policies are designed to ensure the accuracy and reliability of financial reporting and govern the preparation of the financial statements.

At the time of the IPO, a Board Memorandum was prepared that documented the financial position and prospects procedures (FPPP) of the Company. This Memorandum was independently reviewed by an external accountancy firm and no major deficiencies were identified, which provided the Committee with additional comfort that the Company's system of internal controls remained fit for purpose and robust.

Post period end, I also performed a review and walk through of the key systems and controls in place at the Investment Adviser which I found to be suitable for a Company of our size and complexity. I will conduct this review on at least an annual basis going forward.

Risk register

During the year, the Audit Committee reviewed the Company's risk register, which is maintained by the AIFM in conjunction with the Investment Adviser and is subject to the supervision and oversight of the Committee. A summary of the risk register is also reviewed at least annually by the Board.

We have reviewed and approved all statements included in the Annual Report concerning internal controls and risk management taking into consideration the review of the risk register and our assessment of the Company's internal controls and knowledge of the business.

We have also reviewed the adequacy of the Company's arrangements for any relevant party to raise concerns, in confidence, about possible wrongdoing in financial reporting, regulatory or other relevant matters and the procedures of both the Company's AIFM and Investment Adviser for detecting fraud and preventing bribery. We consider that they are appropriate.

Committee effectiveness

I believe that the quality of discussion and level of challenge by the Committee with the Investment Adviser and the external audit teams, together with the timeliness and quality of papers received by the Committee, ensures the Committee is able to perform its role effectively.

The Board undertakes an annual evaluation of its composition and that of its committees taking into account the requirements of the AIC Code. This takes the form of a written assessment of the effectiveness of the Board using a formal evaluation questionnaire. The Directors also undertake a formal evaluation of the performance of the chair. If appropriate, recommendations are made to refresh the composition of the Board and its committees. The first evaluation was undertaken during November 2022. The evaluation process concluded that the Committee was operating effectively and had the appropriate balance of skills and experience.

Signed on behalf of the Audit Committee on 28 November 2022.

Marlene Wood
Audit Committee Chair
28 November 2022

Directors' Remuneration Report

Annual Statement

The Board comprises only independent non-executive Directors. The Company has no executive Directors or employees. For these reasons, it is not considered necessary to have a separate Remuneration Committee. The full Board determines the level of Directors' fees.

Full details of the Company's policy with regards to Directors' fees and fees paid during the period ended 30 September 2022 are shown below

Directors' remuneration policy

The Board considers the level of Directors' fees at least annually. Reviews of Directors' fees take place in each financial year with any changes being applicable from the start of the next financial year. The remuneration of the Directors was benchmarked at the time of the Company's listing in November 2021. The Directors' remuneration has remained unchanged.

Remuneration Policy

The Company's policy is to determine the level of Directors' fixed annual fees in accordance with its Articles of Association.

When setting the level of Directors' fees, the Company will have due regard to the experience of the board as a whole, the time commitment required, the responsibilities of the role and to be fair and comparable to non-executive directors of similar companies.

Furthermore, the level of remuneration should be sufficient to attract and retain the Directors needed to oversee the Company properly and to reflect its specific circumstances. The Company may also periodically choose to benchmark Directors' fees with an independent review, to ensure they remain fair and reasonable.

Directors' fees are reviewed annually and will be adjusted from time to time, as may be determined by the board under the Articles of Association and this policy. In terms of the Company's Articles of Association, the aggregate remuneration of all the directors shall not exceed £500,000 per annum but this may be changed by way of ordinary resolution.

The Directors are also entitled to be paid their reasonable expenses incurred in undertaking their duties.

Additional Directors' fees may be paid by the Company where Directors are involved in duties beyond those normally expected as part of the Directors' appointment. In such instances, where additional remuneration is paid, the Board will provide details of the events, duties and responsibilities that gave rise to any additional directors' fees in the Company's annual report.

No element of the Directors' remuneration is performance related, nor does any director have any entitled to pensions, share options or any long terms incentive plans from the Company. Directors' fees are payable in cash, monthly in arrears.

The Directors hold their office in accordance with the Articles of Association and their appointment letters. The Directors' appointments can be terminated in accordance with the Articles of Association and without compensation.

The Company is committed to engagement with Shareholders and will seek major Shareholders' views in advance of making significant changes to its remuneration policy and how it is implemented. The Board will attend the AGM to hear the views of Shareholders on remuneration and to answer any questions.

It is the Board's policy that Directors do not have service contracts, but each new Director is provided with a letter of appointment, and these are available for inspection at the Company's registered office. Each Director is appointed for an initial three-year term subject to annual re-election at the Company's AGM. Directors are typically expected to serve two three-year terms but may be invited by the Board to serve for an additional period. The Directors' appointments can be terminated at no notice in accordance with the terms of the letters of Appointment, without compensation for loss of office.

In determining Remuneration Policy, the Board considers all factors which it deems necessary, including the Company's strategy and the risk environment in which it operates, relevant legal and regulatory requirements, the provisions and recommendations of the Code considered to be relevant, and associated guidance. In order to obtain reliable, up to date information about remuneration in other companies of comparable scale and complexity, the Remuneration Committee may appoint remuneration consultants and commission or purchase any reports, surveys or information which it deems necessary, at the expense of the Company but within any budgetary constraints imposed by the Board.

The Board as a whole, is responsible for appropriately managing Directors' conflicts of interests. Directors' other interests have been disclosed. No conflicts have been identified during the year. If a conflict were to be identified, the Board would take the appropriate steps to resolve and manage such conflicts appropriately.

The Directors' Remuneration Policy will be tabled for Shareholder approval at the inaugural AGM in March 2023. The Remuneration Policy is subject to a binding vote at the 2025 AGM.

Director	Date of original appointment	Most recent date of election	Latest due date of re-election
Juliet Davenport	13 October 2021	13 October 2021	16 March 2023
Marlene Wood	13 October 2021	13 October 2021	16 March 2023
Faye Goss	13 October 2021	13 October 2021	16 March 2023

Directors' Fees

The Board considers the level of Directors' fees at least annually. Reviews of Directors' fees take place in each financial year, with any changes being applicable from the start of the next financial year. The Board does not consider that any change in fee levels is required for the year to 30 September 2023.

Annual Report on Remuneration

Directors' emoluments - single total figure table (audited)

The Directors who served during the year received the following emoluments, all of which was in the form of fees, which are fixed and no discretionary remuneration. All expenses in relation to travel and accommodation for meetings are reimbursed.

	Period ended 30 September 2022 £'000	Fixed Remuneration %
Juliet Davenport	48	100
Faye Goss	37	100
Marlene Wood	41	100
Total	**126**	**100**

Relative importance of spend on pay

The table below sets out, in respect of the period ended 30 September 2022:

a) The remuneration paid to the Directors.

b) The management fee and expenses which have been included to give Shareholders a greater understanding of the relative importance of spend on pay.

c) Distributions to Shareholders by way of dividend to provide a comparison of the Shareholders returns against directors' remuneration.

	Period ended 30 September 2022 £'000
Directors' fees	126
Management fee and expenses	1,224
Dividends paid	4,515

Directors' fees as a percentage of	Period ended 30 September 2022 %
Management fee and expenses	10.29
Dividends paid	2.79

Directors' shareholdings (audited)

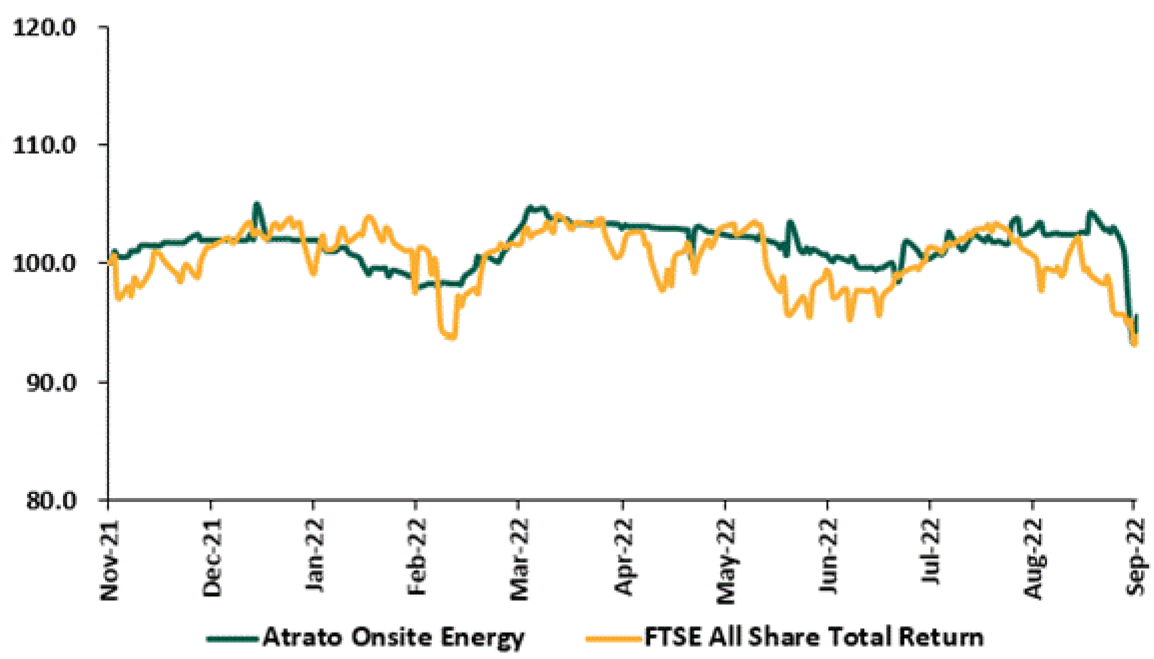
The Directors of the Company had the following beneficial interests in the issued ordinary share capital of the Company as at 30 September 2022 and at the date of this report:

Directors	As at the date of this report	As at 30 September 2022
Juliet Davenport	20,000	20,000
Marlene Wood	20,000	20,000
Faye Goss	20,000	20,000
Total	**60,000**	**60,000**

The Company does not oblige the Directors to hold shares in the Company, but this is encouraged to ensure the appropriate alignment of interests.

Company performance - Total Shareholder Return

The Board is responsible for the Company's investment strategy and performance, whilst the management of the investment portfolio is delegated to the AIFM. The AIFM has, in turn, delegated certain services, including but not limited to advice on acquisitions and financing, to the Investment Adviser. The graph below compares, for the period from our IPO in November 2021 to 30 September 2022, the total return (assuming all dividends are reinvested) to ordinary Shareholders compared to the FTSE All-Share Index. This index was chosen as it is considered an indicative measure of the expected return from an equity stock. An explanation of the performance of the Company for the period ended 30 September 2022 is given in the Strategic Report.



It is a company law requirement to compare the performance of the Company's share price to a single broad equity market index on a total return basis. However, it should be noted that constituents of the comparative index used above are larger in size than the Company. The Company does not have a benchmark index.

Voting at Annual General Meeting

An Ordinary Resolution to approve the Director's Remuneration Report will be put to Shareholders at the Company's AGM and Shareholders will have the opportunity to express their views and raise any queries in respect of the Director's Remuneration Report at this meeting.

This Directors' Remuneration Report is approved on behalf of the Board by:

Juliet Davenport
Chair of the Board
28 November 2022

Directors' Report

The Directors present their report together with the audited financial statements for the period ended 30 September 2022. The Corporate Governance Statement pages 35 to 56 forms part of this report.

Principal activities and status

The Company is registered as a UK public limited company under the Companies Act 2006. It is an Investment Company as defined by Section 833 of the Companies Act 2006 and has been established as a closed-ended investment company with an indefinite life. The Company has a single class of shares in issue which are traded on the Premium List of the London Stock Exchange's Main Market The Company has been approved as an Investment Trust pursuant to Sections 1158 and 1159 of the Corporation Taxes Act 2010 and Part 2 Chapter 1 Statutory Instrument 2011/2999 for the purposes of UK taxation.

