Gore Street
Energy Storage Fund plc

Half Year Report of Gore Street Energy Storage Fund Plc

For the six months ended 30 September 2021

About Us

Launched in 2018, Gore Street Energy Storage Fund plc ("Gore Street", "GSF" or "the Company") is London's first listed energy storage fund. Gore Street is integral to the energy transition, supporting national and regional grid networks with its current 516.5[1] megawatt (MW) portfolio of utility-scale energy storage assets across the UK and Ireland, with a pipeline of projects in Western Europe and North America. Post period, the Company received approval to expand its portfolio capacity to 606.5 MW.[2]

Gore Street is one of the main owners and operators of battery storage facilities in Great Britain and currently the largest operator on the Northern Irish grid network. It is listed on the Premium Segment of the London Stock Exchange and has been awarded the Green Economy mark. The Company is also included in the FTSE All Share Index.

Gore Street is managed by Gore Street Capital Limited, authorised and regulated by the UK's Financial Conduct Authority ("FCA") as a full scope Alternative Investment Fund Manager (the "Investment Manager").

The Investment Manager has in total over 75 years of private equity and asset management experience, with particular focus on energy and infrastructure. Since its inception in 2016, the Investment Manager has successfully overseen the acquisition and management of energy storage assets across the UK and Ireland.

Corporate Purpose

Gore Street aims to deliver long-term capital growth to its investors from utility-scale energy storage assets located in the UK, Ireland, and other attractive markets within the OECD. The Company has made discretionary dividend payments to shareholders at a target annual rate of 7 per cent of NAV (and a target minimum rate of 7p per Ordinary Share), which is supported by 10-12 per cent unlevered project target IRR[3].

1 The 516.5 MW includes EirGrid's approval of a further 60 MW capacity expansion for Porterstown (January 2021).

2 EirGrid approved a capacity expansion of Kilmannock's grid connection by 90 MW in November 2021, bringing the portfolio capacity to 606.5 MW.

3 Target IRR before fees and expenses. Past performance is not indicative of future returns.

Investment Highlights

Deployment of Capital

In the 6 months since 31st March 2021, the Company has successfully completed the acquisition of 137 MW of energy storage assets within Great Britain (GB).

The first acquisition was a 100 per cent interest in Stony, a combined 79.9 MW site at pre-construction stage in Milton Keynes. The transaction was completed in May 2021.

The second acquisition was a 100 per cent interest in Enderby, a 57.0 MW site at pre-construction stage in Leicester, which was completed in September 2021.

These acquisitions, together with the Company's grid capacity expansion offer for its asset in the Republic of Ireland (ROI), increased the Company's portfolio capacity from 380 MW, as of March 2021, to 516.5 MW at period end.

Fundraise

During the reporting period, the Company raised £135.0 million in April 2021, following a £60.0 million raise in December 2020. A further £73.6 million was raised post the reporting period in an oversubscribed capital raise in October 2021[4]. As a result, post-period end, the Company completed its November 2020 Placing Programme of 250 million shares to full capacity, underpinned by strong investor appetite.

As of 30 September 2021[5]

MARKET CAPITALISATION

£299.7
million

DIVIDEND FOR THE PERIOD

4p

TOTAL RETURNS SINCE IPO

26.5%

NAV

£285.3
million

NAV PER SHARE

103.3

NAV TOTAL RETURNS

24.2%
since June 2018/IPO

4 The capital raise closed post period end with Admission effective on 4 October 2021.

5 Note on Market Capitalisation: Closing Share Price of 108.5 pence as of September 30, 2021. The total number of shares of 276.2 million does not include shares issued post-reporting period of September 30, 2021.
Note on Interim Dividend: A total of 4.0 pence in dividends was paid in the period between March and September 2021.
Note on Total Returns since IPO: On a share price basis. This is an alternative performance measure.
Note on NAV per Share: Calculated as Total NAV divided by the total number of shares
Note on NAV Total Returns since IPO: Calculated as the difference between the closing NAV as at 30 September 2021 and opening NAV IPO, plus dividends paid since IPO divided by opening NAV at IPO ((103.3-97.7+18)/97.7)*100. This is an alternative performance measure.

Key Metrics

As of 30 September 2021

TABLE 1: KEY METRICS

	As at 31 March 2021	As at 30 September 2021
Net Asset Value (NAV)	£145.1m	**£285.3m**
NAV per share[6]	100. 9p	**103.3p**
NAV Total Return[7]	14.1%	**13.4%**
Number of issued Ordinary shares	143.9m	**276.2m**
Share price based on closing price of indicated date	108.0p	**108.5p**
Premium to NAV[8]	7.0%	**5.0%**
Market capitalisation based on closing price at indicated date	£155.4m	**£299.7m**
Portfolio's total capacity	380.0 MW	**516.5 MW**[9]
Dividends announced[10]	7.0p	**4.0p**

The Company's market capitalisation has increased 93 per cent since the end of last fiscal year (31st March 2021) with capital raised in April 2021. (The Company's market capitalisation has increased by 145 per cent, as of the date of publication).

The Company has paid 7.0 pence per dividend per share for the fiscal year, with a 4.0 pence dividend per share announced and paid for this reporting period.

An overview of the increase in Total NAV during the reporting period is illustrated in the bridge figure below. The key drivers of the increase in NAV from £145.1 million (March 2021) to £285.3 million in September 2021 were: (i) the £135m fundraise in April; (ii) commercial operation of 2 x 50MW assets in Northern Ireland (NI) (operational since March 30, 2021); and (iii) reduction in discount rates used for some of the portfolio's assets currently under construction.

On a NAV per share basis, the Company experienced an increase of 2.4 pence for the period. From IPO to the reporting period, the Company has delivered a Net Asset Total return of 24.2 per cent inclusive of dividends paid thus far.

6 Note on NAV per Share: Calculated as Total NAV divided by the total number of shares outstanding within the respective period.

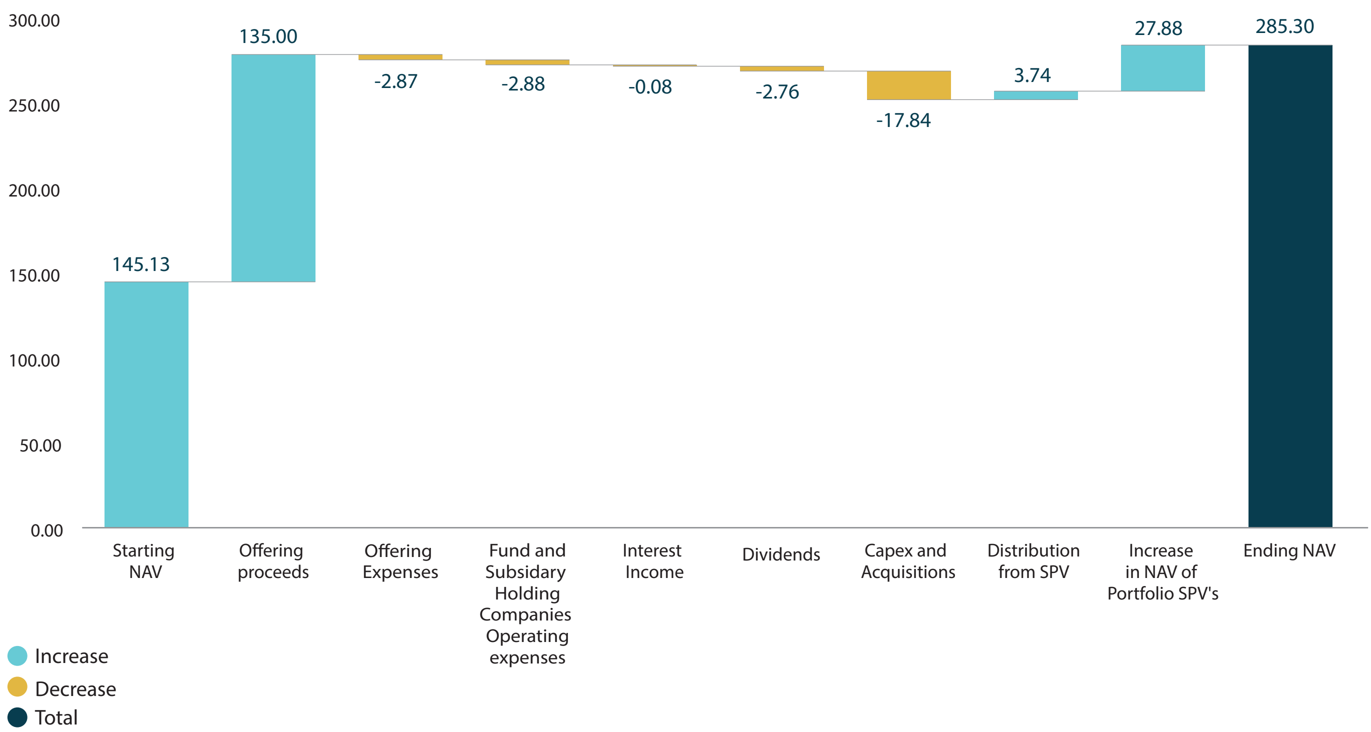
7 Note on NAV Total Return: Calculated as the difference between the closing NAV at 30 September 2021 and opening NAV at 30 September 2020, plus dividends paid for the period divided by opening NAV at 30 September 2020 ((103.3 – 97.3+7)/97.3)*100).

8 Note on Premium to NAV: Calculated as the difference between the closing share price on 30 September 2021 to NAV on 30 September of 2021 (108.5-103.3/103.3)*100).

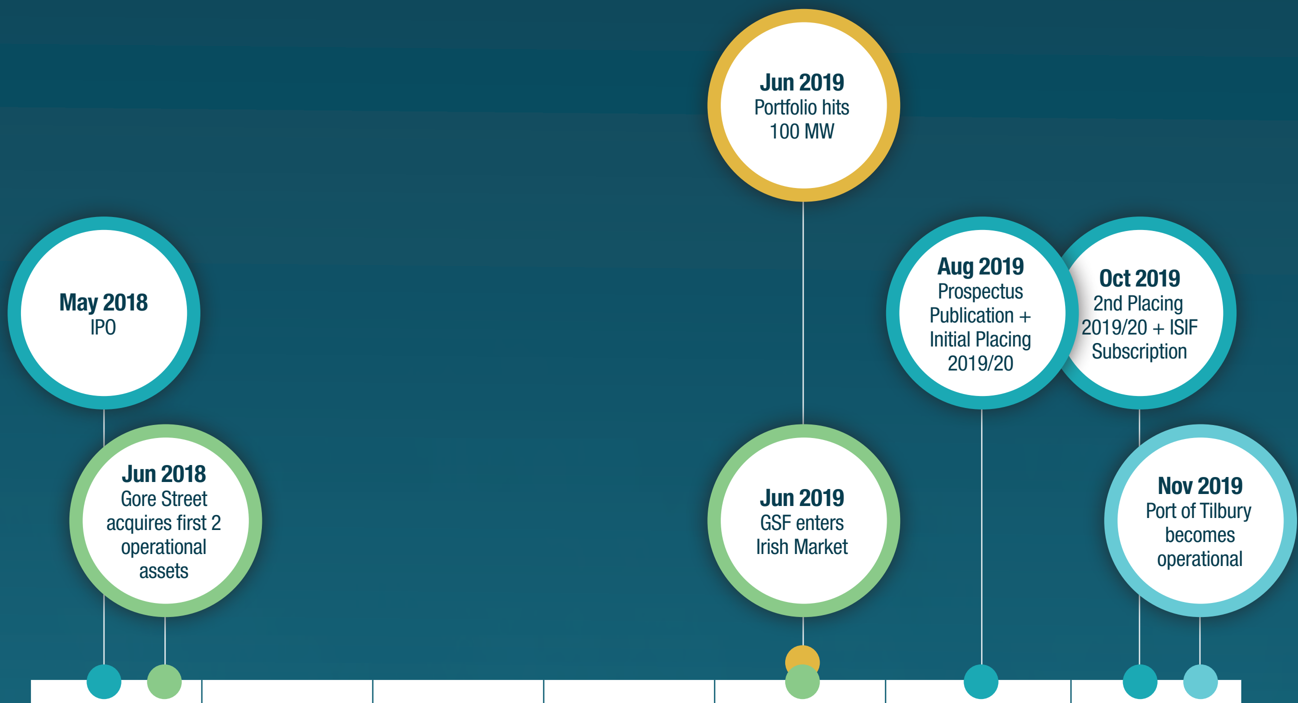
9 The 516.5 MW includes an additional 60 MW of grid capacity approved for Porterstown (January 2021). A further 90 MW of capacity was approved for the Kilmannock site in November 2021, bringing the portfolio grid capacity to 606.5 MW.

