

18 February 2025

Foresight Solar Fund Limited
("Foresight Solar", "FSFL" or the "Company")

Q4 2024 Net Asset Value, Trading Update and Interim Dividend Declaration

Foresight Solar, the fund investing in solar and battery storage assets to build income and growth, announces its unaudited net asset value (NAV) was £634.4 million at 31 December 2024 (30 September 2024: £639.9 million). This results in a NAV per Ordinary Share of 112.3 pence (30 September 2024: 112.6 pence).

Highlights

- Higher power price forecasts and inflation expectations, along with share buybacks, balanced below-expectation solar resource and forex movements to keep the NAV broadly flat.
- Poor irradiation across markets continued into the fourth quarter. The UK experienced its most overcast year since the Company's inception, contributing to global electricity production 7.0% below budget for the 12 months.
- The Investment Manager continues to progress the sale of the Australian portfolio, with the target of now signing during the summer of 2025.
- Post-period, the Investment Manager agreed power price fixes at NAV-accretive levels for 2025 and 2026, providing improved revenue visibility. Based on current forecasts, net dividend cover for 2025 is expected to be 1.3x.
- The Board confirms the fourth quarter 2.00pps dividend and the 8.00pps dividend for the year. Dividend cover of 1.4x was driven by an active power price hedging strategy.

Summary of key changes to NAV

Item	p/share movement
NAV on 30 September 2024	112.6p
Interim dividends paid	-2.1p
Time value	+2.1p
Project actuals	-0.6p
Power price forecasts	+0.4p
Share buyback programme	+0.2p
Other movements	-0.3p
NAV on 31 December 2024	112.3p

As previously reported, historically low irradiation in the UK was a challenge throughout the year. This is corroborated by data from the Department of Energy Security and Net Zero showing that 2024 had the lowest number of sun hours since the Company's IPO in 2013. Low solar resource persisted throughout the quarter in the UK, although it was mostly offset by higher-than-budgeted merchant power prices. Spain also suffered from overcast conditions, whilst curtailment remained an issue in Australia. All this contributed to a net asset value downside from project actuals of 0.6 pence per share (pps) in the period.

Increases to the middle and long end of the power curves contributed to offset below-forecast generation. Curves trended down in the short term, a period in which Foresight Solar has most of its hedges already in place - and is, therefore, protected. In aggregate, power price forecasts resulted in a positive impact to NAV of 0.4pps.

The Company continued with share buybacks, repurchasing 3.7 million shares, returning £3 million to Shareholders and delivering an additional 0.2pps of NAV accretion in the last quarter of 2024. FSFL has now deployed more than £40 million of its £50 million allocation, resulting in a cumulative 2.2pps uplift to NAV since it began repurchases. Recognising the persistent discount between net asset value and its share price, Foresight Solar has continued repurchases into 2025, returning almost £2.5 million to Shareholders in January and February.

In other movements, the weakening of the Australian dollar, countered by a higher inflation forecast of 3.5% for 2025, up from 3.0%, was the main contributor to the total negative effect of 0.3pps.

UK portfolio valuation

Based on transactional pricing and market evidence, the Board is confident the Company's realistic assumptions derive a balanced valuation for the UK portfolio.

UK portfolio valuation	31 December 2024	30 June 2024
£m/MWp	1.10	1.16

Trading update

Persistent weather challenges outlined throughout the year culminated in irradiation 4.5% below expectation and global portfolio production 7.0% under forecast for 2024.

Continued

Gearing

The gross asset value (GAV) on 31 December 2024 was £1,044.7 million (30 September 2024: £1,065.5 million), with total outstanding debt of £410.3 million, which represented 39.2% of GAV (30 September 2024: £425.6 million and 39.9%) - comfortably within the 50% limit. The RCF balance was £73.4 million drawn (30 September 2024: £84.5 million).

Delivering income and growth

The Investment Manager continues to implement the Company's active hedging strategy to secure advantageous prices, ensure revenue visibility and support dividend cover. Post-period, Foresight Solar implemented NAV-accretive hedges, increasing total contracted revenues for 2025 to 88% and for 2026 to 69%, both at an average price of £86/MWh. As elevated fixes agreed during the pandemic start to roll off, FSFL maintains its attractive revenue profile with steady, covered income for Shareholders.

The growth element of the Company's strategy is also progressing, with the Investment Manager actively bidding for 398MWp-worth of connection capacity for the development-stage Spanish battery storage pipeline. FSFL's first solar development project in that country is also expected to reach ready-to-build status in the second half of the year.

More details on the active power price hedging approach and the proprietary development pipeline will be provided in the annual report.

Australian divestment

The process to divest the Australian operational solar and development-stage BESS portfolio continues. Closing is now expected in the summer of 2025 and the Directors will update shareholders as appropriate.

Dividend declaration

The Board is pleased to announce the final interim dividend relating to 2024 of 2.00p per ordinary share. The shares will go ex-dividend on 24 April 2025 and the dividend will be paid on 23 May 2025 to Shareholders on the register as at the close of business on 25 April 2025.

Total aggregate interim dividends for 2024 are 8.00p per ordinary share, in line with Foresight Solar's stated target.

The Directors will announce the dividend target for the 2025 financial year with the Company's annual results.

2024 annual results date

Foresight Solar expects to publish its annual results for the full year to 31 December 2024 on 20 March 2025. A Notice of Results with more details will be released in due course.

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