The Company is a member of the Association of Investment Companies (the "AIC").

Results and dividends

The results for the Period are set out in the attached financial statements. It is the policy of the Board to declare and pay dividends as quarterly interim dividends.

In respect of the 30 September 2022 financial period, the Company has declared interim dividends amounting to aggregate 4.26 pence per share. The following dividends were declared during the year and subsequently:

Date declared	Amount per share (pence)	Payment date
21 April 2022	1.76	27 May 2022
28 July 2022	1.25	26 August 2022
11 November 2022	1.26	16 December 2022

Dividend policy

Subject to market conditions and performance, financial position and outlook, it is the Directors' intention to pay an attractive level of dividend income to Shareholders on a quarterly basis.

Directors

The Directors who served throughout the period unless otherwise stated, are detailed below:

Director	Service in the period to 30 September 2022
Juliet Davenport	Served throughout the period
Marlene Wood	Served throughout the period
Faye Goss	Served throughout the period

Biographical details of the current Directors of the Company are shown on page 35.

Powers of Directors

The Board will manage the Company's business and may exercise all the Company's powers, subject to the Articles, the Companies Act and any directions given by the Company by special resolution.

The Board's role is to provide entrepreneurial leadership of the Company within a framework of prudent and effective controls which enables risk to be assessed and managed. It also sets up the Company's strategic aims, ensuring that the necessary resources are in place for the Company to meet its objectives and review investment performance. The Board also sets the Company's values, standards and culture. Further details on the Board's role can be found in the Corporate Governance Report on page 38.

Directors' interests

The beneficial interests of the Directors and their closely connected persons in the ordinary shares of the Company as at 30 September 2022 were as follows:

	Number of shares	Percentage of issued share capital
Juliet Davenport	20,000	0.01%
Faye Goss	20,000	0.01%
Marlene Wood	20,000	0.01%

Appointment and replacement of Directors

All Directors were appointed during October 2021. In accordance with the AIC Corporate Governance Code, all the Directors will retire and those who wish to continue to serve will offer themselves for election at the forthcoming Annual General Meeting.

Directors' indemnification and insurance
The Company maintains £15 million of Directors' and Officers' Liability Insurance cover for the benefit of the Directors, which was in place throughout the period.

Political contributions

The Company made no political contributions during the period.

Significant shareholdings

The table below shows the interests in shares notified to the Company in accordance with Chapter 5 of the Disclosure Guidance and Transparency Rules issued by the Financial Conduct Authority who have a disclosable interest of 3% or more in the ordinary shares of the Company as at 30 September 2022.

	Number of shares	Percentage of issued share capital
Close Brothers Asset Management	21,315,375	14.2
Schroder Investment Management	13,893,020	9.3
Liontrust Sustainable Investments	11,396,108	7.6
Sarasin & Partners	9,011,977	6.0

River and Mercantile Asset Management	6,878,000	4.6
Charles Stanley	6,416,858	4.3
Newton Investment Management	5,761,798	3.8

Since the year end, and up to 25 November 2022, the Company has been notified of the following interests in its ordinary shares in accordance with DTR 5. The information provided is correct as at the date of notification:

	Number of shares	**Percentage of issued share capital**
Close Asset Management Limited	19,466,585	12.98
Schroders PLC	15,486,714	10.3

Branches outside the UK

The Company has no branches outside the UK.

Financial instruments

The Company's exposure to, and management of, capital risk, market risk and liquidity risk is set out in note 19 to the Company's financial statements.

Employees

The Company has no employees and therefore no employee share scheme or policies for the employment of disabled persons or employee engagement.

Greenhouse gas emissions

The Company is considered to be a low energy user due to the fact it has no Scope 1 or Scope 2 emissions and therefore is not required to make any disclosures under the Streamlined Energy and Carbon Reporting Framework.

Other disclosures

Disclosures of financial risk management objectives and policies and exposure to financial risks are included in note 19 to the financial statements. Details of future developments are included in the Strategic Report.

No additional disclosures are required in accordance with Listing Rule (LR) 9.8.4C R.

Disclosure of information to auditor

All of the Directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the auditor for the purposes of their audit and to establish that the auditor is aware of that information. The Directors are not aware of any relevant audit information of which the auditor is unaware.

Auditor

BDO LLP was appointed as auditor by the Directors in April 2022 BDO LLP have expressed their willingness to continue as auditor for the financial year ending 30 September 2023. A resolution to appoint BDO LLP as auditor of the Company will be proposed at the forthcoming AGM.

Share capital structure

As at 30 September 2022, the Company's issued share capital consisted of 150,000,000 ordinary shares of one penny each, all fully paid and listed on the Premium List of the London Stock Exchange's Main Market. Further details of the share capital are summarised in note 14 of the financial statements.

Subject to authorisation by Shareholder resolution, the Company may purchase its own shares in accordance with the Companies Act 2006. The Company has not repurchased any of its ordinary shares.

There are no restrictions on transfer or limitations on the holding of the ordinary shares. None of the shares carry any special rights regarding the control of the Company. There are no known arrangements under which financial rights are held by a person other than the holder of the shares and no known agreements on restrictions on share transfers and voting rights.

Post balance sheet events

For details of events since the year-end date, please refer to note 23 of the financial statements.

Corporate Governance

The Company's statement on corporate governance can be found in the Corporate Governance Report on pages 35 to 56 of his Annual Report. The Corporate Governance Report forms part of this directors' report and is incorporated into it by cross-reference.

Signed by order of the Board on 28 November 2022.

Juliet Davenport

Chair of the Board

28 November 2022

Statement of Directors' Responsibilities in Respect of the Financial Statements

Directors' responsibilities

The Directors are responsible for preparing the annual report and the financial statements in accordance with UK adopted international accounting standards and applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors are required to prepare the Company financial statements in accordance with UK adopted international accounting standards. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss for the Company for that period.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with UK adopted international accounting standards, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume

that the Company will continue in business;

- prepare a Directors' report, a strategic report and directors' remuneration report which comply with the requirements of the Act.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Act.

They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The Directors are responsible for ensuring that the annual report and accounts, taken as a whole, are fair, balanced, and understandable and provides the information necessary for Shareholders to assess the Company's performance, business model and strategy.

The Directors are responsible for ensuring the annual report and the financial statements are made available on a website. Financial statements are published on the Company's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the company's website is the responsibility of the Directors. The Directors' responsibility also extends to the ongoing integrity of the financial statements contained therein.

The Directors have delegated the hosting and maintenance of the Company's website content to Squibble Designand its materials are published on www.atratoroof.com. Legislation in the United Kingdom governing the preparation and dissemination of Financial Statements may differ from legislation in other jurisdictions.

Pursuant TO DTR4

The Directors confirm to the best of their knowledge:

The financial statements have been prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit and loss of the Company.

The annual report includes a fair review of the development and performance of the business and the financial position of the Company, together with a description of the principal risks and uncertainties that they face.

We consider the Annual Report and Accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for Shareholders to assess the Company's position and performance, business model and strategy.

Approval

This Directors' responsibilities statement was approved by the Board of Directors and signed on its behalf by:

Juliet Davenport

Chair of the Board

28 November 2022

Alternative Investment Fund Manager's Report

Background

The Alternative Investment Fund Manager's Directive came into force on 22 July 2013. The objective of the AIFMD was to ensure a common regulatory regime for funds marketed in or into the EU which are not regulated under the UCITS regime. This was primarily for investors' protection and also to enable European regulators to obtain adequate information in relation to funds being marketed in or into the EU to assist their monitoring and control of systemic risk issues.

JTC Global AIFM Solutions Limited is a non-EU Alternative Investment Fund Manager (a "Non-EU AIFM"), the Company is a non-EU Alternative Investment Fund (a "Non-EU AIF") and the Company is currently marketed only into the UK. Although the AIFM is a Non-EU AIFM, so the depositary rules in Article 21 of the AIFMD do not apply, the transparency requirements of Articles 22 (Annual report) and 23 (Disclosure to investors) of the AIFMD do apply to the AIFM and therefore to the Company. In compliance with those articles, the following information is provided to the Company's shareholders by the AIFM.

1. Material Changes in the Disclosures to Investors

During the financial year under review, there were no material changes to the information required to be made available to investors before they invest in the Company under Article 23 of the AIFMD from that information set out in the Company's prospectus dated 1 November, 2021, save as disclosed below and in certain sections of the annual financial report, those being the Chair's Statement, Investment Adviser's Report, the sections headed "Our Market", "Sustainability" and "Our Principal Risks" and the Directors' Report.

2. Risks and Risk Management Policy

The current principal risks facing the Company and the main features of the risk management systems employed by AIFM and the Company to manage those risks are set out in the section headed "Our Principal Risks", the Directors' Report and in note 17 to the financial statements.

3. Leverage and borrowing

The Company is entitled to employ leverage in accordance with its investment policy and as set out in the Company's prospectus. However, as at the balance sheet date and the date of this report, the Company had not drawn down any debt. There were no changes in the Company's borrowing powers and policies.

4. Environmental, Social and Governance ("ESG") Issues

Because the AIFM is a non-EU AIFM and the Company is not marketed into the EEA, the AIFM is not required to comply with Regulation (EU) 2019/2099 on Sustainability-Related Disclosures in the Financial Services Sector (the "**SFDR**")**.**

As a member of the JTC group of Companies, the AIFM's ultimate beneficial owner and controlling party is JTC Plc, a Jersey-incorporated company whose shares have been admitted to the Official List of the UK's Financial Conduct Authority and to trading on the London Stock Exchange's Main Market for Listed Securities (mnemonic JTC LN, LEI 213800DVUG4KLF2ASK33). In the conduct of its own affairs, the AIFM is committed to best practice in relation to ESG matters and has therefore adopted JTC Plc's ESG framework (the "ESG Framework") and a copy of the ESG Framework can be viewed on the AIFM's website at https://www.jtcgroup.com/wp-content/themes/jtcgroup/dist/img/review-2019/pdfs/esg.pdf. During 2021 JTC achieved its goal of becoming carbon neutral through a partnership with Carbon Footprint Limited, a leading independent accreditation firm. Working with Carbon Footprint, JTC makes a demonstrable difference through a series of carbon offsetting projects, including helping to fund projects that offset carbon emissions, including a UK tree planting scheme which also supports emission reductions in the Brazilian rainforest by helping preserve parts of the forest and supporting local communities there, the installation and operation of a solar power project in two villages in India, which feeds in to the power generated to the state grid in India and native tree planting in the Great Rift Valley In Kenya, which is also linked to further support for emission reductions in the Brazilian rainforest. In 2022 JTC extended UN PRI signatory status to the whole group, covering over 1,400 people in 30 offices spanning 20 jurisdictions. JTC also reports under TCFD and under the SASB framework.

The AIFM and Atrato Partners Limited as the Company's alternative investment fund manager and investment adviser respectively do consider ESG matters in their respective capacities, as explained in the Company's prospectus dated 1 November, 2021, a copy of which can be found at [Key documents - Atrato Onsite Energy (atratoroof.com)](atratoroof.com).

Since the publication of those documents, the AIFM, Investment Adviser and the Company have continued to enhance their collective approach to ESG matters and detailed reporting on (a) enhancements made to each party's policies, procedures and operational practices and (b) our collective future intentions and aspirations is included in the Investment Advisor's Report, the section headed "Sustainability", the Section 172 Statement and the section entitled "Our Key Stakeholder Relationships."