10 A total of 4.0 pence in dividends was paid in the period.

FIGURE 1: NAV BRIDGE SEPTEMBER 2021 (£ MILLIONS)



Timeline and Key Milestones[11]



Pence/share	Q2 2018	Q3 2018	Q4 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019
Dividends Declared		2.0	1.0	1.0	2.0	2.0	2.0
Cumulative Dividend		2.0	3.0	4.0	6.0	8.0	10.0
NAV	98.0	97.0	92.9	91.9	93.6	95.5	96.1

- Fundraise
- Acquisition Milestones
- Portfolio Milestones
- Assets become operational

11 From IPO to end of reporting Period

Feb 2020 Lower Road becomes operational

Feb 2020 3rd Placing 2019/20

Jun 2020 GSF enters Scottish Market

Jun 2020 4th Placing 2019/20 + Nippon Oil Subscription

Jun 2020 Portfolio hits 200 MW

Oct 2020 GSF acquires 81 MW operational portfolio

Oct 2020 Anesco Subscription

Oct 2020 Portfolio hits 300 MW

Dec 2020 Prospectus Publication + Initial Placing 2020/21

Mar 2021 GSF becomes largest storage operator in Ireland

Mar 2021 Operational Portfolio hits 210 MW

Apr 2021 2nd Placing 2020/21

Sep 2021 First transmission connected asset

Sep 2021 3rd Placing 2020/21

Sep 2021 Portfolio hits 400 MW

Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021
1.0	2.0	2.0	2.0	1.0	2.0	2.0
11.0	13.0	15.0	17.0	18.0	20.0	22.0
94.6	96.2	97.3	99.6	100.8	101.0	103.3

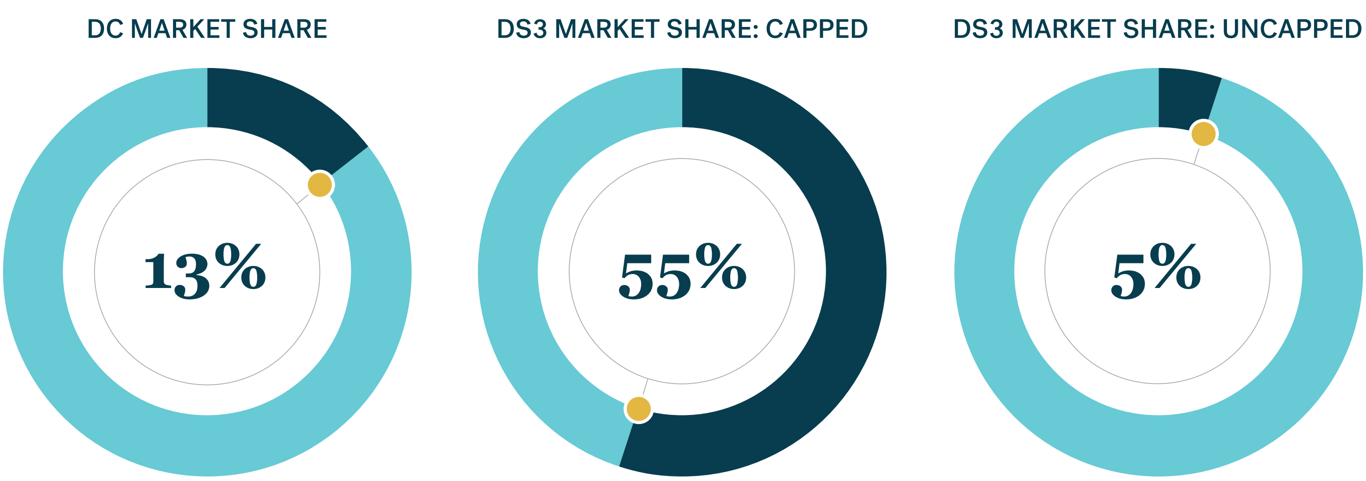
Market Share

The Company is a leader in the energy storage market, with a significant portfolio of 296.5 MW across GB and 220 MW in Ireland. As of the date of publication, the Company has received authorisation to increase its grid capacity in Ireland by up to an additional 150 MW.

About 95 per cent of the Company's GB-based portfolio is actively delivering Dynamic Containment services (DC)[12] with the remainder of the portfolio delivering revenues from Firm Frequency Response (FFR) services[13]. For this reporting period, the Company's services accounted for 13 per cent[14] of the DC market in GB.

The Company's Northern Irish assets represent an ongoing 100.0 MW commitment to delivering fast-acting Delivering a Secure Sustainable Electricity System (DS3)[15] services to the Irish network – managed by SONI[16] and EirGrid[17]. The Company's operational projects represent a 5 per cent market share of these DS3 services for uncapped[18] agreements. The Company also holds contracts for 60.0 MW of capped DS3 agreements for its two assets in the ROI, representing a 55 per cent market share of the Irish storage projects under development. Combined, the Company's four Irish projects are expected to represent an 8 per cent market share of capped and uncapped DS3 services.

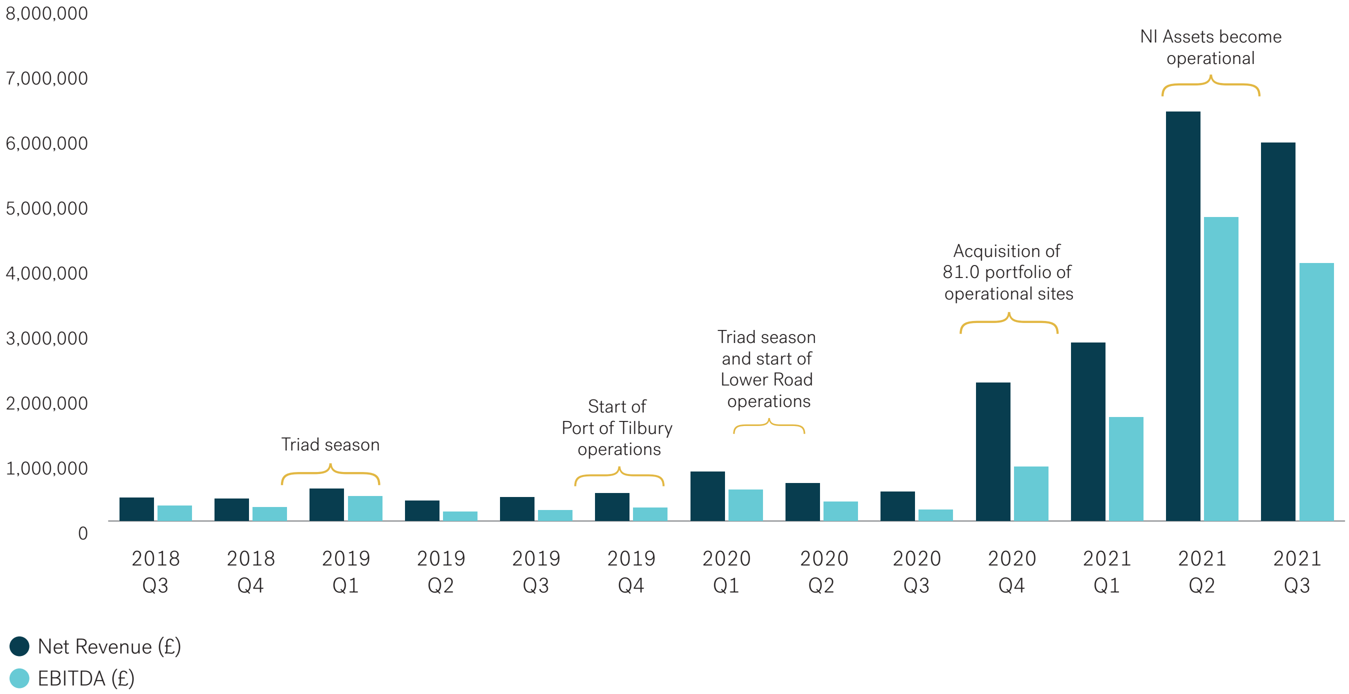
FIGURE 3: COMPANY'S DC AND DS3 MARKET SHARE[19]



12 One of National Grid's frequency response services designed to operate post-fault i.e., for deployment after a significant frequency deviation to meet the immediate need for faster-acting frequency response.
13 An ancillary service for providing a proportional power response based on measured network frequency. In GB this is procured by National Grid and known as Firm Frequency Response. In NI/ROI this is procured by EirGrid/SONI as part of the DS3 services and known as Fast Frequency Response.
14 Note this market share is based on GSF awarded MW out of the total awarded MW for DC in Great Britain for the reporting period.
15 Delivering a Secure Sustainable Electricity System (DS3) is a programme designed by EirGrid/SONI to procure high availability reserve services to the Irish system.
16 System Operator for Northern Ireland.
17 EirGrid plc, the state-owned electric power transmission operator in Ireland.
18 The DS3 system services are procured by EirGrid and SONI under two separate procurement routes: (i) volume uncapped procurement, also known as the regulated arrangements; and (ii) volume capped procurement, also known as fixed contract procurement.
19 The figures show values for the reporting period. Dynamic Containment (DC) is one of National Grid's frequency response services designed to operate post-fault i.e., for deployment after a significant frequency deviation to meet the immediate need for faster-acting frequency response. Delivering a Secure Sustainable Electricity System (DS3) is a programme designed by EirGrid/SONI to procure high availability reserve services to the Irish system. The DS3 system services are procured by EirGrid and SONI under two separate procurement routes: (i) volume uncapped procurement, also known as the regulated arrangements; and (ii) volume capped procurement, also known as fixed contract procurement.

The Company's growth and its delivery against projected revenue streams is reflected in its half year Net Revenue and EBITDA performance, illustrated in the chart below, which shows a Net EBITDA Growth of circa 17x and Net Revenue Growth of 16x since Q3 2018[20].

FIGURE 4: TOTAL NET REVENUE EBITDA (£) SINCE IPO



20 Past performance is not a guarantee of future results.

Portfolio Overview

The Company currently has 15 portfolio companies holding 25 assets across the UK and NI.

1. Drumkee
2. Mullavilly
3. Porterstown
4. Kilmannock
5. Port of Tilbury
6. Lower Road
7. Boulby
8. Cenin
9. Hulley
10. Lascar
11. Breach
12. Larport
13. Ancala[21]
14. Ferrymuir
15. Stony
16. Enderby

21 The pin location represents Brook Hall, one of eleven 1 MW assets held within Ancala.

Operational Assets

Assets under construction / pre-construction

Recently acquired assets / pre-construction

Chair's Statement

I am pleased to present the Company's Interim report for the twenty-six weeks ending 30 September 2021.

It affords me an opportunity to thank my fellow directors and the management and staff of our Investment Manager and our suppliers for their successful navigation of the challenges presented by the Covid 19 pandemic, which to date have had no material or dilatory impact on our commercial activities, operational integrity or ability to grow.

