

21 May 2025

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

**Trading and strategic option considerations updates**

Foresight Solar, the fund investing in solar and battery storage assets to build income and growth, announces its global portfolio performance to 30 April 2025 following the Q1 2025 Net Asset Value update earlier this month.

Electricity production in the UK was 9.4% above budget, reflecting strong irradiation in March and April. Despite limited solar resource at the start of the year and prolonged network outages at several large sites, the portfolio in the Company's main market performed well in the two subsequent months to deliver this outperformance. Excluding network outages, generation was 12.4% higher than expected.

In Spain, grid outages added to poor weather conditions, resulting in production 11.7% below forecasts. Lower irradiation also proved an issue in Australia, where higher-than-expected curtailment combined to stifle production, which was 11.1% below expectations. Overall, generation for the global portfolio was 0.3% above budget to 30 April 2025 and is tracking ahead of forecasts on projections for the full year. Excluding network outages, global production was 1.9% higher than expected.

The investment manager continues to implement the Company's active hedging strategy to secure advantageous prices, ensure income visibility and support dividend cover. Price hedges at levels accretive to dividend cover, including forward fixes and fixed volume financial derivatives, were agreed, bringing the average hedged price for the UK portfolio to £85.48/MWh in 2025, £82.50/MWh in 2026 and £79.80/MWh in 2027. Total contracted global revenues have increased to 88% for calendar year 2025, 71% for 2026, and 62% for 2027. This approach provides confidence in the 1.3x dividend cover target for this year.

**Divestment update**

The sale of the Australian portfolio continues. Technical advisors are now due to finalise the necessary forecasting assessments to support bidder due diligence, a key consideration for the parties that have already signed up to evaluate the portfolio. Given the delays to the process, the Company currently believes targeting a deal before the end of the year is more realistic.

Elsewhere, in the process to divest of the additional 75MW+ of operational solar projects, the investment manager has appointed advisors and remains on track for the projects to be brought to market before the end of June, as previously announced.

**Capital allocation**

The board and the investment manager have continued proactive efforts to prove valuations, generate cash and return capital to shareholders. Despite these actions, prevailing macroeconomic and market conditions mean share price discounts in relation to net asset values in the sector remain - and Foresight Solar is no exception. FSFL shares currently offer an attractive risk-adjusted return, and, as the £50 million buyback programme nears completion, the directors will continue to review the total allocation.

**Strategic option considerations**

In its recent full year results announcement on 20 March 2025, the board of Foresight Solar highlighted the strategic challenges facing both the Company and the wider listed renewables sector, and that its intention is to explore all options available to provide the best outcome for the majority of its shareholders in an efficient and effective manner. The board further cited its view that consolidation is likely to be a major feature in the sector in the year ahead and that the directors are fully aware of the benefits that successful consolidation can deliver to shareholders, and this forms a critical part of the ongoing strategic considerations.

It is against this backdrop that the board evaluated various opportunities which culminated in a formal proposal which the FSFL board was unable to ultimately advance, and those discussions were terminated. The board will continue to evaluate all potential options that it believes will maximise value for shareholders.

**Alex Ohlsson, Chair of Foresight Solar, said:** *"Foresight Solar's portfolio has been generating clean electricity, and income investors can rely on, for more than a decade. We're confident our operational projects, combined with our active power price hedging strategy, will continue to generate reliable cash flow to support our dividend payments, delivering on the income aspect of our investment objective - especially as negative power prices become more prevalent."*

*"On the growth front, we expect our proprietary development pipeline to start bearing fruit this year, with the first project in the Cuerva solar pipeline reaching ready-to-build status in Spain and results from grid capacity awards of 400MWp of applications from the Chelion BESS partnership to be announced in the next few months. We're searching for projects in the UK that can enhance the opportunities our proprietary development pipeline already offers in Spain."*

*"The directors were pleased to see increased secondary liquidity in the Company's stock over the last several weeks, allowing investors that believe in Foresight Solar's strategy to increase their positions and for new ones to come onto the shareholder register."*

*"The generalised disposal of assets among renewable infrastructure investment trusts to return capital to shareholders will result in a smaller sector with fewer participants. As previously outlined, the Board believes consolidation will be a major feature in the year ahead to create larger, more liquid vehicles that continue to provide investors with exposure to an appealing asset class. The directors are fully aware of the benefits that successful consolidation can deliver and have made a formal proposal that did not advance. We will continue to evaluate all options with the potential to maximise value for shareholders."*

For more information, follow Foresight Solar on [LinkedIn](#) or contact:

**Foresight Group**  
Matheus Fierro  
([fsflir@foresightgroup.eu](mailto:fsflir@foresightgroup.eu))

+44 (0)20 3911 2318

**Jefferies International Limited**  
Gaudi Le Roux  
Harry Randall

+44 (0)20 7029 8000

<b>Singer Capital Markets</b> Alaina Wong	+44 (0)20 7496 3000
<b>Sodali &amp; Co</b> Gilly Lock Madeleine Gordon-Foxwell	+44 (0)20 7250 1446
<b>JTC</b> Hilary Jones	+44 (0) 1534 700 000

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