The AIFM also has a comprehensive risk matrix (the "Matrix"), which is used to identify, monitor and manage material risks to which the Company is exposed, including ESG and sustainability risks, the latter being an environmental, social or governance event or condition that, if it occurred, could cause an actual or a potential material negative impact on the value of an investment. We also consider sustainability factors, those being environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

The AIFM is also cognisant of the announcement published by H.M. Treasury in the UK of its intention to make mandatory by 2025 disclosures aligned with the recommendations of the Task Force on Climate-Related Disclosures, with a significant proportion of disclosures mandatory by 2023. The AIFM also notes the roadmap and interim report of the UK's Joint Government-Regulator TCFD Taskforce published by H.M. Treasury on 9 November 2020. The AIFM continues to monitor developments and intends to comply with the UK's regime to the extent either mandatory or desirable as a matter of best practice.

5. Remuneration of the AIFM's Directors and Employees

During the financial year under review, no separate remuneration was paid by the AIFM to its executive directors, Graham Taylor, Gregory Kok, James Tracey and Kobus Cronje, because they were all employees of the JTC group of companies, of which the AIFM forms part. During the Company's financial year, Messrs Kok and Tracey resigned as directors of the AIFM and Mr Kobus Cronje was appointed as a director. Matthew Tostevin is a non-executive director and is paid a fixed fee of £10,000 for acting as a director, attendance at all quarterly Board meetings and work performed as a director of the Company in the ordinary course of business. Subject to the prior approval of the Board of directors on each occasion, Mr Tostevin is paid additional remuneration on a time spent basis for services rendered to the Company which are not in the ordinary course of business. Other than the directors, the AIFM has no employees. The Company has no agreement to pay any carried interest to the AIFM. During the year under review, the Company paid £10,000 in fixed fees and £54,794.54 in variable remuneration to its directors.

6. Remuneration of the AIFM Payable by the Company

The AIFM was during the year under review until 30 September 2022 paid a fee of 0.04% *per annum* of the net asset value of the Company, subject to a minimum of £50,000 *per annum*, such fee being payable quarterly in arrears. The total fees paid to the AIFM during the year under review were £53,907.05.

JTC Global AIFM Solutions Limited

Alternative Investment Fund Manager

28 November 2022

Independent Auditors' Report to the Members of Atrato Onsite Energy Plc

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 September 2022 and of its loss for the period then ended;
- have been properly prepared in accordance with UK adopted international accounting standards; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Atrato Onsite Energy Plc for the period from 16 September 2021 (date of incorporation) to 30 September 2022 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion. Our audit opinion is consistent with the additional report to the Audit Committee.

Independence

Following the recommendation of the audit committee, we were appointed by Board of Directors on 21 October 2021 to audit the financial statements for the period ending 30 September 2022 and subsequent financial periods. The period of total uninterrupted engagement is one year being the period from 16 September 2021 to 30 September 2022. We remain independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. The non-audit services prohibited by that standard were not provided to the Company.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the Directors' assessment of the Company's ability to continue to adopt the going concern basis of accounting included:

- agreeing the inputs and assumptions within the forecast that forms the basis of the board's assessment of the going concern status of the Company to supporting documentation and our own understanding of the

Company.

- Performing stress testing of downside scenarios and cash flow forecasts, as well as conducting a robust review of the Company's liquidity position.
- Assessing the appropriateness of the Directors' assumptions and judgements made in their base case and stress tested forecasts including the consideration of the available cash resources relative to forecast expenditure and commitments; and
- Calculating financial ratios to consider the financial health of the Company.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In relation to the Company's reporting on how it has applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the Directors' statement in the financial statements about whether the Directors considered it appropriate to adopt the going concern basis of accounting.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Overview

Key audit matters	Valuation of investments	2022 Yes
Materiality	*Company financial statements as a whole* £2,086,000 being 1.5% of the net asset value.	

An overview of the scope of our audit

Our audit was scoped by obtaining an understanding of the Company and its environment, including the Company's system of internal control, and assessing the risks of material misstatement in the financial statements. We also addressed the risk of management override of internal controls, including assessing whether there was evidence of bias by the Directors that may have represented a risk of material misstatement.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit, and directing the efforts of the engagement team. This matter was addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

Key audit matter		**How the scope of our audit addressed the key audit matter**
Valuation of Investments See note 4 and accounting policy on page 72 - 74.	The Company holds an investment through Atrato Onsite Energy Holdco Limited. As the Company meets the definition of an investment entity it measures this investment at fair value through profit and loss rather than consolidating it. The fair value of the Company's investment is determined in reference to the fair values of the underlying investments held by Atrato Onsite Energy Holdco Limited, which comprise of various solar asset investments. These investments are not traded, and their valuation is derived from discounted cash flow models ("DCFs") which incorporate unobservable inputs and management judgements. As such there is a high level of estimation uncertainty involved in determining the investment valuations.	In respect of the unquoted investments in the solar assets held by Atrato Onsite Energy Holdco Limited as at 30 September 2022, which are valued using discounted cash flow models with net asset adjustments, we performed the following procedures: • Challenged the appropriateness of the selection and application of key assumptions in the discounted cash flow model including the discount rate, energy yield, power price, inflation rate and asset life by benchmarking to available industry data and consulting with our internal valuation experts on the appropriateness of the assumptions, including the discount rate, inflation, power price, and asset life; • Agreed energy yields, non-contracted future power prices, inflation rates and asset lives used in the model to independent reports;

	The Investment Adviser's fee is based on the value of the net assets of the Company. The investment adviser is responsible for preparing the valuation of investments which are reviewed and approved by the Board. Notwithstanding this review, there is a potential risk of misstatement in the investment valuations. We, therefore, have determined the valuation of investments to be a key audit matter.	• Considered whether all agreements and contracts, such as sales & purchases agreements, power price agreements, leases agreements etc, were accurately reflected in the valuation model; • Used spreadsheet analysis tools to assess the integrity of the models; • Agreed cash and other net assets to bank statements and investee company management accounts to support the net asset adjustments from underlying investments to Atrato Onsite Energy Holdco Limited; • Performed sensitivity analysis by adjusting certain key inputs in order to calculate a reasonable range of possible valuations where appropriate; and • Considered the accuracy of forecasting by comparing previous forecasts to actual results. For loan investments to Atrato Onsite Energy Holdco Limited, we performed the following: • Agreed to loan agreements and confirmed the terms of the loan; • Agreed the cash outflow associated with making the loan investment to the bank statements Key Observations: Based on the procedures performed, consider the estimates and judgements made in the valuation of investments to be appropriate.

Our application of materiality

We apply the concept of materiality both in planning and performing our audit, and in evaluating the effect of misstatements. We consider materiality to be the magnitude by which misstatements, including omissions, could influence the economic decisions of reasonable users that are taken on the basis of the financial statements.

In order to reduce to an appropriately low level the probability that any misstatements exceed materiality, we use a lower materiality level, performance materiality, to determine the extent of testing needed. Importantly, misstatements below these levels will not necessarily be evaluated as immaterial as we also take account of the nature of identified misstatements, and the particular circumstances of their occurrence, when evaluating their effect on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole and performance materiality as follows:

	2022 £m
Materiality	£2,086,000
Basis for determining materiality	1.5% of net asset value
Rationale for the benchmark applied	Net Asset Value is a key indicator of performance and as such was considered to be the most relevant benchmark on which to base materiality for the users of the financial statements.
Performance materiality	£1,460,000
Basis for determining performance materiality	We set the performance materiality at 70% of Materiality based on our risk assessment of the control environment and consideration of potential errors due to this being a first period audit and the first period in which financial statements have been produced.

Lower testing threshold

We determined that for items impacting realised returns, a misstatement of less than materiality for the financial statements as a whole, could influence the economic decisions of users. As a result, we determined a lower testing threshold for these items based on 5% of the total expenditure, being £118,000.

Reporting threshold

We agreed with the Audit Committee that we would report to them all individual audit differences in excess of £41,000. We also agreed to report differences below this threshold that, in our view, warranted reporting on qualitative grounds.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Annual Report other than the financial statements and our Auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Corporate governance statement

The Listing Rules require us to review the Directors' statement in relation to going concern, longer-term viability and that part of the Corporate Governance Statement relating to the Company's compliance with the provisions of the UK Corporate Governance Code specified for our review.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the financial statements or our knowledge obtained during the audit.

Going concern and longer-term viability	• The Directors' statement with regards to the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified set out on page 33; and • The Directors' explanation as to their assessment of the Company's prospects, the period this assessment covers and why the period is appropriate set out on page 34.
Other Code provisions	• The Directors' statement on fair, balanced and understandable set out on page 46; • The Board's confirmation that it has carried out a robust assessment of the emerging and principal risks set out on page 47; • The section of the annual report that describes the review of effectiveness of risk management and internal control systems set out on page 47; and • The section describing the work of the audit committee set out on page 45.

Other Companies Act 2006 reporting

Based on the responsibilities described below and our work performed during the course of the audit, we are required by the Companies Act 2006 and ISAs (UK) to report on certain opinions and matters as described below.

Strategic report and Directors' report	In our opinion, based on the work undertaken in the course of the audit: • the information given in the Strategic report and the Directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements; and • the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements. In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the Directors' report.
Directors' remuneration	In our opinion, the part of the Directors' remuneration report to be audited has been properly prepared in accordance with the Companies Act 2006.
Corporate governance statement	In our opinion, based on the work undertaken in the course of the audit the information about internal control and risk management systems in relation to financial reporting processes and about share capital structures, given in compliance with rules 7.2.5 and 7.2.6 in the Disclosure Guidance and Transparency Rules sourcebook made by the Financial Conduct Authority (the FCA Rules), is consistent with the financial statements and has been prepared in accordance with applicable legal requirements. In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in this information.

	In our opinion, based on the work undertaken in the course of the audit information about the Company's corporate governance code and practices and about its administrative, management and supervisory bodies and their committees complies with rules 7.2.2, 7.2.3 and 7.2.7 of the FCA Rules. We have nothing to report arising from our responsibility to report if a corporate governance statement has not been prepared by the Company.
Matters on which we are required to report by exception	We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion: • adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or • the financial statements and the part of the Directors' remuneration report to be audited are not in agreement with the accounting records and returns; or • certain disclosures of Directors' remuneration specified by law are not made; or • we have not received all the information and explanations we require for our audit.

Responsibilities of Directors

As explained more fully in the Statement of Directors' Responsibilities in Respect of the Financial Statements, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, 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 audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We gained an understanding of the legal and regulatory framework applicable to the Company and the industry in which it operates through our audit planning procedures and various client meetings and considered the risk of acts by the Company which were contrary to applicable laws and regulations, including fraud. We considered the significant laws and regulations to be the Companies Act 2006, the FCA listing and DTR rules, the principles of the AIC Code of Corporate Governance, industry practice represented by the Association of Investment Companies' Statement of Recommended Practice (SORP), the applicable accounting framework, and qualification as an Investment Trust under UK tax legislation as any non-compliance of this would lead to the Company losing various deductions and exemptions from corporation tax.

We focused on laws and regulations that could give rise to a material misstatement in the Company financial statements. Our tests included, but were not limited to:

- agreement of the financial statement disclosures to underlying supporting documentation;
- enquiries of management and those charged with governance relating to the existence of any non-compliance with laws and regulations;
- review of minutes of board meetings throughout the period to identify any non-compliance with laws and regulations;
- obtaining an understanding of the control environment in monitoring compliance with laws and regulations; and
- reviewing the calculation in relation to Investment Trust compliance to verify that the Company was meeting its requirements to retain its Investment Trust Status.

We assessed the susceptibility of the financial statement to material misstatement including fraud and considered the fraud risk areas to be the valuation of unquoted investments and management override of controls.