The energy storage market has evolved significantly since IPO, and now constitutes 1.3 GW of operational capacity in the GB electricity market, which provides for 4 per cent of the GB average generation capacity share. At IPO, the Company's first acquisition of NK Boulby, a 30-minute duration 6 MW battery, represented one of the largest battery storage assets of its kind in the UK acquisition. The Fund's average project acquisition size in the reporting period was approximately 65 MW with an average one hour in duration.

The Company's market capitalisation increased by 93 per cent in the period, with a capital raise of £135 million in April 2021, reflecting market recognition of the importance of energy storage as a vital tool for grid balancing as renewables are increasingly integrated into our infrastructure.

The Company performed strongly over the period, contributing 13 per cent[22] of the Dynamic Containment services in GB (the National Grid's prime frequency service) and its operational projects represent an 8 per cent market share of capped and uncapped DS3 services in the Irish grids.

NAV, as at 30 September 2021, was 103.3 per share increasing by 2.4 pence since year end, improved over the past six months by generating revenues at our two Northern Irish sites, delivering 100 MW of balancing capacity since they began commercial operation in March 2021.

The Company increased its portfolio by 136.9 MW to 0.52 GW, representing a twenty-six percent period growth. Our forward-looking Investment Management team has developed a pipeline focused on further diversification of the portfolio outside of the UK and Irish markets, and into regional markets in North America and certain Western European states where we anticipate substantial growth over the coming years. The Investment Manager's deal pipeline stands at 1.2 GW with 581 MW actively under negotiation as of the date of publication.

Financial Performance

The share price as at 30 September 2021 was 108.5 pence, representing a 5 per cent premium to NAV.

The Company declared dividends of 4.0 pence per share during the reporting period of which 2.0 pence per share declared and approved at the post-period board meeting will be paid in January 2022.

Fundraising

The Company was oversubscribed in its April 2021 fundraise, raising £135m during the reporting period and completed its November 2020 Placing Programme to full capacity after the period end, in October 2021. The post-period fund raise was again, oversubscribed, as only £73.6 million remained available for subscription on the 2020 Prospectus.

We are encouraged by the increasing investor focus and support of the efforts of the Fund and other companies that support the effort towards net-zero in the markets in which we operate.

22 Note this market share is based on GSF awarded MW out of the total awarded MW for DC in Great Britain for the reporting period.

The amounts raised during the reporting period are allocated for the payment of construction activities at Ferrymuir, Enderbly and Stony and the 150MW expansion of the Irish assets (all with 1-hour duration).

Operational Performance

I am pleased to note that there were zero major or minor health and safety incidents on our sites in the period.

The Company's availability for trading and delivery of ancillary services throughout the reporting period was strong, with an average availability across regions of 94 per cent.

A high proportion of portfolio revenues were generated through the delivery of high-value services, in the form of dynamic containment in GB and uncapped DS3 services in the Irish grids.

The Investment Manager anticipates frequency services to remain attractive over the next reporting period until the market is able to meet grid demand for such services.

Environmental Sustainability

The Company's assets provide a critical service to national and regional grids, balancing electricity supply and demand, in the face of the inherently intermittent electric generation from renewable sources. Consequently, the Company's investments facilitate the integration of renewable energy into power grids, ultimately contributing to the decarbonisation goals.

The Company is committed to assessing and monitoring data on the impact and effectiveness of its systems in supporting the net zero ambitions of the grid systems that we support and is on track to begin external reporting of its performance in accordance with SFDR frameworks in the 2022 fiscal year.

Although not a mandatory requirement for the Company, it intends to become SFDR Article 8 Compliant in 2022. As part of this commitment, it will measure, in addition to all 14 main metrics under Article 8 SFDR Regulation, six additional environmental and social impact indicators which are relevant to the Company's business processes. These include the monitoring of any emissions of ozone depletion substances, water usage and non-recycled waste ratios, and working with equipment manufacturers to identify and monitor the labour conditions across their supply chain.

COVID 19 and Other Risks

The Investment Management team continues to predominantly work remotely, as we strive to minimise the impact of COVID on the Company's day to day operations. There is increased complexity in supply chain management across the globe and in light of this, the Investment Manager is working closely with its engineering and procurement partners to seek to ensure timely and efficient delivery in line with construction schedules. The Investment Manager does not expect any delays in the timelines of its pre-construction and construction projects as of the date of publication.

The Company's other principal risks were set out in detail in the 31 March 2021 Annual Report, have been reassessed and continue to remain unchanged for the reporting period.[23]

Outlook

As of the date of publication, Kilmannock, one of the projects under development in Ireland, secured authorisation to increase its grid capacity by an additional 90MW, which will raise portfolio capacity to 0.62 GW. We anticipate that the Investment Manager will complete its assessment of how much of the available capacity to build out in Ireland in the coming months. As of the reporting period end, the Company contributed 110MW per annum to the British grid, 100MW in NI and has an additional 246.8MW under development in the United Kingdom and Ireland. It currently contributes 210MW ancillary services per annum to GB and Ireland and by the end of 2023, will contribute as much as 597 MW per annum in GB and Ireland.

The Company's pipeline will be predominantly focused overseas over the next reporting period, where pipeline projects range between 50MW and 250MW (and average 110 MW) with longer battery duration of between 2 and 4 hours, as appropriate for merchant market trading in the United States. The increase in the volume of energy available per MW per site will not only result in lower CapEx per unit of energy but will also allow the Company to capture trading opportunities available in these markets.

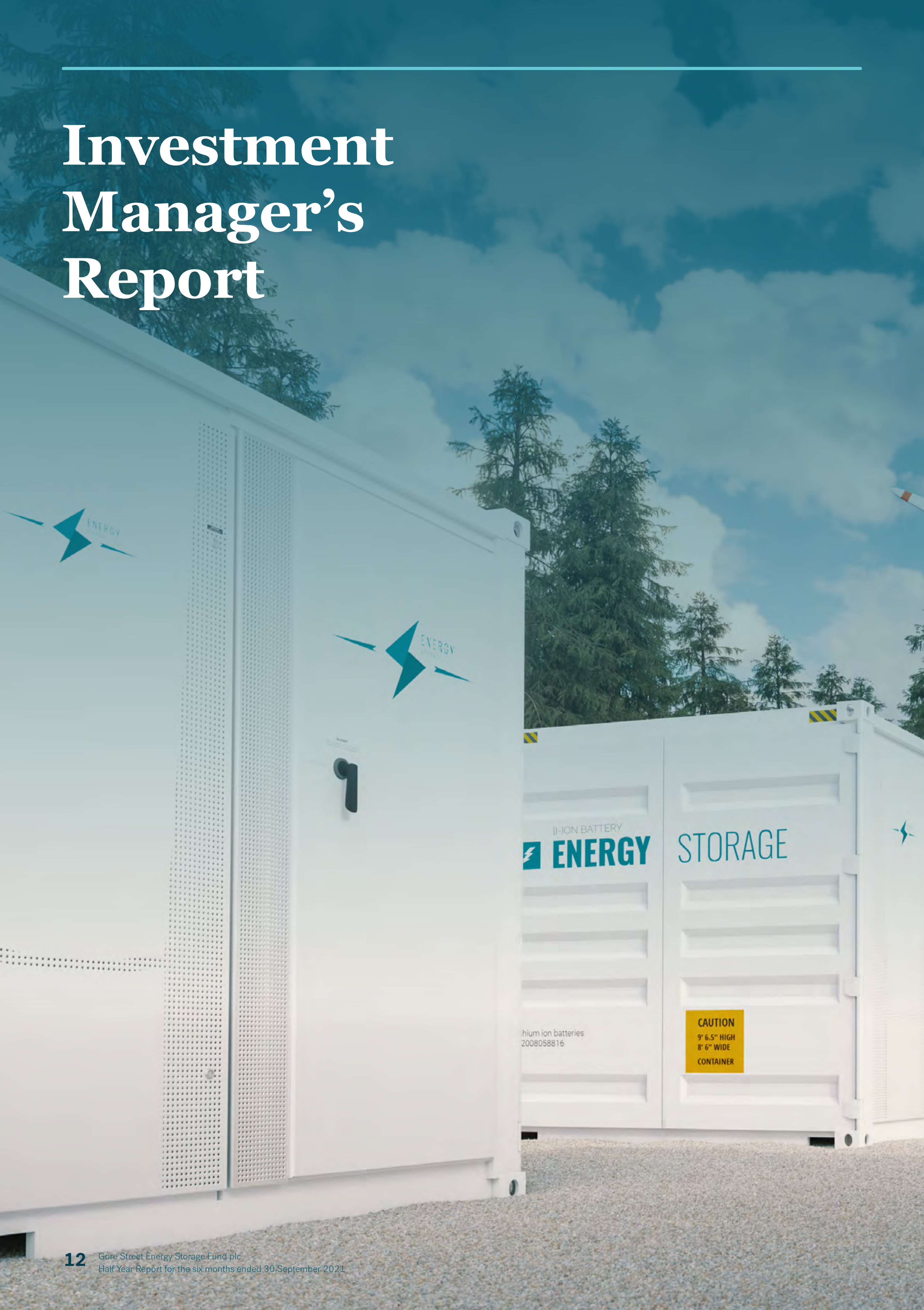
We are encouraged by the aggressive growth of renewables in several regional operating systems in the United States and the resulting market opportunities for energy storage. Notably, the Company could reach 1GW capacity by year end with the acquisition of as few as four new projects in the coming months.

Patrick Cox
Chair

Date: 17 December 2021

23 Principal risks constitute Operational Risks, Market Risks, Technology Manufacturer Risk, Valuation Risks, COVID-19 Disruption Risks, Brexit Risks, Construction Risks, Currency Risks, and Cyber-Security Risks.

Investment Manager's Report



Investment Manager's Report

Summary of Recent Portfolio Developments

The Company currently has an interest in 25 assets held within 15 portfolio companies. During the reporting period, the Company increased its total portfolio to 516.5 MW comprised of 210 MW of operational assets and 246.8 MW of pre-construction and construction phase projects, and EirGrid authorisation to increase grid capacity at its Porterstown site by a further 60 MW. This represents a 60 per cent increase in portfolio development capacity since March 2021. Post Period, the Company was one of a few to receive consent to increase grid capacity at its sites, obtaining consent to increase the Kilmannock site capacity from 30.0 MW to 120.0 MW. In the coming months, the Investment Manager will complete its assessment of how much of the available extended capacity to build out in Ireland.

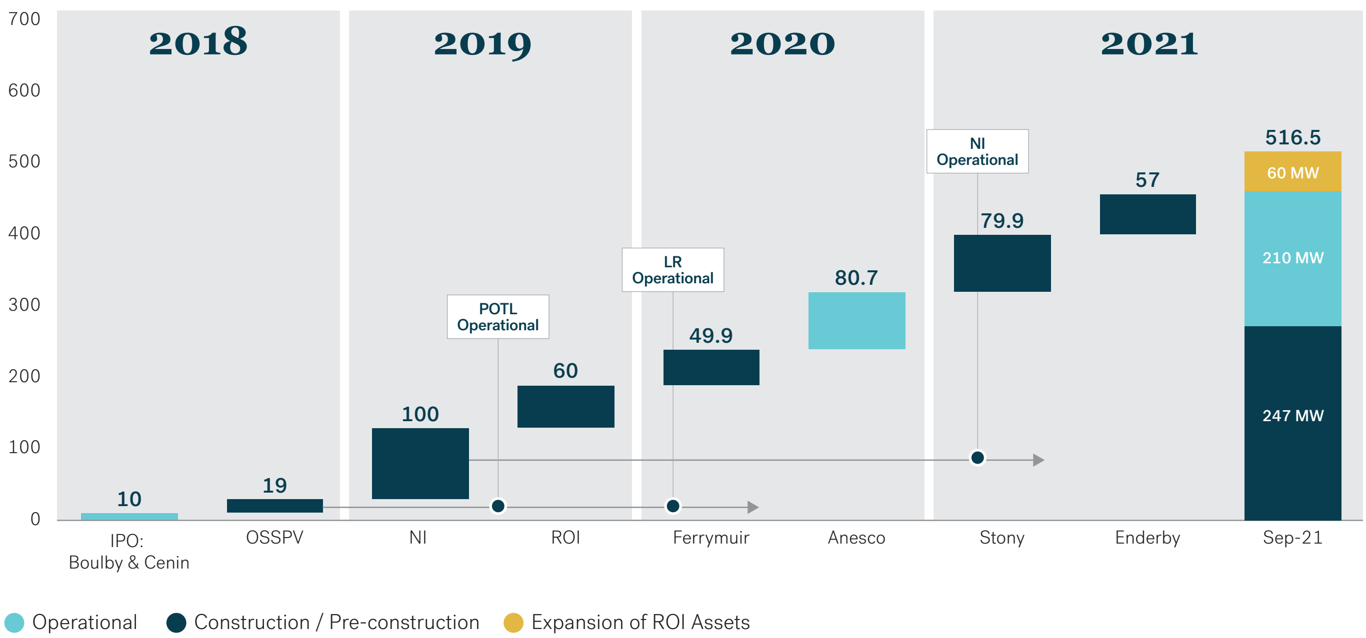
The Stony (79.9 MW) and Enderby (57.0 MW) assets acquired in April and September, respectively, are expected to become commercially operational in 2023.