Our tests included, but were not limited to:

- The procedures set out in the Key Audit Matters section above;
- Obtaining independent evidence to support the ownership of investments;
- Recalculating investment advisory fees in total to ensure the existence and accuracy of the expenses;
- Obtaining independent confirmation of bank balances to ensure existence and accuracy to the bank record with independent party directly; and
- Testing journals which met a defined risk criteria by agreeing to supporting documentation and evaluating whether there was evidence of bias by the Investment Advisor and Directors that represented a risk of material misstatement due to fraud.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's report.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditor's 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 and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Eran Wieder (Senior Statutory Auditor)

For and on behalf of BDO LLP, Statutory Auditor

London, United Kingdom

28 November 2022

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Statement of Comprehensive Income

Period from Incorporation on 16 September 2021 to 30 September 2022

	Notes	Revenue £'000	Capital £'000	Total £'000
Loss arising on the revaluation of investments at the period end	4	-	(1,850)	(1,850)
Investment Income	5	781	-	781
Investment advisory fees	6	(1,285)	-	(1,285)
Other expenses	7	(684)	(401)	(1,085)
Loss on ordinary activities before taxation		(1,188)	(2,251)	(3,439)
Taxation	9	-	-	-
Loss on ordinary activities after taxation		(1,188)	(2,251)	(3,439)
Earnings per share (pence) - basic and diluted	8	(0.92p)	(1.75p)	(2.67p)

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

All revenue and capital items in the above statement derive from continuing operations. No operations were acquired or discontinued during the period.

Loss on ordinary activities after taxation is also the total comprehensive income for the period.

The accompanying Notes on pages 66 to 83 are an integral part of these financial statements.

Statement of Financial Position

As at 30 September 2022

	Notes	£'000
Non-current assets		
Investments at fair value through profit or loss	4	47,105
Current assets		
Fixed deposits	10	20,000
Cash and cash equivalents	11	69,361
Other receivables and prepayments	12	3,215
		92,576
Current liabilities		
Trade and other payables	13	(555)
Net current assets		92,021
Net assets		**139,126**
Capital and reserves		
Share capital	14	1,500
Capital reduction reserve	16	141,065
Revenue and capital reserve		(3,439)
Total Shareholders' funds		**139,126**
Net assets per share (pence)	17	92.8

Approved and authorised by the Board of Directors for issue on 28 November 2022.

Juliet Davenport

Chair of the Board

28 November 2022

Atrato Onsite Energy Plc was incorporated in England and Wales with registered number 13624999.

The accompanying Notes on pages 66 to 83 are an integral part of these financial statements.

Statement of Changes in Equity

Period from Incorporation on 16 September 2021 to 30 September 2022

	Notes	Share capital £'000	Share premium £'000	Capital reduction reserve £'000	Capital Reserve £'000	Revenue reserve £'000	Total £'000
Opening equity as at 16 September 2021		-	-	-	-	-	-
Transactions with Shareholders							
Shares issued at IPO	14	1,500	148,500	-	-	-	150,000
Share issue costs		-	(2,920)	-	-	-	(2,920)
Transfer to capital reduction reserve	14	-	(145,580)	145,580	-	-	-
Dividend distribution	15	-	-	(4,515)	-	-	(4,515)
Total transactions with Shareholders		**1,500**	**-**	**141,065**	**-**	**-**	**142,565**
Loss and total comprehensive income for the period		-	-	-	(2,251)	(1,188)	(3,439)
Closing equity as at 30 September 2022		**1,500**	**-**	**141,065**	**(2,251)**	**(1,188)**	**139,126**

The Company's distributable reserves consist of the capital reduction reserve, capital reserve attributable to realised gains and revenue reserve. Total distributable reserves as of 30 September 2022 were £137.6 million.

The Company may use its distributable reserves to fund dividends, redemptions of shares and share buy backs.

The accompanying Notes on pages 66 to 83 are an integral part of these financial statements.

Statement of Cash Flows

Period from Incorporation on 16 September 2021 to 30 September 2022

	Notes	As at 30 September 2022 £'000
Operating activities		
Loss on ordinary activities before taxation		(3,439)
Adjustment for unrealised losses arising on the revaluation of investments at the period end		1,850
Interest income		(781)
Increase in other receivables and prepayments		(3,215)
Increase in trade and other payables		555
Net cash flow used in operating activities		**(5,030)**
Investing activities		
Purchase of investments	4	(48,955)
Increase in fixed deposit		(20,000)
Increase in interest receivable		614
Interest income received		167
Net cash flow used in investing		**(68,174)**
Financing activities		
Proceeds of share issues	14	150,000
Share issue costs		(2,920)
Dividends paid	15	(4,515)
Net cash flow from financing		**142,565**
Increase in cash		**69,361**
Cash and cash equivalents at start of the Period		**-**
Cash and cash equivalents at end of the Period		**69,361**

	As at 30 September 2022 £'000
Cash and cash equivalents	
Cash at bank	49,361
Fixed deposits with original maturity less than 3 months	20,000
Total cash and cash equivalents at end of the Period	**69,361**

The accompanying Notes on pages 66 to 83 are an integral part of these financial statements.

Notes to the Financial Statements

Period from incorporation on 16 September 2021 to 30 September 2022

1. General Information

Atrato Onsite Energy Plc is a closed-ended investment company domiciled and incorporated in the United Kingdom on 16 September 2021 with registered number 13624999. The registered office of the Company is 6th Floor, Bastion House, 140 London Wall, London, EC2Y 5DN. Its share capital is denominated in Pounds Sterling (GBP) and currently consists of one class of ordinary shares. The shares are publicly traded on the London Stock Exchange under a premium listing. The Directors intend, at all times, to conduct the affairs of the Company so as to enable it to qualify as an investment trust for the purposes of section 1158 of the Corporation Tax Act 2010, as amended.

The financial statements of the Company are for the Period from incorporation on 16 September 2021 to 30 September 2022 and have been prepared on the basis of the accounting policies set out below.

At the Company's IPO, 150,000,000 shares were admitted to the premium segment of the LSE on 23 November 2021, upon raising gross proceeds of £150.0 million.

The Company's investment objective is to: support the net zero agenda whilst delivering capital growth and progressive dividend income to its shareholders; integrate ESG best practice with a focus on investing in new renewable energy capacity and onsite clean energy solutions; and target long-term secure income with limited exposure to wholesale power prices.

The financial statements comprise only the results of the Company, as its investment in Atrato Onsite Energy Holdco Limited ("Holdco") is included at fair value through profit or loss as detailed in the significant accounting policies below. The Company and its subsidiary invest in a diversified portfolio of onsite energy assets generally on the rooftops of UK commercial buildings, which benefit from long-term growing income streams with limited exposure to wholesale power prices.

Atrato Partners Limited provides investment advisory services and JTC Global AIFM Solution Limited as the AIFM provides investment management services to the Company, each under the terms of the agreement between it and the Company.

2. Basis of Preparation

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

The financial statements have also been prepared as far as is relevant and applicable to the Company in accordance with the Statement of Recommended Practice ("SORP") "Financial Statements of Investment Trust Companies and Venture Capital Trusts" issued by the Association of Investment Companies in April 2021 where the SORP is not inconsistent with IFRS.

The financial statements are prepared on the historical cost basis, except for the revaluation of certain financial instruments at Fair Value through Profit and Loss ("FVTPL"). The principal accounting policies adopted are set out below. These policies have been consistently applied throughout the Period to 30 September 2022.

The financial statements are prepared on the going concern basis.

The currency of the primary economic environment in which the Company operates and where its investments are located (the functional currency) is Pounds Sterling. The financial statements are presented in Pounds Sterling and rounded to the nearest thousand.

Estimates and underlying assumptions are reviewed regularly on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. The significant estimates, judgments or assumptions for the Period are set out below under "Critical accounting judgements, estimates and assumptions".

There is no comparative as this is the Company's first accounting period.

Basis of consolidation

The Company has adopted the amendments to IFRS 10, which states that investment entities should measure all of their subsidiaries that are themselves investment entities at fair value.

The Company owns 100% of its subsidiary, HoldCo. The Company invests in special purpose vehicles through its investment in HoldCo. The Company and HoldCo meet the definition of an investment entity as described by IFRS 10. Under IFRS 10 investment entities measure subsidiaries at fair value rather than being consolidated on a line-by-line basis, meaning HoldCo's cash, debt and working capital balances are included in the fair value of the investment rather than in the Company's current assets. HoldCo has one investor, which is the Company, who has outsourced some investor related services to a third party relating to the operational and financial management of the underlying Special Purpose Vehicles ("SPV"). However, in substance, HoldCo is investing the funds of the investors of the Company on its behalf and is effectively performing investing activity on behalf of many unrelated beneficiary investors.

Characteristics of an investment entity

Under the definition of an investment entity, the Company should satisfy all three of the following tests:

a) the Company obtains funds from one or more investors for the purpose of providing those investors with investment management services;

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

c) the Company measures and evaluates the performance of substantially all of its investments on a fair value basis.

In assessing whether the Company meets the definition of an investment entity set out in IFRS 10, the Directors note that:

a) the Company has multiple investors and obtains funds from a diverse group of shareholders who would otherwise not have access individually to investing in renewable energy and infrastructure assets;

b) the Company's purpose is to invest funds for both investment income and capital appreciation. HoldCo and SPVs will have indefinite lives. However, the underlying assets do not have unlimited life and have minimal residual value at the end of that life, meaning they will not be held indefinitely. The Company intends to hold the renewable assets on a long-term basis to achieve its investment objectives and hand the assets over to the lessor at the end of the PPA; and

the Company measures and evaluates the performance of all of its investments on a fair value basis which is the most relevant for investors in the Company. Management uses fair value information as a primary measurement to evaluate the performance of all of the investments and in decision making.

The Directors are of the opinion that the Company meets all the typical characteristics of an investment entity and therefore meets the definition set out in IFRS 10.

The Directors agree that investment entity accounting treatment reflects the Company's activities as an investment trust.

The Directors have considered the potential impact on the income statement and the statement of financial position were Holdco to be consolidated and assessed the changes not to be significant to the net asset value and loss for the year. The Directors believe the treatment outlined above provides the most relevant information to investors.

Going concern

The Directors have adopted the going concern basis in preparing the financial statements. The following is a summary of the Directors' assessment of the going concern status of the Company, which considered the adequacy of the Company's resources, the impacts of the COVID-19 pandemic and the continued unrest in Ukraine.

In reaching their conclusion, the Directors considered the Company's cash flow forecasts, cash position, income and expense flows. The Company's net assets at 30 September 2022 were £139.1 million. As at 30 September 2022, the Company held £69.4 million in cash and cash equivalents of £20 million in a fixed deposit account due to mature in December 2022. The Company continues to meet its day-to-day liquidity needs through its cash resources. The total ongoing expenses for the Period ended 30 September 2022 was £1.98 million, which represented approximately 1.4% of average net assets during the Period. At the date of approval of this Annual Report, based on the aggregate of investments and cash held, the Company had substantial cover for its operating expenses.

The major cash outflows of the Company are the costs relating to the acquisition of new investments and the payment of dividends. The Directors review financing reporting at the quarterly Board meeting, which includes reporting related fund investment limits. The Directors are confident that the Company has sufficient cash balances and access to equity markets, in order to fund commitments to acquisitions detailed in note 22 to the financial statements, should they become payable. The Company has provided a £125m loan facility, of which £48.8m had been drawn by 30 September 2022, to its immediate subsidiary repayable on 31 December 2028. The facility has been provided out of the £150m raised in the initial public offering. As at 30 September 2022, the Company had capital commitments of £1.4m.

In light of the COVID-19 pandemic and the macro-economic situation brought about by the Russian invasion of Ukraine, the Directors have fully considered each of the Company's investments and the sourcing of supplies. The Directors do not foresee any immediate material risk to the Company's investment portfolio and income from underlying SPVs. A prolonged and deep market decline could lead to falling values in the underlying investments or interruptions to cashflow, however the Company currently has sufficient liquidity available to meet its future obligations. The Directors are also satisfied that the Company would continue to remain viable under downside scenarios, including increasing inflation scenarios.

Underlying SPV revenues are derived primarily from the sale of electricity by project companies through PPAs in place with creditworthy corporations. Most of these PPAs are contracted over a long period with a weighted average remaining term as at 30 September 2022 of 19 years.

During the Period and up to the date of this report, there has been no significant impact on revenue and cash flows of the SPVs. The SPVs have contractual operating and maintenance agreements in place with appropriately qualified service providers. Therefore, the Directors and the Investment Adviser do not anticipate a material threat to SPV revenues.

The market and operational risks and financial impact as a result of the ongoing COVID-19 pandemic, and measures introduced to combat its spread, were discussed by the Board, with updates on operational resilience received from the Investment Adviser and other key service providers. The Investment Adviser actively monitors risks (including those related to COVID-19) with the potential to impact the Company's investments through its recurring engagement with service providers including operators, installation contractors, and project asset managers. The Board was satisfied that the Company's key service providers have the ability to continue to operate.

Over the past year inflation has increased above the forecasts. Having considered these increases, the Board do not anticipate as material adverse effect on the portfolio.

The Company's ability to continue as a going concern has been assessed by the Directors for a period of at least 12 months from the date these financial statements were authorised for issue.

Critical accounting judgements, estimates and assumptions

Preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses. Estimates, by their nature, are based on judgment and available information; hence actual results may differ from these judgments, estimates and assumptions. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying value of assets and liabilities are those used to determine the fair value of the investments as disclosed in note 4 to the financial statements.

Key sources of estimation uncertainty: investments at fair value through profit or loss

The Company's investments in unquoted investments are valued by reference to valuation techniques approved by the Directors and in accordance with the International Private Equity and Venture Capital Valuation Guidelines.

The Company's investment in Holdco has been made through equity and loans, providing Holdco with funds to invest in the Portfolio through equity and loans. The Company used discounted cash flow ("**DCF**") models to determine the fair value of the underlying assets in HoldCo. The value of HoldCo not apportioned to the investment in the underlying entities includes any working capital not accounted for in the DCF models, such as cash or entity level payables and receivables. The fair value of each asset is derived by projecting the future cash flows of an asset, based on a range of operating assumptions for revenues and expenses, and discounting those future cash flows to the present with a discount rate appropriately calibrated to the risk profile of the asset and market dynamics. The key estimates and assumptions used within the DCF include the discount rates, annual energy production, future power prices and various operating expenses and associated annual escalation rates often tied to inflation, including operations and maintenance, asset management, land leases and insurance. A change in the key valuation assumptions would lead to a corresponding change in the fair value of the investments as described in note 4 to the financial statements. The Company's investments at fair value are not traded in active markets.

The estimates and assumptions are those used to determine the fair value of the investments as disclosed in note 4 to the financial statements. As noted above, the Board has concluded that the Company meets the definition of an investments entity as defined in IFRS10. This conclusion involved a degree of judgement and assessment as to whether the Company meets the criteria outlined in the accounting standards.

As disclosed in note 21, the Company provided parent company guarantees to some investments from which the expected economic or cash outflows are expected to be £nil.

Segmental reporting

The Board is of the opinion that the Company is engaged in a single segment of business, being investment in renewable energy infrastructure assets to generate investment returns whilst preserving capital. The financial information used by the Board to manage the Company presents the business as a single segment.

All the Company's income is generated within the UK.

All the Company's non-current assets are located in the UK.

Adoption of new and revised standards

The Company has adopted all the applicable and effective IFRSs since incorporation. The relevant new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Company's financial statements, are disclosed below. These standards are not expected to have a material impact on the entity in future reporting periods and on foreseeable future transactions.

- ***Amendments to IAS 1: Classification of Liabilities as Current or Non-current***

  In January 2020, the IASB issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments are effective for annual reporting periods beginning on or after 1 January 2024.

- ***Definition of Accounting Estimates - Amendments to IAS 8***

  In February 2021, the IASB issued amendments to IAS 8, in which it introduces a definition of 'accounting estimates'. The amendments are effective for annual reporting periods beginning on or after 1 January 2023.

- ***Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2***

  In February 2021, the IASB issued amendments to IAS 1 and IFRS Practice Statement 2 Making Materiality Judgements. The amendments to IAS 1 are applicable for annual periods beginning on or after 1 January 2023.

3. Significant accounting policies

a) **Statement of compliance**

The financial statements have been prepared in accordance with UK-adopted International Accounting Standards ("**IAS**").

The principal accounting policies of the Company are set out below.

IFRS 9 Classification of Financial Assets and Financial Liabilities

Financial Assets and Financial Liabilities

Financial assets and financial liabilities are recognised in the Company's Statement of Financial Position when the Company becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in profit or loss.

The Company holds both a debt instrument and a controlling interest in equity shares in Holdco. The Company measures the fair value of its investments in Holdco on an aggregate basis as this is how the instruments are managed, potentially divested and how the fair value would be maximised.

Classification of investments

Fair value through profit or loss

The Company classifies its investments based on both the Company's business model for managing those financial assets and the contractual cash flow characteristics of the financial assets. The portfolio of financial assets is managed, and performance is evaluated on a fair value basis. The Company is primarily focused on fair value information and uses that information to assess the assets' performance to make decisions. The Company has not taken the option to irrevocably designate any equity securities as fair value through other comprehensive income. The collection of contractual cash flows is only incidental to achieving the Company business model's objective. Consequently, all investments are measured at FVTPL. Once invested, the Company's indirect investments in SPVs will be designated at FVTPL, as SPVs are themselves considered to be investment entities and exist only to hold underlying assets in line with the overarching AIFM agreement, and therefore will not be consolidated but held at FVTPL in line with IFRS 10.

Financial instruments and equity

Financial assets such as cash at bank, fixed deposits at bank, trade receivables, loans and other receivables that are non-derivative financial assets and that have fixed or determinable payments that are not quoted in an active market are classified as loans and other receivables measured at amortised cost.

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

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all its liabilities. Equity instruments issued by the Company are recognised at the point proceeds are received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Recognition, derecognition and measurement

Purchases and sales of investments are recognised on the trade date - the date on which the Company commits to purchase or sell the investment and the contract to purchase or sell is wholly unconditional. Financial assets at FVTPL are initially recognised at fair value. Transaction costs are expensed as incurred in the Statement of Comprehensive Income. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or the Company has transferred substantially all risks and rewards of ownership. Loans, trade, and other receivables are measured at amortised cost using the effective interest method, less any impairment. They are included in current assets, except where maturities are greater than 12 months after the period end date in which case they are classified as non-current assets.

Subsequent to initial recognition, all financial assets and financial liabilities at FVTPL are measured at fair value. Gains and losses arising from changes in the fair value of the 'financial assets or financial liabilities at FVTPL' category are presented in the Statement of Comprehensive Income.

Income from financial assets at FVTPL is recognised in the Statement of Comprehensive Income within "income" when the Company's right to receive payments is established.

Financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs. Financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

Gains and losses on fair value of investments in the Statement of Comprehensive Income represent gains or losses that arise from the movement in the fair value of the Company investment in HoldCo.

Dividends, if any from HoldCo are recognised when the Company's right to receive payment has been established.

Investment income comprises interest income received from the Company's subsidiary and interest income on fixed deposits. Interest income from fixed deposits is recognised in the Statement of Comprehensive Income using the effective interest method.

b) **Expenses**

All expenses are accounted for on an accrual's basis. In respect of the analysis between revenue and capital items presented within the Statement of Comprehensive Income, all expenses, including investment advisory fees, are presented in the revenue column of the Statement of Comprehensive Income as they are directly attributable to the operations of the Company with the exception of costs incurred in the initial public offering that were not off-set against the share premium, which have been charged as a capital item in the Statement of Comprehensive Income.

Details of the Company's fee payments to the Investment Adviser are disclosed in note 6 to the financial statements.

c) **Taxation**

Investment trusts which have approval under Section 1158 of the Corporation Tax Act 2010 are not liable for taxation on capital gains. Shortly after listing the Company received approval as an Investment Trust by HMRC.

Taxation on the profit or loss for the period comprises current and deferred tax. Taxation is recognised in the income statement except to the extent that it relates to items recognised as direct movements in equity, in which case it is also recognised as a direct movement in equity.

Current tax is the expected tax payable on the taxable income for the period, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to the tax payable in respect of previous years.

Deferred taxation

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the statement of financial position liability method. Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled, or the asset is realised. Deferred tax is charged or credited to the Statement of Comprehensive Income except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

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

d) **Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and in deposits held at call with banks and other short-term deposits with original maturities of three months or less and subject to an insignificant risk of changes in value.

Short-term investments that are not held for the purpose of meeting short-term cash commitments and restricted accounts are not considered as cash and cash equivalents. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above.

e) **Fixed deposits**

Cash that is placed on fixed deposits for longer than three months at the inception of the deposit is disclosed in fixed deposits.

f) **Other receivables and prepayments**

Other receivables and prepayments are recognised initially at fair value and subsequently measured using the effective interest method.

g) **Trade and other payables**

Trade and other payables are recognised initially at fair value and subsequently measured using the effective interest method.

h) **Dividends**

Subject to the provisions of company law, the Company may by resolution declare dividends in accordance with the respective rights of the shareholders, but no dividend shall exceed the amount recommended by the Board of Directors. Dividends payable are recognised as distributions in the financial statements when the Company's obligation to make payment has been established.

i) **Equity**

Share capital

Share capital consists of ordinary shares and is classified as equity.

j) **Share premium account**

The surplus of net proceeds received from the issuance of new shares over their par value is credited to this account and the related issue costs are deducted from this account. This is a non-distributable reserve.

k) **Capital reserve**

The net profit or loss arising in the Statement of Comprehensive Income during the period is added to or deducted from this reserve where they are capital in nature. The realised element of the capital reserve forms part of distributable reserves and may be distributed.

l) **Revenue reserve**

The net profit or loss arising in the Statement of Comprehensive Income during the period is added to or deducted from this reserve where they are revenue in nature. This is a distributable reserve.

m) **Capital reduction reserve**

On 28 January 2022, the Company lodged with the Registrar of Companies its statement of capital and successful court application which permitted the transfer of £145,579,902 from its share premium account to the capital reduction reserve (refer to note 4). This is a distributable reserve.

n) **Capital management**

The Company's capital is represented by the ordinary shares, share premium account, profit and loss account and capital reduction reserve. The Company is not subject to any externally imposed capital requirements.

The capital of the Company is managed in accordance with its investment policy, in pursuit of its investment objective. Capital management activities may include the allotment of new shares and the buy back or re-issuance of shares from treasury.

o) **Foreign currencies**

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

Transactions and balances

Transactions in foreign currencies are translated at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated at the foreign exchange rate ruling at that date.

Foreign exchange differences arising on translation are recognised in the Statement of Comprehensive Income.

4. Investment held at fair value through profit or loss

The Company owns 100% of its subsidiary Holdco through which the Company has acquired all its underlying investments in SPVs. As at 30 September 2022, the cost of the equity investment in Holdco is £1, while the debt investment in Holdco is £48.9m.

	Total £'000
(a) Summary of valuation	
Analysis of closing balance:	
Investment at fair value through profit or loss	47,105
Total investment as at 30 September 2022	**47,105**
(b) Movements during the Period:	
Opening balance of investment, at cost	-
Additions, at cost	48,955
Cost of investment as at 30 September 2022	**48,955**
Revaluation of investments to fair value:	
Unrealised movement in fair value of investment	(1,850)
Fair value of investment as at 30 September 2022	**47,105**
(c) Profits or loss on investment in the Period:	
Unrealised movement in fair value of investment	(1,850)
Loss on investment	**(1,850)**

Fair value measurements

IFRS 13 requires disclosure of fair value measurement by level. The level of fair value hierarchy within the financial assets or financial liabilities is determined on the basis of the lowest level input that is significant to the fair value measurement. Financial assets and financial liabilities are classified in their entirety into only one of the following 3 levels:

Level 1

The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.