By period-end, around 95 per cent of the Company's operational portfolio in GB was delivering Dynamic Containment services, which provided the highest frequency services pricing available to storage sites during the reporting period.[24]

The Company's portfolio of energy storage assets is made up of operational projects, projects undergoing design and contracting ("pre-construction" assets) and projects under construction. The operational assets make up over one-third of the overall portfolio of 516.5 MW[25].

The Company has increased the size of its energy storage portfolio since IPO by circa 18x.[26]

FIGURE 5: PORTFOLIO BY STAGE – IN MW (516.5 MW AT PERIOD END)



24 Past performance is not a guarantee of future results.
25 The 516.5 MW includes EirGrid's approval of a further 60 MW capacity expansion for Porterstown (January 2021). Post-period end, EirGrid approved a capacity expansion of Kilmannock's grid connection by 90 MW in November 2021, bringing the portfolio capacity to 606.5 MW.
26 Calculated based on the figures of 29 MW at the end of 2018 and 516.5 MW at the end of the reporting period.

Investment Manager's Report Continued

Asset Performance

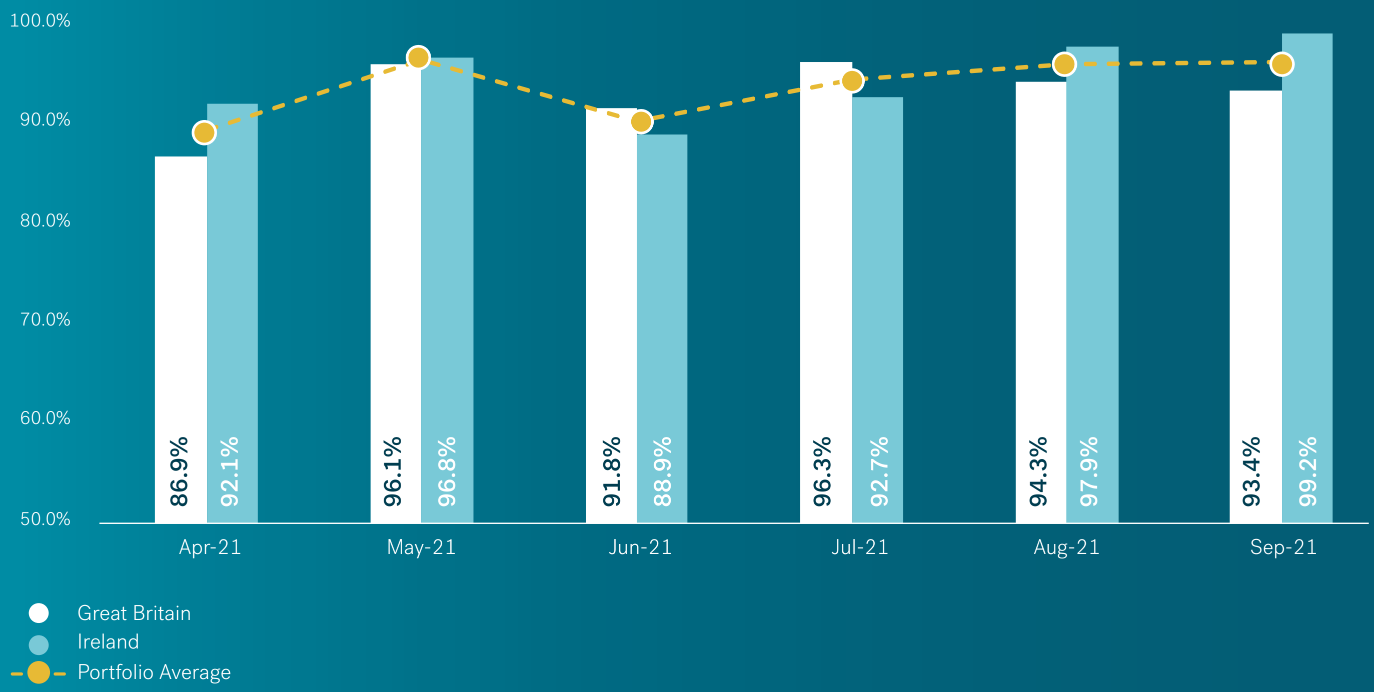
The Company's availability throughout the reporting period was strong, with an average availability across regions of 94 per cent.

Asset availability in June reduced to 89 percent in NI as the newly commercial projects were taken offline to improve inverter stability. In GB, the Lower Road and Port of Tilbury sites were taken offline for cable replacements during the month of June. All sites have returned to full operational capacity.

Health & Safety

We are proud to report zero major or minor Health and Safety incidents at the Company's sites in the reporting period to September 2021.

FIGURE 6: ASSETS AVAILABILITY BY REGION FOR THE REPORTING PERIOD.



Investment Manager's Report
Continued

Revenue Stacking During the Reporting Period

The Investment Manager is constantly assessing options for revenue optimisation, and profitability maximisation remains a key aspect of Gore Street's revenue stacking strategy.

All portfolio assets provide frequency services (FFR and DC, DS3) that reward the Company for fast response services to the grid.

The Company continues to benefit from higher-than-anticipated frequency revenues in GB, due to delivery of DC, a service introduced in October 2020. This service has achieved prices capped at £17/MWh, compared to averages of £10.6/MWh experienced for FFR, for the reporting period.[27]

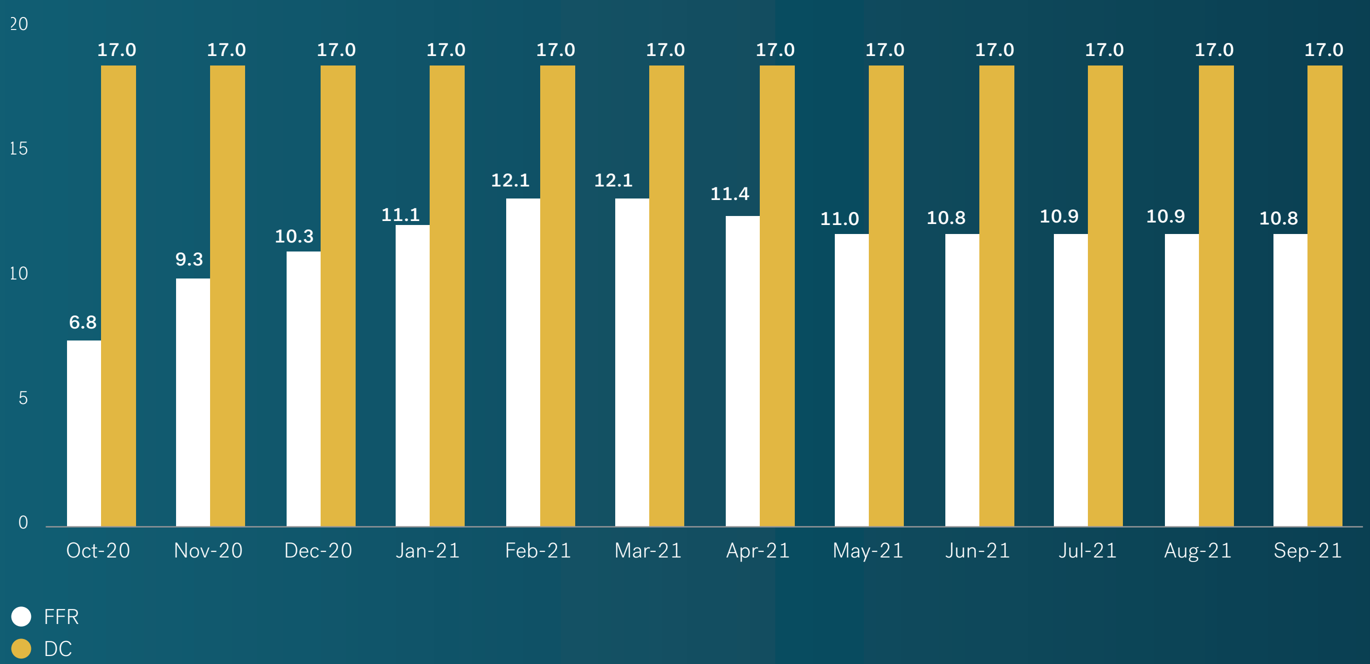
The Investment Manager seeks to continuously exploit its early participation in service delivery and capture competitive pricing whilst National Grid's demand for services remains higher than supply.

The GB storage market was further incentivised by changes to market regulations in the form of reduced levies on stand-alone storage facilities and a reduction in capacity charges of approximately 30 per cent (location-dependent). Storage is also now also exempt from variable 'BSUoS' charges.[28]

The Investment Manager looks to participate in wholesale trading when appropriate to exploit spikes in market volatility, particularly when revenue trading opportunities deliver payments higher than the available suite of frequency response revenue, giving due consideration to the cost of degradation of the assets.

After the reporting period, the National Grid changed the method of procurement for DC from a 24-hour procurement period to four-hour EFA blocks. This change could provide the assets with greater flexibility to participate in grid balancing and trading services.

FIGURE 7: FFR AND DC PRICE LEVELS SINCE DC INTRODUCTION (£/MW/HOUR)



27 Past performance is not a guarantee of future results

28 System charges related to National Grid's balancing of the demand and generation on the transmission system.

Investment Manager's Report Continued

The Company's projects are well-positioned to mitigate the risks associated with renewable energy penetration in the energy generation mix. Although low wind penetration can negatively impact revenues from ancillary services, the Company can take advantage of resulting price volatility by capitalising on trading opportunities. In GB, periods of high wind generation may lead to increased ancillary service revenue in DC (for as long as additional procurement is required by the National Grid).

The Company's assets in NI and the ROI participate in the complex DS3 program and the Integrated Single Energy Market ("I-SEM") providing revenue streams which are substantively similar to the ones in GB. The Company's projected revenues from the DS3 market are in excess of the 10 per cent IRR target[29]. In March 2021, the system operator announced a 12-month extension of the DS3 service to 30 April 2024.

The Capacity Market (CM) is a contract with a duration between one to fifteen years, designed to deliver power to the grid, at times of peak demand. All the assets of the GB portfolio have a capacity agreement. In Ireland, where CM is procured on both SONI and EirGrid networks, the Company currently possesses CM contracts for both of its assets in NI.