Level 2

Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.

Level 3

Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

	30 September 2022			
	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Investment at fair value through profit or loss				
Equity investment in Holdco	-	-	-	-
Debt investment in Holdco	-	-	47,105	47,105
Total investment as at 30 September 2022	**-**	**-**	**47,105**	**47,105**

The financial instruments held at fair value are the instruments held by the Company in the SPVs indirectly via Holdco, which are fair valued at each reporting date. The investments have been classified within level 3 as the investments are not traded and contained certain unobservable inputs. The Company's investment in Holdco is also considered to be level 3 assets. There have been no transfers between levels during the period. As the fair value of the Company's equity and loan investments in Holdco is ultimately determined by the underlying fair values of the equity and loan investments, made by Holdco, the Company's sensitivity analysis of reasonably possible alternative input assumptions is the same as for those investments. Except for the availability of cash in the relevant entity, there are no restrictions in relation to the loans.

The movement on the Level 3 unquoted investment during the Period is shown below:

As at
30 September

	2022
	£'000
Opening balance	-
Additions during the Period	48,955
Unrealised movement in fair value of investment	(1,850)
Total investment as at 30 September 2022	**47,105**

Valuation methodology

The Company owns 100% of its subsidiary Holdco through which the Company has acquired all its underlying investments in SPVs. As discussed in Note 2, the Company meets the definition of an investment entity as described by IFRS 10, and as such the Company's investment in Holdco is valued at fair value.

Fair value of operating assets is derived using a DCF methodology, which follows International Private Equity Valuation and Venture Capital Valuation Guidelines. DCF is deemed the most appropriate methodology when a detailed projection of future cash flows is possible. The fair value of each asset is derived by projecting the future cash flows of an asset, based on a range of operating assumptions for revenues and expenses, and discounting those future cash flows to the present day with a post-tax discount rate appropriately calibrated to the risk profile of the asset and market dynamics. Due to the asset class and available market data over the forecast horizon, a DCF valuation is typically the basis upon which renewable assets are traded in the market.

The Company measures the total fair value of Holdco by its net asset value, which is made up of cash at bank (£2.7m), other receivables (£0.2m), trade payables and accruals (£0.4m) and other payables (£2.6m) and the aforementioned fair value of the underlying investments (£47.2m) as derived from the DCF of each asset. As at 30 September 2022, Holdco net current liability is offset by the fair value of the underlying investments, resulting in a reduction in the fair value of the Portfolio.

The Directors have satisfied themselves as to the methodology used, the discount rates and key assumptions applied and the valuation.

Valuation analysis

An analysis of the key assumptions is produced to show the impact on NAV of changes to key assumptions. For each of the scenarios, it is assumed that potential changes occur independently of each other with no effect on any other key assumption, and that the number of investments in the portfolio remains static throughout the modelled life. Accordingly, the NAV per share impacts are discussed below.

(i) Discount rates

Post-tax unlevered discount rates applied in the DCF valuation are determined by the Investments Adviser using a multitude of factors, including post-tax discount rates disclosed by the Company's peers in the renewable energy sector, phase at which the project is, credit risk of key counterparties, exposure to merchant power risk, adjustment due to the portfolio being unlevered as well as the internal rate of return inherent in the original purchase price when underwriting the asset. The DCF valuations uses one post-tax discount rate applied to cash generated by each asset over the contract term.

The post-tax discount rates used in the DCF valuation of the investments are considered the most significant unobservable input through which an increase or decrease would have a material impact on the fair value of the investments at FVTPL. As of 30 September 2022, the blended post-tax discount rates applied to the portfolio ranged from 6.5% to 7.5% with the overall weighted average of 6.6%.

An increase of 50bps and decreases of 50bps, 100bps and 200bps in the discount rates would have the following impact on NAV:

Discount Rate	+ 50 bps	- 50 bps	-100bps	-200bps
Increase/(decrease) in NAV (£'000)	(1,612)	1,706	3,531	7,541
NAV per share	91.7p	93.9p	95.1	97.8
NAV per share change	(1.1p)	1.1p	2.4p	5.0p
Change	(1.2)%	1.2%	2.5%	5.4%

(ii) Energy Production

Energy production, as measured in MWh per annum, assumed in the DCF valuations is based on a P50 energy yield profile, representing a 50% probability that the energy production estimate will be met or exceeded over time. An independent engineer has derived this energy yield estimate for each asset by considering a range of irradiation, weather data, ground-based measurements and design/site-specific loss factors including module performance, module mismatch, inverter losses, and transformer losses, among others. The P50 energy yield case includes a 0.5% annual degradation through the entirety of the useful life. In addition, the P50 energy yield case includes an assumption of availability, which ranges from 99% to 100%, as determined reasonable by an independent engineer at the time of underwriting the asset.

Solar assets are subject to variation in energy production over time. An assumed "P75" level of energy yield (i.e. a level of energy production that is below the "P50", with a 75% probability of being exceeded) would cause a decrease in the total portfolio valuation, while an assumed "P25" level of power output (i.e. a level of energy production that is above the "P50", with a 25% probability of being achieved) would cause an increase in the total portfolio valuation.

The application of a P75 and a P25 energy yield case would have the following impact on NAV:

Energy Production	**P75**	**P25**
Increase/(decrease) in NAV (£'000)	(1,849)	1,694
NAV per share	91.5p	93.9p
NAV per share change	(1.2p)	1.1p
Change	(1.3)%	1.2%

(iii) Merchant Power Prices

The Company's assets have long term PPAs at fixed or index linked uplifts and some incentive contracts with credit worthy energy purchasers. Excess generation not consumed under the PPA agreement in place sell to the network, which is 8.7% of the portfolio based on current market prices for 2024. Thus, PPA prices are not materially impacted by fluctuations in market prices. Excess generation that is exported to the network is priced on the solar PV curtailed capture price forecast, that are derived from the forecast power price curves provided by an independent third parties. Power price forecasts are updated quarterly and the prices used ranges from £68/MW to £395/MW over the next five years, with an average of £179/MW.

An increase or decrease of 10% in the forecast merchant power price curves would have the following impact on NAV:

Merchant power prices	-10%	+10%
Increase/(decrease) in NAV (£'000)	(6)	227
NAV per Share	92.8p	92.9p
NAV per Share Change	(0.0)p	0.2p
Change	(0.0)%	0.2%

(iv) Operating Expenses

Operating expense include operations and maintenance, asset management, leases, rates, insurance, decommissioning and other costs. Most operating expenses are contracted with annual escalation as per available market forecasts of the inflation indices (RPI and CPI, where applicable) and capped where a cap exists in the contract. As such there is typically little variation in annual operating expenses, however inflationary pressures in the short and long-term could affect future operating expenses. Expenses subject to uncapped inflation has been inflated in the short-term peaking at 12.3%, reducing to 3.92% by September 2027 and a long-term average of 3.3%.

An increase or decrease of 10% in operating expenses would have the following impact on NAV:

Operating expenses	+10%	-10%
Increase/(decrease) in NAV (£'000)	(1,165)	1,339
NAV per share	92.0p	93.6p
NAV per share change	(0.8)p	0.9p
Change	(0.8)%	1.0%

5. Income

	For the Period ended 30 September 2022 £'000
Interest from Holdco	483
Deposit interest	298
Total Income	781

6. Investment advisory fees

	For the Period ended 30 September 2022		
	Revenue £'000	Capital £'000	Total £'000
Investment advisory fees	1,285	-	1,285

The Investment Advisory Agreement ("IAA") dated 1 November 2021 between the Company and Atrato Partners Limited as the Investment Adviser and JTC Global AIFM Solutions Limited as the AIFM, appointed the Investment Adviser to act as the Company's investment adviser. The AIFM has been appointed pursuant to the AIFM agreement dated 1 November 2021 between the AIFM and the Company as the alternative investment fund manager for the purposes of the AIFM Directive. Accordingly, the AIFM is responsible for providing portfolio management and risk management services to the Company.

Under the IAA, the Investment Adviser receives a per annum management fee of 0.7125% of the adjusted NAV up to and including £500 million; and 0.5625% of the adjusted NAV above £500 million, invoiced monthly in arrears. The Investment Adviser also receives a management fee of 0.2375% of the last published NAV up to and including £500 million; and 0.1875% of the last published NAV above £500 million, each invoiced semi-annually in arrears. With the agreement of the Company, Holdco and the Adviser, this semi-annual fee shall be applied by the Adviser in acquiring ordinary shares at the absolute discretion of the Board by any combination of methods as set out in the IAA.

The Investment Adviser receives an accounting and administration fee of £50,000 per annum plus 0.02% of the adjusted NAV in excess of £200 million up to and including £500 million plus 0.015% of adjusted NAV in excess of £500 million. An accounting and administration fee of £800 per Clean Energy Asset held by Holdco up to 100 Clean Energy Assets and £650 per Clean Energy Asset above 100.

No performance fee or asset level fees are payable to the IA under the IAA.

Unless otherwise agreed by the Company and the Investment Adviser, the IAA may be terminated by the Company or the Investment Adviser on not less than 12 months' notice to the other parties, not to be given prior to the fifth anniversary of initial admission.

The Company has not issued or the Company's Broker has not purchased the any shares to settle investment advisory fees in respect of the Period under review.

7. Other Expenses

	For the Period ended 30 September 2022		
	Revenue £'000	Capital £'000	Total £'000
Secretary and Administrator fees	111	-	111
Directors' fees	126	-	126
Directors' other employment costs	25	-	25
Brokers' retainer	51	-	51
Auditor's fees			
- Fees payable to the Company's auditor for audit services	118	-	118
- Fees payable to the Company's auditor for non-audit related assurance services	18	-	18
Regulatory and Registrar's fees	38	-	38
Marketing fees	121	-	121
Tax compliance	36	-	36
Other expenses	40	-	40
	684	-	684

	For the Period ended 30 September 2022		
	Revenue £'000	Capital £'000	Total £'000
Expenses charged to capital			
Initial listing costs	-	401	401
Total expenses	**684**	**401**	**1,085**

The Auditor's fee for the statutory audit of the period is £117,600 (including VAT of £19,600). BDO also reviewed the Company's initial accounts as at 31 January 2022 for a fee of £18,000 (including VAT of £3,000). In addition, BDO provided services in relation to the IPO for a fee of £104,550 (including VAT of £17,425), which has been set off against the share premium along with other IPO costs.

8. Earnings Per Share

Earnings per share is based on the loss in the period from incorporation on 16 September 2021 to 30 September 2022 of £3,439,000 attributable to the weighted average number of shares in issue of 128,750,000 in the Period. Revenue and capital loss are £1,188,000 and £2,251,000 respectively.

9. Taxation

(a) Analysis of charge in the Period

	For the Period ended 30 September 2022		
	Revenue £'000	Capital £'000	Total £'000
Corporation tax	-	-	-
Taxation	-	-	-

(b) Factors affecting total tax charge for the Period:

The effective UK corporation tax rate applicable to the Company for the Period is 19.00%. The tax charge differs from the charge resulting from applying the standard rate of UK corporation tax for an investment trust company.

The differences are explained below:

	Revenue £'000	Capital £'000	Total £'000
Profit / (loss) on ordinary activities before taxation	(1,188)	(2,251)	(3,439)
Corporation tax at 19%	(226)	(428)	(654)
Effects of:			
Profit / (loss) on investments held at fair value not allowable	-	352	352
Expenses not deductible for tax purposes	10	76	86
Unutilised management expenses	216	-	216
Total tax charge for the Period	-	-	-

Investment companies which have been approved by the HMRC under section 1158 of the Corporation Tax Act 2010 are exempt from tax on UK capital gains and capital profits/losses on loan relationships. Due to the Company's status as an Investment Trust, and the intention to continue meeting the conditions required to retain approval in the foreseeable future, the Company has not provided for deferred tax on any capital gains or losses arising on the revaluation of investments.