Pipeline

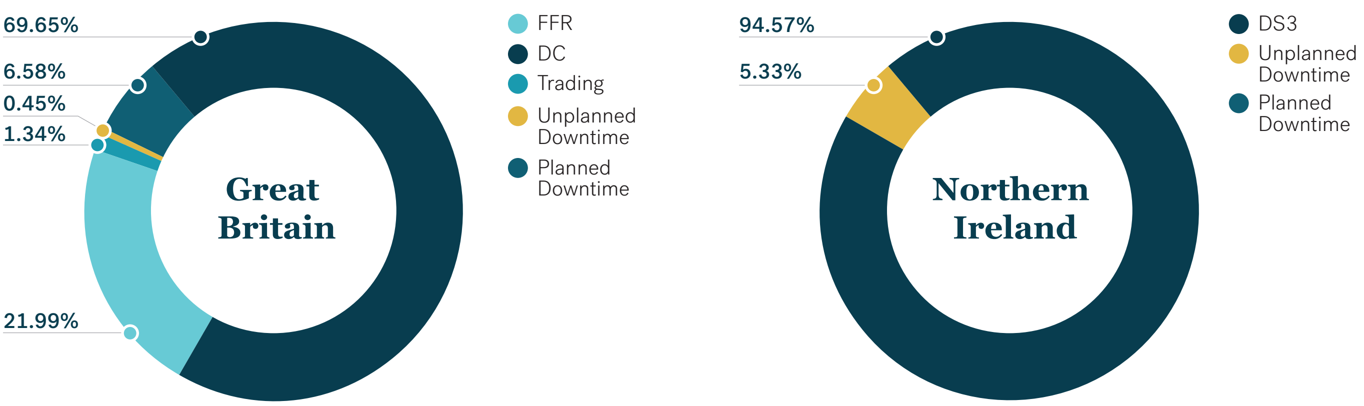
The Investment Manager's current pipeline focuses heavily on North America and Western Europe. These markets generally mirror the same essential grid balancing, capacity market and trading opportunities that characterise the GB and Irish markets. The Investment Manager will leverage on its experience to secure new assets in accordance with the Company's investment policy, so that the Company does not assume early state risks associated with obtaining land, planning and grid connection rights.

As of date of publication, the Company is actively reviewing opportunities in GB, Ireland, Continental Europe, and the US. The total pipeline stands at 1.2 GW with transactions actively under negotiation amounting to a total of 581 MW as of the date of publication.

The U.S. energy market is highly stratified, with several independent system operators (each an "ISO") independently operating regional transmission networks. The Company's pipeline focuses on market opportunities underpinned by the incorporation of considerable wind and solar capacity into regional grids in California (CAISO)[31], Texas (ERCOT)[32], New York (NYISO)[33] and New England (ISO New England).

The US markets differ from the UK and Ireland in that they tend to favour longer duration batteries, ranging from 1 to 4-hour duration. The increase in the volume of energy available per MW per site in the United States, will not only result in lower CapEx per unit of energy, but will also allow the Company to capture trading opportunities available in these markets.

FIGURE 8: REVENUE PERFORMANCE FOR THE PERIOD[30]



29 Projections are not indicative of future results.
30 Project availability and service allocation is presented as a percentage of total hours within the period.
Note on Capacity Market: revenue is not including the percentage allocation of project delivery hours. Capacity Market revenue is stackable with all other revenue streams as the Company is paid to be available to deliver this service whilst delivering other revenue streams.
31 California Independent System Operator (CAISO)
32 Electric Reliability Council of Texas (ERCOT)
33 New York Independent System Operator (NYISO)

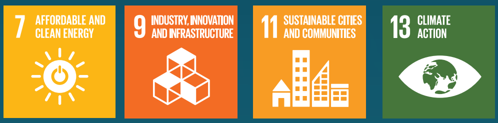
Environmental, Social and Governance Performance

Our Commitment to Sustainability

The Investment Manager understands that sustainability-related factors incorporated into the investment processes, can support better investment decisions. Therefore, the Investment Manager believes that sustainability risks should be addressed as a central part of its investment decision-making processes.

The Company is committed to the continuous integration of ESG assessments into its investment, construction, and operational decision-making processes, and strives to transparently communicate its progress through participation in the following initiatives:

Furthermore, through its investments in energy storage, the Company supports the UN's Sustainable Development Goals, helping to direct funds to the following four critical themes:



The Company's role in energy storage has been recognised by the Exchange Green Economy Mark, awarded by the London Stock Exchange's Green Economy Mark. The award recognises companies that derive 50 per cent or more of their revenues from environmental solutions.

PRI Principles for Responsible Investment

The Company became a signatory to the United Nations Principles for Responsible Investing (UN PRI) in July 2021. The implementation of the Principles for Responsible Investing will help contribute to developing a more sustainable global financial system.

TCFD TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

The Company agrees that transparency and consistent disclosure of environmental impact are key tools to improve sustainability. The TCFD Framework focuses on disclosure of Governance, Strategy, Risk Management, and Metrics & Targets and it is the Company's intent to continue to integrate information on its performance into its financial reporting and climate-related financial disclosures, beginning in 2022.

The Company is committed to integrating the Article 8 requirements of the EU's Sustainable Finance Disclosure Regulation (SFDR). The Investment Manager will begin external reporting of the Company's performance in accordance with the SFDR framework in the 2022 fiscal year.

The Company is also a member of the Global Impact Investing Network (GIIN) and is aligned with GIIN's mission of reducing barriers to impact investment and supporting the allocation of capital to fund solutions to the world's most intractable challenges

GIIN GLOBAL IMPACT INVESTING NETWORK

The Company is a signatory to the 2021 Global Investor Statement to Governments on the Climate Crisis . The Company supports the cohort of signatories that encourages governments to step up and do more towards mitigating climate crisis.

IIGCC The Institutional Investors Group on Climate Change

Environmental, Social and Governance
Continued

How ESG relates to us

THE ENVIRONMENTAL IMPACT OF OUR WORK

The Company's assets provide a critical service to national and regional grids, balancing electricity supply and demand with energy storage solutions, in the face of the inherently intermittent electric generation by renewables. Consequently, the Company's investments facilitate the integration of renewable energy into power grids, ultimately contributing to the decarbonisation goals.

The Company is committed to assessing the impact and effectiveness of its systems in supporting the net zero ambitions of the grid systems that the Company's assets support. The Investment Manager will begin external reporting of the Company's performance in accordance with the SFDR framework in the 2022 fiscal year.

EU Sustainable Finance Disclosure Regulation (SFDR) compliance is not mandatory for UK domiciled funds. However, the Company has decided to adopt the relevant SFDR Article 8 requirements because it is engaged in cross-border EU business.

The Investment Manager aims to commence ESG monitoring and reporting by the EU's 2022 deadline for SFDR. There are 14 metrics required to be compliant with Article 8 of the SFDR (Table 2). The Investment Manager intends to extend its monitoring to include certain emissions, water waste, and social impact metrics (Table 3) which may be relevant to the Company's business processes, as further detailed below.

Furthermore, the Company is a signatory of the UN PRI and intends to participate in the next submission period, which will be in 2023. Regarding the TCFD Framework, the Company will comply with its financial reporting and climate-related financial disclosures, in line with FCA regulatory expectations.

TABLE 2: METRICS REQUIRED TO BE COMPLIANT WITH ARTICLE 8 OF THE SFDR

CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS		
Greenhouse gas emissions	GHG emissions	Scope 1 GHG emissions
		Scope 2 GHG emissions
		From 1 January 2023, Scope 3 GHG emissions
		Total GHG emissions
	Carbon footprint	Carbon footprint
	GHG intensity of investee companies	GHG intensity of investee companies
	Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector
	Share of non-renewable energy consumption and production	Share of non-renewable energy consumption and non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage
	Energy consumption intensity per high impact climate sector	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector
Biodiversity	Activities negatively affecting biodiversity sensitive areas	Share of investments in investee companies with sites/operations located in or near to biodiversity sensitive areas where activities of those investee companies negatively affect those areas
Water	Emissions to water	Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average
Waste	Hazardous waste ratio	Tonnes of hazardous waste generated by investee companies per million EUR invested, expressed as a weighted average

Environmental, Social and Governance Continued

TABLE 2: METRICS REQUIRED TO BE COMPLIANT WITH ARTICLE 8 OF THE SFDR – CONTINUED

SOCIAL AND EMPLOYEE, RESPECT FOR HUMAN RIGHTS, ANTI-CORRUPTION AND ANTI-BRIBERY MATTERS		
Social and employee matters	Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises
	Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance /complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises
	Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies
	Board gender diversity	Average ratio of female to male board members in investee companies
	Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons, and biological weapons)	Share of investments in investee companies involved in the manufacture or selling of controversial weapons

TABLE 3: CLIMATE, ENVIRONMENT-RELATED, AND SOCIAL METRICS UNDER ASSESSMENT

CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS		
Emissions	Emissions of air pollutants	Tonnes of air pollutants equivalent per million EUR invested, expressed as a weighted average
Water, waste, and material emissions	Water usage and recycling	1. Average amount of water consumed and reclaimed by the investee companies (in cubic meters) per million EUR of revenue of investee companies 2. Weighted average percentage of water recycled and reused by investee companies
	Non-recycled waste ratio	Tonnes of non-recycled waste generated by investee companies per million EUR invested, expressed as a weighted average

SOCIAL AND EMPLOYEE, RESPECT FOR HUMAN RIGHTS, ANTI-CORRUPTION AND ANTI-BRIBERY MATTERS		
Human Rights	Operations and suppliers at significant risk of incidents of child labour	Share of investments in investee companies exposed to operations and suppliers at significant risk of incidents of child labour exposed to hazardous work in terms of geographic areas or type of operation
	Operations and suppliers at significant risk of incidents of forced or compulsory labour	Share of the investments in investee companies exposed to operations and suppliers at significant risk of incidents of forced or compulsory labour in terms in terms of geographic areas and/or the type of operation
	Number of identified cases of severe human rights issues and incidents	Number of cases of severe human rights issues and incidents connected to investee companies on a weighted average basis

Environmental, Social and Governance
Continued

Our approach to Health and Safety

Gore Street's objective is that its sites are safe for staff and contractors and is proud to report zero major or minor Health and Safety incidents at its sites in the fiscal year to September 2021.

Gore Street takes adequate precautions for safe design in its layout for batteries and is currently working with its partners and industry specialists, including leading insurers, to establish a framework for fire safety and accident planning protocols to better assess fire safety in the industry. The Company demands strict compliance with all applicable health and safety regulations from its partners.

OUR WORK WITH SUPPLIERS

The Company encourages its suppliers and partners to work in an environmentally and socially responsible manner. The Investment Manger's Supplier Code of Conduct states that all its suppliers must establish policies, due diligence frameworks, and management systems, consistent with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, in order to ensure that parts and products supplied to projects and assets managed by the Investment Manager are "conflict-free," meaning that such minerals are sourced according to industrywide standards and do not fuel wars or benefit rebel movements.

As part of its data collection initiative, the Investment Manager will work with the Company's suppliers in what is expected to be a multi-year effort to start to evaluate its supply chain for key social and governance risks, including risks associated with the potential integration of conflict minerals into the supply chain.

THE SUSTAINABILITY OF OUR BATTERIES

Whilst the portfolio is at an early stage of its lifecycle, with the oldest project in the portfolio at less than one-sixth of its projected lifecycle, the Company is aware of the need to reduce waste and is exploring opportunities to integrate a circular economy approach[34] for when we eventually decommission our batteries. The Investment Manager's valuations assume the assets have a useful life of up to 30 years

Furthermore, the Company critically assesses the revenue streams in which it chooses to operate and the impact this decision may have on a battery's lifecycle, seeking to maximise battery efficiency.

OUR APPROACH TO THE COMMUNITY

The Company aims to always operate in a manner that safeguards public health, property and the environment and is proud to report zero major or minor Health and Safety incidents at its sites in the fiscal year to September 2021.

Its partners' protocols and system designs are developed to ensure minimal disruption to communities (including noise pollution and power system interruption) during construction and operations.

LOCAL COMMUNITIES

The Company supports FareShare, the UK's national network of charitable food redistributors, whose purpose is to take good quality surplus food across the food industry and redistribute it to frontline charities and community groups.

The Company has recently given a donation to FareShare Northern Ireland which will cover the salary of one of its van drivers for 16 months, thus helping to deliver 213 tonnes of food, equivalent to over half a million meals.

FairShare's socio-economic impact confirms that by collecting food that would otherwise go to waste and redistributing it to good causes, it saves the UK economy approximately £51 million every year[35].

GLOBAL COMMUNITIES

Post-period, the Company's Board has approved a donation to UNICEF, matching personal contributions at the Investment Manager. The donation will cover about half of the cost of constructing and installing a multi-use solar powered water supply system in Nampula province in Mozambique, intended to provide access to safe and reliable water to circa 1500 people (including 500 children).

DIVERSITY AND INCLUSION

The Investment Manager does not tolerate harassment, discrimination or offensive behaviour of any kind and is committed to promote and select individuals without concern for factors such as gender, race, ethnicity, sexual orientation, religion, age, or disability.

We are committed to reporting our workforce diversity data bi-annually. At the 30 September 2021, two-thirds of the Investment Manager's executive team are from non-white (majority) ethnicities and nearly half of the Investment Manager's team are women.

At GSF's Board level, the proportion of women in executive leadership roles is 25 per cent.

34 The circular economy is based on the concept that products are designed to last longer and to be reused, repurposed, or recycled.
35 Impact Report carried out by NEF Consulting. Further details available at: 'Our impact fighting hunger and food waste 2019/20 | FareShare'.

Director’s Responsibilities

Directors' Responsibilities

Going Concern

We have prepared this half year report on a going concern basis and the Company's business activities, together with the factors likely to affect its future development performance and position, are set out in the Investment Manager's Review.

The Directors have assessed the ability of the Company to continue as a going concern, below is the summary of the analysis.

Since 31st March 2021, there have been reduced restrictions on travel and lockdown, but the full human and economic impact of the COVID-19 pandemic remains difficult to assess.

The Company's ability to generate revenue from its operational assets continues and remains largely unaffected by the pandemic. A potential key risk facing the Company is that Covid-19 may affect the ability of operators to adequately ensure operational integrity of the projects, particularly in terms of operations and maintenance. The Company and the Investment Manager have worked closely and liaised with the operators to ensure that commercial activities remain operational, and, in their view, power generation will remain essential to the UK's infrastructure.

The going-concern analysis assumes continued annual expenditure at the rate of current expenditure and continued discretionary dividend payments to shareholders at a target annual rate of 7 per cent of NAV (and a target minimum rate of 7 pence per Ordinary Share). With expenditure and discretionary dividends assumed unchanged, the Company will continue to be operational and will have excess cash after payment of its liabilities for at least 12 months until 31 December 2022.

As at 30 September 2021, the Company had net current assets of £285.30 million and had cash balances of £172.56 million (excluding cash balances within investee companies), which are sufficient to meet current obligations as they fall due. The major cash outflows of the Company are the payment of dividends and costs relating to the acquisition of new assets, both of which are discretionary. The Company is a guarantor to GSES1 Limited's £15m revolving credit facility with Santander. There are no other outstanding debts as at 30 September 2021.

The Directors considered the following scenario:

The Company and the portfolio assets for at least 12 months until 31 December 2022. We have assumed the Company's rate of expenditure over the year will remain unchanged, that there are no contractual capital commitments at Company level, that there is an intercompany loan from the Company to its subsidiaries to finance EPC CapEx of portfolio assets, and that there are no loan repayments received from operational companies over the time frame and any loans from the Company to the subsidiaries are not repayable on short notice.

The Directors acknowledge their responsibilities in relation to the financial statements for the half year ended 30 September 2021 and the preparation of the financial statement on a going concern basis remains appropriate and the Company expects to meet its obligations as and when they fall due for at least 12 months until 31 December 2022.

Directors' Responsibilities

The Directors confirm that to the best of their knowledge:

The unaudited interim condensed financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting and give a true and fair view of the assets, liabilities and financial position and the profit of the Company as required by DTR 4.2.4R; and

The Chair's Statement, Investment Manager's Report and the notes to the condensed financial statements include a fair review of the information required by:

i. DTR 4.2.7R of the Disclosure Guidance and Transparency Rules, being an indication of important events that have occurred during the period and their impact on the unaudited interim condensed financial statements; and a description of the principal risks and uncertainties for the remaining six months of the year; and

ii. DTR 4.2.8R of the Disclosure Guidance and Transparency Rules, being related party transactions that have taken place in the period and that have materially affected the financial position and performance of the Company during that period.

Signed on behalf of the Board of Directors

Patrick Cox
Chair

Date: 17 December 2021

Independent Auditor’s Review Report

to Gore Street Energy Storage Fund Plc

Conclusion

We have been engaged by the Company to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30 September 2021 which comprises the Interim Condensed Statement of Comprehensive Income, the Interim Condensed Statement of Financial Position, the Interim Condensed Statement of Changes in Equity, the Interim Condensed Statement of Cash Flows and the related explanatory notes. We have read the other information contained in the half yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 30 September 2021 is not prepared, in all material respects, in accordance with UK adopted International Accounting Standard 34 and the Disclosure Guidance and Transparency Rules of the United Kingdom’s Financial Conduct Authority.

Basis for Conclusion

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

As disclosed in note 2, the annual financial statements of the Company will be prepared in accordance with UK adopted international accounting standards. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with UK adopted International Accounting Standard 34, “Interim Financial Reporting”.

Responsibilities of the directors

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

Auditor’s Responsibilities for the review of the financial information

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

Use of our report

This report is made solely to the Company in accordance with guidance contained in International Standard on Review Engagements 2410 (UK and Ireland) “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Auditing Practices Board. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company, for our work, for this report, or for the conclusions we have formed.

Ernst & Young LLP
London

Date: 17 December 2021

Interim Condensed Financial Statements

Interim Condensed Statement of Comprehensive Income

For the Interim period ended 30 September 2021

		1 April 2021 to 30 September 2021			1 April 2020 to 30 September 2020		
	Notes	Revenue (£)	Capital (£)	Total (£)	Revenue (£)	Capital (£)	Total (£)
Net gain on investments at fair value through profit and loss		–	11,096,979	11,096,979	–	3,692,663	3,692,663
Investment income		1,969,922	–	1,969,922	67,685	–	67,685
Administrative and other expenses		(2,261,238)	–	(2,261,238)	(904,273)	–	(904,273)
Profit before tax		(291,316)	11,096,979	10,805,663	(836,588)	3,692,663	2,856,075
Taxation	4	–	–	–	–	–	–
Profit after tax and profit for the period		(291,316)	11,096,979	10,805,663	(836,588)	3,692,663	2,856,075
Total comprehensive income for the period		(291,316)	11,096,979	10,805,663	(836,588)	3,692,663	2,856,075
Profit per share (basic and diluted) – pence per share	5			4.20			4.45

All Revenue and Capital items in the above statement are derived from continuing operations.

The Total column of this statement represents Company's Income Statement prepared in accordance with IFRS. The return on ordinary activities after taxation is the total comprehensive income and therefore no additional statement of other comprehensive income is presented.

The supplementary revenue and capital columns are presented for information purposes in accordance with the Statement of Recommended Practice issue by the Association of Investment Companies.

The notes on pages 30 to 39 form an integral part of these financial statements.

Interim Condensed Statement of Financial Position

As at 30 September 2021

Company Number 11160422

	Notes	30 September 2021 (£)	31 March 2021 (£)
Non – Current Assets			
Investments at fair value through profit or loss	6	**112,070,270**	80,694,275
		112,070,270	80,684,275
Current assets			
Cash and cash equivalents		**172,561,678**	60,152,317
Trade and other receivables	7	**1,015,695**	5,364,168
		173,577,373	65,516,485
Total assets		**285,647,643**	146,210,760
Current liabilities			
Trade and other payables		**343,985**	1,075,819
		343,985	1,075,819
Total net assets		**285,303,658**	145,134,941
Shareholders equity			
Share capital	10	**2,762,246**	1,438,717
Share premium	10	**238,515,497**	107,713,725
Special reserve	10	**186,656**	186,656
Capital reduction reserve	10	**14,684,101**	17,446,348
Capital reserve	10	**32,323,166**	21,226,187
Revenue reserve	10	**(3,168,008)**	(2,876,692)
Total shareholders equity		**285,303,658**	145,134,941
Net asset value per share	9	**103.28**	100.88

The annual financial statements were approved and authorised for issue by the Board of directors and are signed on its behalf by;

Patrick Cox
Chair

Date: 17 December 2021

The notes on pages 30 to 39 form an integral part of these financial statements.

Interim Condensed Statement of Changes in Equity

For the Period Ended 30 September 2021

	Share capital (£)	Share premium reserve (£)	Special reserve (£)	Capital reduction reserve (£)	Capital reserve (£)	Revenue reserve (£)	Total shareholders equity (£)
As at 1 April 2021	1,438,717	107,713,725	186,656	17,446,348	21,226,187	(2,876,692)	145,134,941
Profit for the period	–	–	–	–	11,096,979	(291,316)	10,805,663
Total comprehensive income for the period	–	–	–	–	11,096,979	(291,316)	10,805,663
Transactions with owners							
Ordinary shares issued at a premium during the period	1,323,529	133,676,471	–	–	–	–	135,000,000
Share issue costs	–	(2,874,699)	–	–	–	–	(2,874,699)
Dividends paid	–	–	–	(2,762,247)	–	–	(2,762,247)
As at 30 September 2021	2,762,246	238,515,497	186,656	14,684,101	32,323,166	(3,168,008)	285,303,658

Capital reduction reserve and revenue reserves are available to the Company for distributions to Shareholders as determined by the Directors.

The notes on pages 30 to 39 form an integral part of these financial statements.

Interim Condensed Statement of Changes in Equity

For the Period Ended 30 September 2020

	Share capital (£)	Share premium reserve (£)	Special reserve (£)	Capital reduction reserve (£)	Capital reserve (£)	Revenue reserve (£)	Total shareholders equity (£)
As at 1 April 2020	525,488	19,707,058	186,656	25,516,500	5,020,458	(1,265,657)	49,690,503
Profit/(loss) for the period	–	–	–	–	3,692,663	(836,588)	2,856,075
Total comprehensive income/(loss) for the period	–	–	–	–	3,692,663	(836,588)	2,856,075
Transactions with owners							
Ordinary shares issued at a premium during the period	246,274	23,420,624	–	–		–	23,666,898
Share issue costs	–	(367,902)	–	–		–	(367,902)
Dividends paid	–	–	–	(771,762)		–	(771,762)
As at 30 September 2020	771,762	42,759,780	186,656	24,744,738	8,713,121	(2,102,245)	75,073,812

The notes on pages 30 to 39 form an integral part of these financial statements.

Interim Condensed Statement of Cash Flows

For the Period Ended 30 September 2021

	Notes	1 April 2021 to 30 September 2021 (£)	1 April 2020 to 30 September 2020 (£)
Cash flows used in operating activities provided by			
Profit for the period		10,805,663	2,856,075
Net gain on investments at fair value through profit and loss		(11,096,979)	(3,692,663)
Decrease/(Increase) in trade and other receivables		4,348,473	(161,380)
(Decrease)/Increase in trade and other payables		(731,834)	80,988
Net cash used in operating activities provided by		3,325,323	(916,980)
Cash flows used in investing activities			
Purchase of investments		(20,279,016)	(2,345,651)
Net cash used in investing activities		(20,279,016)	(2,345,651)
Cash flows used in financing activities provided by			
Proceeds from issue of ordinary shares at a premium		135,000,000	23,666,898
Share issue costs		(2,874,699)	(367,902)
Dividends paid		(2,762,247)	(771,762)
Net cash inflow from financing activities		129,363,054	22,527,234
Net increase/(decrease) in cash and cash equivalents for the period		112,409,361	(19,264,603)
Cash and cash equivalents at the beginning of the period		60,152,317	15,028,142
Cash and cash equivalents at the end of the period		172,561,678	34,292,745

During the period, interest received by the Company totalled £1,969,922 (2020: £634,192).