The March 2021 Budget announced an increase to the main rate of UK corporation tax to 25% effective from 1 April 2023. This increase in the standard rate of corporation tax was enacted on 24 May 2021.

10. Fixed deposits

	As at 30 September 2022 £'000
Fixed deposits	20,000
Total	20,000

A fixed deposit for six months was placed on 27th June 2022 with HSBC, at a fixed interest rate of 1.61%, maturing on 28th December 2022.

11. Cash and cash equivalents

	As at 30 September 2022 £'000
Cash at bank	49,361
Money market fixed deposits	20,000
Total	69,361

Cash was placed on a money market fixed deposit for three months on 2nd August 2022 with HSBC, at a fixed interest rate of 1.48%, maturing on 1st November 2022.

The Company has placed surplus cash in an instant access deposit account earning interest at a floating rate.

12. Other receivables and prepayments

		As at 30 September 2022 £'000
Amounts receivable from related parties	20	3,049
Other receivables and prepayments		166
Total		3,215

13. Trade and other payables

As at 30
September

		2022
		£'000
Accounts payable		59
Amounts payable to related parties	20	271
Accrued expenses and other taxes		225
Total		555

14. Share Capital

	No. of shares	Nominal value of shares £
Allotted, issued and fully paid:		
Opening balance as at 16 September 2021	**-**	**-**
Allotted upon incorporation		
Shares of £0.01 each (ordinary shares)	1	0.01
Issue of redeemable preference shares	50,000	50,000
Allotted/redeemed following admission to LSE		
Shares issued	149,999,999	1,5000,000
Initial redeemable preference shares redeemed	(50,000)	(50,000)
Shares issued for the investment advisory fee		
Share issued		
Closing balance as at 30 September 2022	**150,000,000**	**1,500,000**

On incorporation the Company issued 1 ordinary share of £0.01, which was fully paid up, and 50,000 redeemable preference shares of £1 each, which were paid up to one quarter of their nominal value. Both of these share classes were issued to Atrato Group Limited. On 23 November 2021 the Board of Directors resolved to redeem the 50,000 redeemable preference shares.

On 23 November 2021, the Board of Directors approved the proposed placing and offer for subscription (together the "**Placing**") of up to 150 million ordinary shares of £0.01 each in the capital of the Company at a price of £1.00 per ordinary share. It was intended that the ordinary shares of the Company would be admitted to trade on the Main Market of the London Stock Exchange.

The consideration received in excess of nominal value of the ordinary shares issued, being £145,579,902, net of total capitalised issue costs, was credited to the share premium account.

The share issue costs incurred comprise brokerage costs, third-party adviser fees and other costs directly attributable to the issuance of shares.

The Company's issued share capital immediately following initial admission comprised 150,000,000 ordinary shares, and this is the total number of ordinary shares with voting rights in the Company.

Following a successful application to the High Court and lodgement of the Company's statement of capital with the Registrar of Companies, the Company was permitted to reduce the capital of the Company by an amount of £145,579,902. This was affected on 28 January 2022 by a transfer of that amount from the share premium account to the capital reduction reserve, which can be used to fund dividends or other distributions to the Company's shareholders.

Ordinary shareholders are entitled to all dividends declared by the Company and to all of the Company's assets after repayment of its borrowings and ordinary creditors. Ordinary shareholders have the right to vote at meetings of the Company. All ordinary shares carry equal voting rights.

15. Dividends

(a) Dividends paid in the Period

The Company paid the following interim dividends during the Period:

	For the Period ended 30 September 2022			
	Pence per share	Capital reduction reserve £'000	Revenue reserve £'000	Total £'000
Period ended 31 March 2022	1.76p	2,640	-	2,640
Quarter ended 30 June 2022	1.25p	1,875	-	1,875
Total	**3.01p**	4,515	-	4,515

(b) Dividends paid and payable in respect of the financial period

The dividends paid and payable in respect of the financial period are the basis on which the requirements of s1158-s1159 of the Corporation Tax Act 2010 are considered.

	For the Period ended 30 September 2022			
	Pence per share	Capital reduction reserve £'000	Revenue reserve £'000	Total £'000
Period ended 31 March 2022	1.76p	2,640	-	2,640
Quarter ended 30 June 2022	1.25p	1,875	-	1,875
Quarter ended 30 September 2022	1.26p	1,890	-	1,890
Total	**4.27p**	**6,405**	**-**	**6,405**

After the Period end, the Company declared an interim dividend of 1.26 pence per share for the period 1 July 2022 to 30 September 2022, to be paid on 16 December 2022 to Shareholders on the register at 25 November 2022.

16. Capital Reduction Reserve

As indicated in the Prospectus, following admission of the Company's shares to trading on the LSE, the Directors applied to the Court and obtained a judgement on 28 January 2022 to cancel the amount standing to the credit of the share premium account of the Company. The amount of the share premium account cancelled and credited to the Company's Capital reduction reserve was £145,579,902, which can be utilised to fund distributions to the Company's Shareholders.

17. Net Assets Per Share

Net asset value per ordinary share is based on the £139,126,000 of net assets of the Company attributable to the 150,000,000 ordinary shares as at 30 September 2022.

18. Financial instruments

Financial instruments by category

The Company held the following financial instruments at 30 September 2022. There have been no transfers of financial instruments between levels of the fair value hierarchy. There are no non-recurring fair value measurements.

At 30 September 2022	Financial assets at fair value through profit & loss £'000	Financial asset at amortised cost £'000	Financial liabilities at amortised cost £'000	Total £'000
Non-current assets				
Investment at fair value through profit or loss (Level 3)	47,105	-	-	47,105
Current assets				
Other receivables and prepayments	-	3,215	-	3,215
Fixed deposits	-	20,000	-	20,000
Cash and cash equivalents	-	69,361	-	69,361
Total financial assets	**47,105**	**92,576**	**-**	**139,681**
Current liabilities				
Trade and other payables	-	-	(555)	(555)
Total financial liabilities	**-**	**-**	**(555)**	**(555)**
Net financial instruments	**47,105**	**92,576**	**(555)**	**139,126**

The Company's financial assets and liabilities as summarised above are expected to be realised within 12 months of the reporting date, excluding those held in FVTPL. The financial assets and financial liabilities measured at amortised cost's carrying amount is approximated to its fair value which is classified at level 3 at the 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.

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

An analysis of the movement between opening and closing balances of the investments at fair value through profit or loss is given in note 4.

The fair value of the investments at fair value through profit or loss includes the use of Level 3 inputs. Please refer to note 4 for details of the valuation methodology and sensitivities.

19. Financial Risk Management

The Investment Adviser, AIFM and the Administrator report to the Board on a quarterly basis and provide information to the Board which allows it to monitor and manage financial risks relating to the Company's operations. The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk, and market risk (including price risk and interest rate risk). These risks are monitored by the AIFM. Each risk and its management are summarised below.

a) Credit risk

Credit risk is the risk that financial loss arises from the failure of a customer or counterparty to meet its obligations under a contract.

The Company's credit risk exposure in relation to cash holdings is minimised by dealing with financial institutions with investment grade credit ratings. The Company has no significant credit exposure at the current time. Exposure in relation to clients, at the project company level will be mitigated by a combination of due diligence procedures performed at inception of a PPA, ability to export to the national grid and diversity of counterparties in the portfolio. While credit risk in relation to contractors employed is mitigated through due diligence procedures performed at inception, the length of contract and available alternative parties to assume the contracts. Where the strength of an asset vendor is insufficient, warranty and indemnity insurance are purchased. Shareholder loans provided to Holdco and flowed down to project companies, is secured through the procedures performed in monitoring the credit risk of PPA counterparties.

As at 30 September 2022, the Company's maximum exposure is the cash and cash equivalents and fixed rate deposits, with initial terms greater than three months, stated on the Statement of Financial Position. Appropriate credit checks are required to be made on all counterparties to the Company. Cash and all fixed deposits are held in accounts with HSBC Bank Plc, which has a credit rating as per Moody's Investor Services of A1. During the Period ended 30 September 2022, there are no balances past due or impaired.

b) Liquidity risk

The objective of liquidity management is to ensure that all commitments which are required to be funded can be met out of readily available and secure sources of funding.

The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company's trade and other payables with third parties at the reporting date are considered operational in nature and are due and payable within 12 months of the reporting date. As at 30 September 2022, the Company has financial assets of cash and cash equivalents without contractual maturity that can meet the current expected financial liabilities.

c) Market risk

Market risk is the risk that changes in market prices, such as interest and foreign currency rates, will affect the Company's financial performance or the value of its holdings of financial instruments. The objective is to minimise market risk through managing and controlling these risks within acceptable parameters, whilst optimising returns.

The Company uses financial instruments in the ordinary course of business, and also incurs financial liabilities, to manage market risks. At the Period end the Company does not have any financial instruments which are exposed to market risk.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates.

The Company's interest rate risk on interest bearing financial assets is limited to interest earned on fixed cash deposits. The Interest Rate Benchmark Reform - Phase 2 did not have a material impact on the Company's reported results as the exposure to interest rates is limited to interest earned on fixed deposits.

The Company's interest and non-interest bearing assets and liabilities as at 30 September 2022 are summarised below:

	Interest bearing £'000	Non-interest bearing £'000	Total £'000
Assets			
Cash and cash equivalents	40,002	29,359	69,361
Fixed deposits	20,000	-	20,000
Other receivables and prepayments	-	3,215	3,215
Investment at fair value through profit or loss	47,105	-	47,105
Total assets	**107,107**	**32,574**	**139,681**
Liabilities			
Trade and other payables	-	(555)	(555)
Total liabilities	**-**	**(555)**	**(555)**

The short-term money market deposits and bank accounts included within cash and cash equivalents bear interest at low or zero interest rates and therefore movements in interest rates will not materially affect the Company's income and as such a sensitivity analysis is not necessary.

Price risk

Price risk is defined as the risk that the fair value of a financial instrument held by the Company will fluctuate. As of 30 September 2022, the Company held one investment, being its shareholding in and loans provided to Holdco, which is measured at fair value. The repayment is dependent on the performance of the underlying renewable energy investments that Holdco holds. This value varies according to a number of factors, including discount rate, asset performance, solar irradiation, operating expenses and to a limited extent forecast power prices. The sensitivity of the investment valuation due to price risk is shown in note 4.

Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. All transactions during the current period were denominated in GBP, thus no foreign exchange differences arose.

Capital management

The Company manages its capital to ensure that it will be able to continue as a going concern while maximising the return to its shareholders through the optimisation of the debt and equity balances. The Company is not subject to any externally imposed capital requirements.

Equity includes all capital and reserves of the Company that are managed as capital.

20. Related Party Transactions with the Investment Adviser and Directors

Following admission of the ordinary shares (refer to note 14), the Company and the Directors are not aware of any person who, directly or indirectly, jointly or severally, exercises or could exercise control over the Company. The Company does not have an ultimate controlling party.

Details of related parties are set out below.

a) **Accounting, secretarial and directors**

Atrato Partners Limited has been appointed to act as an administrator for the Company under the terms of the IAA; more details are set out below under b).

Apex Secretaries LLP is currently the secretary of the Company.

Juliet Davenport, Chair of the Board of Directors of the Company, is paid director's remuneration of £50,000 per annum, Faye Goss is paid director's remuneration of £37,500 per annum and Marlene Wood is paid director's remuneration of £37,500 with an additional £5,000 per annum for responsibilities as Audit Committee Chair. Total directors' remuneration of £150,570 was incurred in respect to the Period. Any expenses incurred by Directors which are related to business are also reimbursed.