The notes on pages 30 to 39 form an integral part of these financial statements.

Notes to the Interim Condensed Financial Statements

For the Period Ended 30 September 2021

1. General information

Gore Street Energy Storage Fund plc (the "Company") was incorporated in England and Wales on 19 January 2018 with registered number 11160422. The registered office of the Company is 18th Floor, The Scalpel, 52 Lime Street, London, EC3M 7AF.

Its share capital is denominated in Pound Sterling (GBP) and currently consists of ordinary shares. The Company's principal activity is to invest in a diversified portfolio of utility scale energy storage projects primarily located in the UK and the Republic of Ireland, although the Company will also consider projects in North America and Western Europe.

2. Basis of preparation

STATEMENT OF COMPLIANCE

The half yearly condensed financial statements for the period 1 April 2021 to 30 September 2021 have been prepared in accordance with IAS 34 Interim Financial Reporting, and the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

The half yearly financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Company's annual financial statements as at 31 March 2021.

The same accounting policies, presentation and methods of computation are followed in these condensed financial statements as were applied in the preparation of the Company's annual financial statements for the year ended 31 March 2021. These accounting policies will be applied in the Company's financial statements for the year ended 31 March 2022.

The financial statements have been prepared on a historical cost basis except for the investments which are accounted for at fair value through profit or loss. The Company is an investment entity in accordance with IFRS 10 which holds all its subsidiaries at fair value and therefore prepares separate accounts only and does not prepare consolidated financial statements for the Company.

The financial information for the year ended 31 March 2021 has been extracted from the latest published audited financial statements which have been filed with the Registrar of Companies. The Independent Auditor's Report on those accounts contained no qualification or statement under Section 498 (2), (3) or (4) of the Companies Act 2006.

The financial information contained in this Half Year Report does not constitute statutory accounts as defined in Sections 434-436 of the Companies Act 2006. The financial information for the six months ended 30 September 2021 and 30 September 2020 has not been audited by the Company's external auditor.

FUNCTIONAL AND PRESENTATION CURRENCY

The currency of the primary economic environment in which the Company operates (the functional currency) is Pound Sterling ("GBP or £") which is also the presentation currency.

GOING CONCERN

Since 31 March 2021, there have been reduced restrictions on travel and lockdown, but the full human and economic impact of the COVID-19 pandemic still remains difficult to assess.

The Company's ability to generate revenue from its operational assets continues and remains largely unaffected by the pandemic. A potential key risk facing the Company is that Covid-19 may affect the ability of operators to adequately ensure operational integrity of the projects, particularly in terms of operations and maintenance. The Company and the Investment Manager have worked closely and liaised with the operators to ensure that commercial activities remain operational, and, in their view, power generation will remain essential to the UK's infrastructure.

The going-concern analysis assumes continued annual expenditure at the rate of current expenditure and continued discretionary dividend payments to shareholders at the target annual rate of 7 per cent of NAV (and a target minimum rate of 7 pence per ordinary share). With expenditure and discretionary dividends assumed unchanged, the Company will continue to be operational and will have excess cash after payment of its liabilities for at least 12 months until 31 December 2022.

Notes to the Interim Condensed Financial Statements Continued

As at 30 September 2021, the Company had net current assets of £285.30 million and had cash balances of £172.56 million (excluding cash balances within investee companies), which are sufficient to meet current obligations as they fall due. The major cash outflows of the Company are the payment of dividends and costs relating to the acquisition of new assets, both of which are discretionary. The Company is a guarantor to GSES1 Limited's £15m revolving credit facility with Santander. The Company had no outstanding debt as of 30 September 2021.

The Directors acknowledge their responsibilities in relation to the financial statements for the half year ended 30 September 2021 and the preparation of the financial statement on a going concern basis remains appropriate and the Company expects to meet its obligations as and when they fall due for at least 12 months until 31 December 2022.

3. Significant accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to the accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

During the period the Directors considered the following significant judgements, estimates and assumptions:

VALUATION OF INVESTMENTS

Significant estimates in the Company's financial statements include the amounts recorded for the fair value of the investments. By their nature, these estimates and assumptions are subject to measurement uncertainty and the effect on the Company's financial statements of changes in estimates in future periods could be significant. These estimates are discussed in more detail in note 8.

4. Taxation

The Company is recognised as an Investment Trust Company ("ITC") for accounting periods beginning on or after 25 May 2018 and is taxed at the main rate of 19%.

	30 September 2021 (£)	30 September 2020 (£)
(a) Tax charge in profit and loss account		
UK Corporation tax	–	–
(b) Reconciliation of the tax charge for the period		
Profit before tax	10,805,663	2,856,075
Tax at UK standard rate of 19%	2,053,076	542,654
Effects of:		
Unrealised gain/(loss) on fair value investments	(2,108,426)	(701,605)
Expenses not deductible for tax purposes	861	4,217
Other differences	5,700	–
Deferred tax not recognised	48,789	154,734
Tax charge for the period	–	–
Estimated losses not to be recognised due to insufficient evidence of future profits	903,422	1,454,531
Estimated deferred tax thereon 25% (2020: 19%)	225,855	276,361

As at 30 September 2021, the Company has excess management expenses that are available to offset future tax revenues. A deferred tax asset, measured at the prospective corporate rate of 25% (2020: 19%) of £225,855 (2020: £276,361) has not been recognised in respect of these expenses since they are recoverable only to the extent that the Company has sufficient future taxable revenue.

Notes to the Interim Condensed Financial Statements Continued

5. Earnings per share

Earnings per share (EPS) amounts are calculated by dividing the profit or loss for the period attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares in issue during the period. As there are no dilutive instruments outstanding, basic and diluted earnings per share are identical.

	30 September 2021	30 September 2020
Net gain attributable to ordinary shareholders	£ 10,805,663	£ 2,856,075
Weighted average number of ordinary shares for the period	257,420,379	64,151,689
Profit per share – Basic and diluted (pence)	4.20	4.45

6. Investments

	Place of business	Percentage ownership	30 September 2021	30 September 2020
GSES1 Limited ("GSES1")	England & Wales	100%	112,070,270	36,450,807

The Company meets the definition of an investment entity. Therefore, it does not consolidate its subsidiaries or equity method account for associates but, rather, recognises them as investments at fair value through profit or loss. The Company is not contractually obligated to provide financial support to the subsidiaries and associate and there are no restrictions in place in passing monies up the structure.

The investment in GSES1 is financed through equity and a loan facility available to GSES1. The facility may be drawn upon, to any amount agreed by the Company as lender, and is available for a period of 20 years from 28 June 2018. The rest is funded through equity. The amount drawn on the facility at 30 September 2021 was £79,751,550 (31 March 2021: £59,472,534). The loan is interest bearing and attracts interest at 5% per annum. Investments in the indirect subsidiaries are also structured through loan and equity investments and the ultimate investments are in energy storage facilities.

Realisation of increases in fair value in the indirect subsidiaries will be passed up the structure as distributions on the equity investment. The Company holds a direct investment in GSES 1, which in turn holds investments in various holding companies and operating assets as detailed in Note 6 below.

	Immediate Parent	Place of business	Percentage Ownership	Investment
GSF Albion Limited ("GSF Albion")	GSES1	England & Wales	100%	
NK Boulby Energy Storage Limited	GSF Albion	England & Wales	99.998%	Boulby
Kiwi Power ES B	GSF Albion	England & Wales	49%	Cenin
GSF England Limited ("GSF England")	GSES1	England & Wales	100%	
OSSPV001 Limited	GSF England	England & Wales	100%	Lower Road and Port of Tilbury
GSF IRE Limited ("GSF IRE")	GSES1	England & Wales	100%	
Mullavilly Energy Limited	GSF IRE	Northern Ireland	51%	Mullavilly
Drumkee Energy Limited	GSF IRE	Northern Ireland	51%	Drumkee
Porterstown Battery Storage Limited	GSF IRE	Republic of Ireland	51%	Kilteel
Kilmannock Battery Storage Limited	GSF IRE	Republic of Ireland	51%	Kilmannock
Ferrymuir Energy Storage Limited	GSF Albion	England & Wales	100%	Ferrymuir

Notes to the Interim Condensed Financial Statements Continued

	Immediate Parent	Place of business	Percentage Ownership	Investment
Ancala Energy Storage Limited	GSF England	England & Wales	100%	Beeches, Blue House Farm, Brookhall, Fell View, Grimsargh, Hermitage, Heywood Grange, High Meadow, Hungerford, Low Burntoft
Breach Farm Energy Storage Limited	GSF England	England & Wales	100%	Breach Farm
Hulley Road Energy Storage Limited	GSF England	England & Wales	100%	Hulley Road
Larport Energy Storage Limited	GSF England	England & Wales	100%	Larport
Lascar Battery Storage Limited	GSF England	England & Wales	100%	Lascar
Stony Energy Storage Limited*	GSF England	England & Wales	100%	Stony
Enderby Battery Storage Limited**	GSF England	England & Wales	100%	Enderby

* The acquisition of Stony Energy Storage Limited was completed on the 12 May 2021.

** The acquisition of Enderby Battery Storage Limited completed on the 17 September 2021.

7. Trade and other receivables

The Company advanced to NEC ES an advance of £4,500,000 on the date at which it was admitted to the Premium segment of the London Stock Exchange. The advance letter provided interest would accrue from the date of admission at a rate of 3 per cent, per annum.

As at 30 September 2021, NEC ES has paid £0.30 million of the outstanding interest with the balance of £0.08 million interest written off.

As at the date of publication the Company has set off all of the £4.5 million advance against amounts due to NEC (UK) Limited under two EPC contracts.

Notes to the Interim Condensed Financial Statements
Continued

8. Fair Value measurement

VALUATION APPROACH AND METHODOLOGY

There are three traditional valuation approaches that are generally accepted and typically used to establish the value of a business; the income approach, the market approach and the net assets (or cost based) approach. Within these three approaches, several methods are generally accepted and typically used to estimate the value of a business.

The Company has chosen to utilise the income approach, which indicates value based on the sum of the economic income that an asset, or group of assets, is anticipated to produce in the future. Therefore, the income approach is typically applied to an asset that is expected to generate future economic income, such as a business that is considered a going concern. Free cash flow to total invested capital is typically the appropriate measure of economic income. The income approach is the DCF approach and the method discounts free cash flows using an estimated discount rate (WACC).

The International Valuation Standards Council ("IVSC") issued guidance in March 2020 in response to the COVID-19 pandemic.

It notes that one of the main issues when dealing with valuation is uncertainty and that valuation is not a fact, but an estimate of the most probable of a range of possible outcomes based on the assumptions made in the valuation process.

Valuation uncertainty can be caused by various factors, including market disruption, input availability and the choice of method or model of valuation.

The guidance issued by the IVSC was considered by the Investment Advisor in the determination of the valuations disclosed at 30 September 2021.

VALUATION PROCESS

In the period, the Company acquired Stony Energy Storage Limited and Enderby Battery Storage Limited, with capacities of 79.9MW and 57MW respectively. This brings the Company's portfolio of lithium-ion energy storage investments to a total capacity of 516.5 MW (March 2021: 380.0 MW). As at 30 September 2021, 210.0 MW of the Company's total portfolio was operational and 306.8 MW pre-operational (the "Investments").