The interests (all of which are or will be beneficial unless otherwise stated) of the current Directors in the ordinary share capital of the Company as at 30 September 2022 were as follows:

Director	Shares held at 30 September 2022
Juliet Davenport	20,000
Faye Goss	20,000
Marlene Wood	20,000

There have been no changes to the above holdings since the Period end.

b) **Investment Adviser**

Fees payable to the Investment Adviser by the Company under the IAA are shown in the Statement of Comprehensive Income and detailed in note 6.

During the Period, investment advisory fees amounted to £1,284,824 with the £257,910 outstanding and payable as at 30 September 2022. A further amount payable to the Investment Adviser includes expenses paid on behalf of the Company and amounted to £12,685 at the Period end.

Details of the direct and indirect interests of the Directors of the Investment Adviser and their close families in the ordinary shares of one pence each in the Company at 30 September 2022 were as follows:

- Benedict Luke Green, a director of the Investment Adviser: 113,076 shares (0.08% of issued share capital).
- Steve Peter Windsor, a director of the Investment Adviser: 1,101,419 shares (0.73% of issued share capital).
- Gurpreet Gujral, Fund manager of the Investment Adviser: 43,324 shares (0.03% of issued share capital).
- Natalie Markham, a director of Holdco and SPVs: 18,250 shares (0.01% of issued share capital)
- Lara Townsend, a director of Holdco and SPVs: 8,664 shares (0.01% of issued share capital)

c) **Acquisitions from related parties**

During the period, the Company acquired an 100% investment in Atrato Rooftop Solar 1 Limited directly from Atrato Group Limited for £1. At the time of acquisition, Atrato Rooftop Solar 1 Limited had entered into one investment, Vale of Mowbray, a development site. Development of the site commenced prior to the acquisition and commissioning occurred soon after completion of the acquisition. Post year-end the client, entered administration resulting in lower consumption from October by the client and higher export to the national grid.

d) **Amounts receivable from related parties**

During the period the Company entered into a loan agreement with Holdco for £125million at 7% interest, of which £48.9m was drawn during the year and is outstanding as at year end. Interest outstanding and included in amounts receivable from related parties at year end was £483,232 and was received during November 2022. The Company additionally provided funding to Holdco for working capital and VAT. The balance outstanding at year end was £2,565,305, which was repaid in November 2022.

21. Unconsolidated Subsidiaries, Associates and Other Entity

The following table shows subsidiaries of the Company. As the Company is regarded as an Investment Entity as referred to in note 2, these subsidiaries have not been consolidated in the preparation of the financial statements. The Company is the ultimate parent undertaking of these entities.

Name	Ownership Interest	Investment Category	Country of incorporation	Registered address
Atrato Onsite Energy Holdco Ltd	100%	Holdco subsidiary entity	UK	6th Floor, Bastion House, 140 London Wall, London, EC2Y 5DN
Atrato Rooftop Solar 1 Ltd	100%	Operating subsidiary entity, owned by Holdco	UK	6th Floor, Bastion House, 140 London Wall, London, EC2Y 5DN
EMDC Solar Ltd	100%	Operating subsidiary entity, owned by Holdco	UK	6th Floor, Bastion House, 140 London Wall, London, EC2Y 5DN
Hylton Plantation Solar Farm Ltd	100%	Operating subsidiary entity, owned by Holdco	UK	6th Floor, Bastion House, 140 London Wall, London, EC2Y 5DN
Sonne Solar Ltd	100%	Operating subsidiary entity, owned by Holdco	UK	6th Floor, Bastion House, 140 London Wall, London, EC2Y 5DN

Guarantees provided by the Company in relation to liabilities that may arise in Hylton Plantation Solar Farm Ltd or Sonne Solar Ltd have been provided in the table below. The expected economic or cash outflow from the Company is expected to be nil.

Provider	Investment	Beneficiary	Nature	Purpose	Amount £'000
The Company	Hylton	Nissan	Guarantee	PPA	10,000
The Company	Sonne Solar	Tesco	Guarantee	Framework PPAs	10,000
The Company	Sonne Solar	Tesco	Guarantee	PPA	6,000 to 10,000
The Company	Sonne - LCY2	Amazon	Guarantee	PPA	30,000
The Company	Sonne - LTN4	Amazon	Guarantee	PPA	30,000
The Company	Sonne - EDI1	Amazon	Guarantee	PPA	30,000
The Company	Sonne -MAN2	Amazon	Guarantee	PPA	30,000
The Company	Sonne -BHX2	Amazon	Guarantee	PPA	30,000
The Company	Sonne -BHX3	Amazon	Guarantee	PPA	30,000
The Company	Sonne -BHX4	Amazon	Guarantee	PPA	30,000

22. Commitments and Contingencies

As at 30 September 2022 the Company had the following future investment obligations:

£0.8 million to Atrato Rooftop Solar 1 Limited, in relation to Recipharm and Gardner projects.

£0.6 million Hylton Plantation Solar Farm Limited, in relation to the Nissan project in Sunderland. These amounts are capital commitments within the portfolio to be funded by fund flows from the Company.

23. Post Balance Sheet Events

On the penultimate day of the financial year, a customer, Vale of Mowbray, of Atrato Rooftop Solar 1 Ltd entered voluntary administration. The administrators continued to consume energy generated during October 2022, which has been fully settled. The generation not consumed has been sold to the network under the existing spill PPA. Since November, generation has been sold to the grid and will continue to be until a new owner of the site is secured by the administrators.

Since year end the market has stabilised particularly following the Autumn Statement on 17 November 2022, which has resulted in reductions in the risk-free rate from the levels seen enduring September and October. This stability has provided more certainty to investors and companies to make decisions. Analysis of the impact on the fair value of the investments can be seen is note 4.

No other significant events have occurred between 30 September 2022 and the date when the financial statements were authorised by Board of Directors, which would require adjustments to, or disclosure in, the Company's accounts.

Alternative Performance Measures

In reporting financial information, the Company presents alternative performance measures ("APMs") which are not defined or specified under the requirements of IFRS. The Company believes that these APMs, which are not considered to be a substitute for or superior to IFRS measures, provide stakeholders with additional helpful information on the performance of the Company. The APMs presented in this report are shown below:

Premium/Discount

The amount, expressed as a percentage, by which the share price at 30 September 2022, is greater or less the NAV per share.

	As at 30 September 2022

NAV per share (pence)	**a**	92.8
Share price (pence)	**b**	99.5
Premium	**(b÷a)-1**	**7.2%**

Total return

Total return is a measure of performance that includes both income and capital returns. It considers capital gains and the assumed reinvestment of dividends paid out by the Company into its shares on the ex-dividend date. The total return is shown below, calculated on both a share price and NAV basis.

For the period from IPO to 30 September 2022		Share price (pence)	NAV (pence)
Opening at IPO	**a**	100.0	98.1
Closing at 30 September 2022	**b**	99.5	92.8
Dividends paid during the period	**c**	3.0	3.0
Adjusted closing (d=b + c)	**d**	102.5	95.8
Total return	**(d÷a)-1**	2.5%	(2.3) %

Ongoing charges ratio

A measure, expressed as a percentage of average NAV, of the regular, recurring annual costs of running an investment company.

		For the period from IPO to 30 September 2022
Average NAV (£'000)	a	143,037
Ongoing fees* (£'000)	b	1,969
Ongoing charges ratio	**(b÷a)**	**1.4%**

*Ongoing fees from IPO on 23 November 2021 to 30 September 2022. Consisting of investment management fees and other recurring expenses.

Glossary

Act	The Companies Act 2006
AGM or Annual General Meeting	A meeting held once a year which shareholders can attend and where they can vote on resolutions to be put forward at the meeting and ask directors questions about the Company in which they are invested.
AIC	The Association of Investment Companies
AIFM	Alternative Investment Fund Manager
AIFMD	Alternative Investment Fund Managers Directive
BTM	Behind the Meter energy generation fed directly to the off-taker and not via the national grid
COD	Commercial Operation Date
Construction phase, in construction or implementation phase	In relation to projects, means those projects which are in, or about to commence the installation.
Company	Atrato Onsite Energy Plc
DCF	Discounted cash flow
DTR	Disclosure Guidance and Transparency Rules
EPC	Engineering, procurement and construction obligations in respect of the asset
EPS	Earnings per share, calculated as the profit for the period after tax attributable to members of the parent company divided by the weighted average number of shares in issue in the period
ESG	Environmental, Social and Governance
ESG Risk Assessment	Investment Advisers proprietary ESG due diligence risk assessment framework
FCA	Financial Conduct Authority
FMV	Fair market value
FRC	Financial Reporting Council
GHG	Greenhouse Gas
GW	Unit of power abbreviation for Gigawatt
GWh	Unit of energy usage abbreviation for Gigawatt-hour
HMRC	His Majesty's Revenue and Customs
Holdco	Atrato Onsite Energy Holdco Limited

IAA	Investment Advisory Agreement
Investment Adviser	The appointed Investment Adviser as per the Investment Advisory Agreement
Portfolio	The portfolio of assets in which the Company through Holdco and the underlying SPVs have invested in solar generation assets.
IPO	An initial public offering (IPO) refers to the process of offering shares of a corporation to the public in a new stock issuance
IFRS	International accounting standards in conformity with the requirements of the Companies Act 2006
ITC	Investment Trust Company is a company that obtained HMRC clearance as an Investment Trust.
MW	Unit of power abbreviation for Megawatt
MWh	Unit of energy usage abbreviation for Megawatt-hour
NAV	Net Asset Value
O&M	Operations and Maintenance
OCR	Ongoing charges ratio
P10	Annual power production level that is predicted to be exceeded 10% of the time
P50	Annual power production level that is predicted to be exceeded 50% of the time
P75	Annual power production level that is predicted to be exceeded 75% of the time
P90	Annual power production level that is predicted to be exceeded 90% of the time
PPA	Power purchase agreement
Shares	Ordinary shares of the Company
Solar assets	Solar energy assets
Solar PV	Solar photovoltaic
SPV	Special Purpose Vehicle
TCFD	Task Force on Climate-Related Financial Disclosures
UK Code	UK Corporation Governance Code
Total Shareholder Return	The movement in share price over a period plus dividends declared for the same period expressed as a percentage of the share price at the start of the Period

Contacts and Company Details

Directors	**Juliet Davenport** (Non-Executive Chair) **Marlene Wood** (Chair of Audit Committee) **Faye Goss** (Chair of Management Engagement Committee)
Company Secretary	**Apex Securities LLP** 6th Floor, 140 London Wall, London, EC2Y 5DN
Registrar	**Link Market Services Limited** 10th Floor, Central Square, 29 Wellington Street, Leeds, LS1 4DL
AIFM	**JTC Global AIFM Solutions Limited** Ground floor, Dorey Court, Admiral Park, St Peter Port, Guernsey, Channel Islands, GY1 2HT
Investment Adviser	**Atrato Partners Limited** 36 Queen Street, London, EC4R 1BN
Corporate Broker	**Alvarium Securities Limited** 10 Old Burlington Street, London W1S 3AG
Auditors	**BDO LLP** 55 Baker Street, London, W1U 7EU
Financial PR Advisers	**KL Communications** 40 Queen Street, London, EC4R 1DD
Website	www.atratoroof.com
Registered Office	**Bastion House** 6th Floor, 140 London Wall, London, EC2Y 5DN
Stock exchange ticker ISIN	**ROOF** GB00BN497V39

This report will be available on the Company's website.

END

[1] The Net Asset Value per ordinary share, ordinary share price premium to NAV and ongoing charges ratio as alternative performance measure ("APMs"). The APMs within the accounts are defined on page 83

[2] Projection based on first full year of operations

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