The Investments comprise twenty five projects, all of these are based in the UK and the Republic of Ireland. The Directors review and approve these valuations following appropriate challenge and examination. The current portfolio consists of non-market traded investments and valuations are analysed using forecasted cash flows of the assets and used the discounted cash flow approach as the primary approach for the purpose of the valuation. The Company engages external, independent and qualified valuers to determine or review the fair value of certain of the Company's investments.

As at 30 September 2021, the fair value of any investment held with a value greater than 2% of the total net asset value of the portfolio, have been determined, (presented by the Investment Advisor and reviewed) by BDO LLP and further presented and reviewed by the Company's board of directors.

The fair value of all other investments have been determined by the Investment Advisor and presented directly to and reviewed by the Company's board of directors.

Notes to the Interim Condensed Financial Statements
Continued

8. Fair Value measurement (continued)

The below table summarises the significant unobservable inputs to the valuation of investments.

		Significant Inputs		Fair Value	
Investment Portfolio	Valuation technique	Description	(Range)	30 September 2021 (£)	31 March 2021 (£)
Great Britain (excluding Northern Ireland)	DCF	Discount Rate Revenue/MW/hour	6.0% – 9.5% £7 – £26	59,500,930	49,216,281
Northern Ireland	DCF	Discount Rate Revenue/MW/hour	7.0% – 8.5% £3.5 – £20.5	34,957,823	23,968,276
Republic of Ireland	DCF	Discount Rate Revenue/MW/hour	8.5% – 9.5% €7 – €19.5	11,311,979	6,015,352
Holding Companies	NAV			6,299,538	1,494,366
Total Investments				112,070,270	80,694,275

The fair value of the holding companies represents the net current assets including cash, held within those companies in order to settle any operational costs.

SENSITIVITY ANALYSIS

The below table reflects the range of sensitivities in respect of the fair value movements of the Company's investments.

		Significant Inputs		Estimated effect on Fair Value	
Investment Portfolio	Valuation technique	Description	Sensitivity	30 September 2021 (£)	31 March 2021 (£)
Great Britain (excluding Northern Ireland)	DCF	Revenue	+ 10%	10,877,000	9,626,000
			- 10%	(11,032,000)	(9,846,000)
		Discount rate	+1%	(4,768,000)	(4,278,000)
			-1%	5,505,000	4,919,000
Northern Ireland	DCF	Revenue	+ 10%	4,290,000	4,210,000
			- 10%	(4,159,000)	(4,095,000)
		Discount rate	+1%	(2,627,000)	(2,407,000)
			-1%	3,016,000	2,787,000
Republic of Ireland	DCF	Revenue	+ 10%	2,131,000	715,000
			- 10%	(4,685,000)	(1,392,000)
		Discount rate	+1%	(3,373,000)	(2,999,000)
			-1%	4,011,000	2,787,000

High case (+10%) and low case (-10%) revenue information used to determine sensitivities are provided by third party pricing sources.

Notes to the Interim Condensed Financial Statements
Continued

8. Fair Value measurement (continued)

VALUATION OF FINANCIAL INSTRUMENTS

The investments at fair value through profit or loss are Level 3 in the fair value hierarchy and the reconciliation in the movement of this Level 3 investment is presented below. No transfers between levels took place during the period.

Reconciliation	30 September 2021 (£)	31 March 2021 (£)
Opening balance	80,694,275	30,412,493
Purchases during the period	20,279,016	34,076,053
Total fair value movement through profit and loss	11,096,979	16,205,729
	112,070,270	80,694,275

A minority shareholder of Boulby has a right to receive a certain share of Boulby distributions once NK Energy Solutions realises excess return over an agreed hurdle return from its investment into Boulby.

Based on free cash flow forecast used to compute the net asset value of Boulby for this period, it is not expected to reach the threshold return and thus no payment to the minority shareholder is taken into account. However, if the actual cash flow significantly exceeds the forecast cash flow used for current net asset value, a part of the excess cash flow may be distributed to the minority shareholder, impacting the ultimate fair value.

9. Net asset value per share

Basic NAV per share is calculated by dividing the Company's net assets as shown in the Statement of Financial Position that are attributable to the ordinary equity holders of the Company by the number of ordinary shares outstanding at the end of the period. As there are no dilutive instruments outstanding, basic and diluted NAV per share are identical.

	30 September 2021	31 March 2021
Net assets per Statement of Financial Position	£ 285,303,658	£ 145,134,941
Ordinary shares in issue as at 30 September/31 March	276,224,622	143,871,681
NAV per share – Basic and diluted (pence)	**103.28**	**100.88**

10. Share capital and reserves

	Share capital (£)	Share premium reserve (£)	Special reserve (£)	Capital reduction reserve (£)	Capital reserve (£)	Revenue reserve (£)	Total (£)
At 1 April 2021	1,438,717	107,713,725	186,656	17,446,348	21,226,187	(2,876,692)	145,134,941
Issue of ordinary £0.01 shares: 27 April 2021	1,323,529	133,676,471	–	–	–	–	135,000,000
Share issue costs	–	(2,874,699)	–	–	–	–	(2,874,699)
Dividends paid	–	–	–	(2,762,247)	–	–	(2,762,247)
Profit for the period	–	–	–	–	11,096,979	(291,316)	10,805,663
At 30 September 2021	**2,762,246**	**238,515,497**	**186,656**	**14,684,101**	**32,323,166**	**(3,168,008)**	**285,303,658**

Notes to the Interim Condensed Financial Statements Continued

10. Share capital and reserves (continued)

	Share capital (£)	Share premium reserve (£)	Special reserve (£)	Capital reduction reserve (£)	Capital reserve (£)	Revenue reserve (£)	Total (£)
At 1 April 2020	525,488	19,707,058	186,656	25,516,500	5,020,458	(1,265,657)	49,690,503
Issue of ordinary £0.01 shares: 30 June 2020	30,000	2,853,000	–	–	–	–	2,883,000
Issue of ordinary £0.01 shares: 8 July 2020	216,274	20,567,624	–	–	–	–	20,783,898
Issue of ordinary £0.01 shares: 30 October 2020	66,955	7,030,276	–	–	–	–	7,097,231
Issue of ordinary £0.01 shares: 16 December 2020	600,000	59,400,000	–	–	–	–	60,000,000
Share issue costs	–	(1,844,233)	–	–	–	–	(1,844,233)
Dividends paid	–	–	–	(8,070,152)	–	–	(8,070,152)
Profit for the year	–	–	–	–	16,205,729	(1,611,035)	14,594,694
At 31 March 2021	**1,438,717**	**107,713,725**	**186,656**	**17,446,348**	**21,226,187**	**(2,876,692)**	**145,134,941**

SHARE ISSUES

On 27 April 2021, the Company issued 132,352,941 ordinary shares at a price of 102 pence per share, raising net proceeds from the Placing of £135,000,000. Admission subsequently took place on 27 April 2021.

11. Dividends

	Dividend per share	30 September 2021 (£)	30 September 2020 (£)
Dividends paid during the period			
For the 3 month period ended 31 March 2020	1 pence	–	771,761
For the 3 month period ended 31 March 2021	1 pence	2,762,247	–
		2,762,247	771,761

An interim dividend of 2 pence for the period 1 April 2021 to 30 June 2021 was proposed by the Directors, and subsequently paid on the 8 October 2021.

An interim dividend of 2 pence for the period 1 July 2021 to 30 September 2021 is proposed by the Directors and due to be paid in January 2022.

Notes to the Interim Condensed Financial Statements Continued

12. Transactions with related parties

Following admission of the ordinary shares (refer to note 20), 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:

DIRECTORS

Patrick Cox, Chair of the Board of Directors of the Company, is paid a director's remuneration of £57,500 per annum, (2020: £37,000), Caroline Banszky is paid a director's remuneration of £45,000 per annum, (2020: £25,000) with the remaining directors being paid directors' remuneration of £40,000 per annum, (2020: £21,000).

Total director's remuneration and associated employment costs of £97,504 were incurred in respect of the period with £4,085 being outstanding and payable at the period end.

INVESTMENT ADVISOR

The Investment Advisor, Gore Street Capital Limited (the "Investment Advisor"), is entitled to advisory fees under the terms of the Investment Advisory Agreement amounting to $1/4^{th}$ of 1% of Adjusted Net Asset Value on a quarterly basis. The advisory fee will be calculated as at each NAV calculation date and payable quarterly in arrears.

For the avoidance of doubt, where there are C Shares in issue, the advisory fee will be charged on the Net Asset Value attributable to the Ordinary Shares and C Shares respectively.

For the purposes of the quarterly advisory fee, Adjusted Net Asset Value means:

(i) for the four quarters from First Admission, Adjusted Net Asset Value shall be equal to Net Asset Value;

(ii) for the next two quarters, Adjusted Net Asset Value shall be equal to Net Asset Value minus Cash on the Company's Statement of Financial Position, plus any committed Cash on the Company's Statement of Financial Position;

(iii) thereafter, Adjusted Net Asset Value shall be equal to Net Asset Value minus Cash on the Company's Statement of Financial Position.

Investment advisory fees of £1,353,252 (30 September 2020: £376,416) were paid during the period, there were no outstanding fees as at 30 September 2021, (31 March 2021: £nil outstanding).

INVESTMENT ADVISOR

In addition to the advisory fee, the Advisor is entitled to a performance fee by reference to the movement in the Net Asset Value of Company (before subtracting any accrued performance fee) over the Benchmark from the date of admission on the London Stock Exchange.

The Benchmark is equal to (a) the gross proceeds of the Issue at the date of admission increased by 7 per cent. per annum (annually compounding), adjusted for: (i) any increases or decreases in the Net Asset Value arising from issues or repurchases of Ordinary Shares during the relevant calculation period; (ii) the amount of any dividends or distributions (for which no adjustment has already been made under (i)) made by the Company in respect of the Ordinary Shares at any time from date of admission; and (b) where a performance fee is subsequently paid, the Net Asset Value (after subtracting performance fees arising from the calculation period) at the end of the calculation period from which the latest performance fee becomes payable increased by 7 per cent. per annum (annually compounded).

The calculation period will be the 12 month period starting 1 April and ending 31 March in each calendar year with the first year commencing on the date of admission on the London Stock Exchange.

Notes to the Interim Condensed Financial Statements
Continued

12. Transactions with related parties (continued)

The performance fee payable to the Investment Advisor by the Company will be a sum equal to 10 per cent. of such amount (if positive) by which Net Asset Value (before subtracting any accrued performance fee) at the end of a calculation period exceeds the Benchmark provided always that in respect of any financial period of the Company (being 1 April to 31 March each year) the performance fee payable to the Investment Advisor shall never exceed an amount equal to 50 per cent of the Advisory Fee paid to the Investment Advisor in respect of that period. Performance fees are payable within 30 days from the end of the relevant calculation period. No performance fees of were accrued for the period ended 30 September 2021, (31 March 2021: £496,461).

During the period the Investment Advisor provided operations management services to SPV companies resulting in charges to the amount of £247,363 (31 March 2021: £686,025) being payable by the SPV companies to the Investment Advisor.

13. Capital commitments

The Company together with its direct subsidiary, GSES1 Limited entered into Facility and Security Agreements with Santander UK PLC in May 2021 for £15 million. Under these agreements, the Company acts as chargor and guarantor to the amounts borrowed under the Agreements by GSES1 Limited. As at 30 September 2021, no amounts had been drawn on this facility.

The Company had no contingencies and significant capital commitments as at the 30 September 2021.

14. Post balance sheet events

The Directors have evaluated the need for disclosures and/or adjustments resulting from post balance sheet events through to 17 December 2021, the date the financial statements were available to be issued.

There were no adjusting post balance sheet events and as such no adjustments have been made to the valuation of assets and liabilities as at 30 September 2021.

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Malcolm Robert King
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