Foresight Solar Fund Limited

Unaudited Interim Report and Financial Statements
for the six months to 30 June 2025

About us

Foresight Solar is a closed-end investment company with more than £1 billion deployed in a diversified portfolio of solar farms and battery storage assets.

The sustainability-focused fund contributes to a lower-carbon future by investing in and managing approximately 2GW of operational and under-development renewable energy infrastructure, primarily in the UK and mainland Europe.

In this report

Chair's statement

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Foresight Solar Fund Limited (FSFL) was awarded the Green Economy Mark in 2019. This recognises companies that derive 50% or more of their revenues from environmental solutions.

Front cover: Paddock Wood, UK

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Highlights

As at 30 June 2025

Plentiful solar resource contributed to better-than-expected production in the UK, Foresight Solar's main market. Global generation was 4.0% above budget in the six months to 30 June 2025.

Combined with an active power price hedging strategy, strong operational performance gives the Board confidence in the 1.3x dividend cover target for the year.

The size of the buyback programme was increased to a total of up to £60 million. In the first half of 2025, Foresight Solar distributed £29 million to Shareholders, including dividends.

Despite headwinds in Australia, the Board remains committed to the sale of the Australian portfolio and the targeted divestment of a further 75MW of operational solar capacity to unlock cash.

The benefits of the proprietary development pipeline are appearing. Grid capacity was allocated to Foresight Solar's BESS assets in Spain and the Muel solar project is approaching ready-to-build status.

Investment objectives	Key performance indicators (KPIs)[1]	
Preserve and enhance capital value	**£603.8m** Net Asset Value (NAV) (31 December 2024: £634.4m)	**108.5p** NAV per share (31 December 2024: 112.3p)
	7.1% Annualised total NAV return since IPO (31 December 2024: 7.4%)	**5.1%** Annualised total Shareholder return since IPO (31 December 2024: 3.8%)
Deliver sustainable, progressive quarterly dividends	**8.10p** Target dividend per share for 2025 (Full year to 31 December 2024: 8.00p)	**1.3x** Estimated net dividend cover for 2025[2]
Develop further portfolio diversification	**969MW** Operational portfolio capacity (As at 30 June 2025)	**989MWp** Proprietary development pipeline (As at 30 June 2025)
Contribute to global decarbonisation goals	**578GWh** Renewable electricity generated[3] (30 June 2024: 531GWh)	**0.13 tCO_2e/£m invested** Carbon footprint (30 June 2024: 0.13 tCO_2e/£m invested)

1. Refer to the Alternative Performance Measures (APMs) shown on pages 47 and 48 for more details and definitions of the terms used in this report.
2. Net dividend cover calculated solely from operating cash flow generated in the period. (See details on page 47.)
3. Generation figures have been adjusted, where relevant, for events in which compensation has been, or will be, received.

Investment proposition

Foresight Solar invests in solar and battery storage assets to build income and drive capital growth. Underpinned by a progressive dividend, the Company can hold assets to generate cash or dispose of projects to capture the financial uplift for Shareholders.

Income and growth

FSFL has consistently met its target of delivering steady income with a growing dividend and regular quarterly payments. Looking ahead, the development pipeline offers the potential to improve returns. As assets achieve planning consent and potentially progress through construction to operation, they will provide the opportunity to realise gains via sales or generate long-term yield through operations.

Read more on page 30

9.4%

dividend yield
(as at 30 June 2025)

Geographic diversification

As nations transition to lower-carbon economies, Foresight Solar's strategic focus on the UK and mainland Europe gives Shareholders exposure to distinct support mechanisms, different regulatory frameworks and varying levels of irradiation. The continental footprint allows FSFL to, at the same time, maximise returns and mitigate risks.

Read more on page 12

75%

of Foresight Solar's installed capacity is in the UK

Operational excellence

The Company has outperformed its production forecasts most years since starting operations in 2013. The Investment Manager's dedicated portfolio team was involved in the initial acquisition and construction efforts to ensure asset quality and has since tracked and overseen performance, maintained availability and delivered value uplifts.

Read more on page 24

£84m

of value added from active portfolio management since IPO[1]

Investment Manager

Foresight Group is a leading real assets Investment Manager with offices in seven countries and more than 185 infrastructure professionals. The firm has the international scale and the local networks to play an important role in the adoption of renewables, support the energy transition and directly contribute to Foresight Solar's long-term success.

Read more on page 9

£10.2bn

of infrastructure assets under management[2]

1. More details on operational value added on page 25.
2. Data accurate as per Foresight Group's latest results.

Shotwick, UK

Business model

What we do

Foresight Solar is a sustainability-focused investment company that aims to deliver progressive returns alongside long-term NAV growth by developing, building and operating utility-scale solar and battery storage assets.

How we create value

01. Identify, acquire

The Investment Manager leverages its global footprint and local networks to source opportunities at different stages of development. These are screened for suitability and potential targets are subject to due diligence to assess risks, confirm valuation assumptions and review sustainability considerations. Investment approval is multi-level and culminates with Board sign-off.

Sustainability considerations

Environmental, social and governance criteria are integral in any investment assessment. The Investment Manager undertakes a thorough analysis for every asset.

02. Develop, build

There is a focus on opportunity identification and risk mitigation to maximise risk-adjusted returns for Shareholders. The Company actively manages projects, employing strategic analyses to combine development, construction and maintenance determinations with efficient balance sheet management. Foresight Solar partners with experienced counterparties to build and manage projects, and to secure future pipeline.

Sustainability considerations

Third-party service providers monitor and manage the day-to-day performance, including sustainability KPIs, of each asset in the portfolio.

03. Operate, enhance

Foresight Solar seeks to ensure optimal operational availability and maximise revenue potential. The portfolio is regularly assessed for opportunities to improve performance, both operational and financial, and to better meet sustainability objectives.
The Investment Manager consistently seeks to capture the value identified for the benefit of Shareholders and its strong operational track record has delivered tangible value since listing.

Sustainability considerations

Measuring KPIs from as early as the due diligence phase, the Investment Manager is able to continually seek and execute on improvement opportunities across the portfolio.

04. Hold/exit, recycle

The Company's strategy involves mostly holding assets for cash yield and delivering long-term NAV growth by bringing projects from development to construction and then operation. Foresight Solar may generate additional value by selling assets at favourable prices. The Investment Manager and the Board evaluate these opportunities carefully, reviewing assets' potential to generate returns over time.

Sustainability considerations

Sales proceeds will typically be used to repay debt or to invest in assets with attractive risk-adjusted returns, including development-stage options that grow the Company's pipeline and provide upside potential.

Company structure

Foresight Solar Fund Limited is a closed-end company with an indefinite life. It was incorporated in Jersey under the Companies (Jersey) Law 1991, as amended on 13 August 2013, with registration number 113721.

The Company's Initial Public Offering on the London Stock Exchange on 24 October 2013 raised £150 million, creating the UK's largest listed solar investment trust at the time. As at 30 June 2025, there were 556,268,382 Ordinary Shares in circulation and another 53,690,338 were held in Treasury.

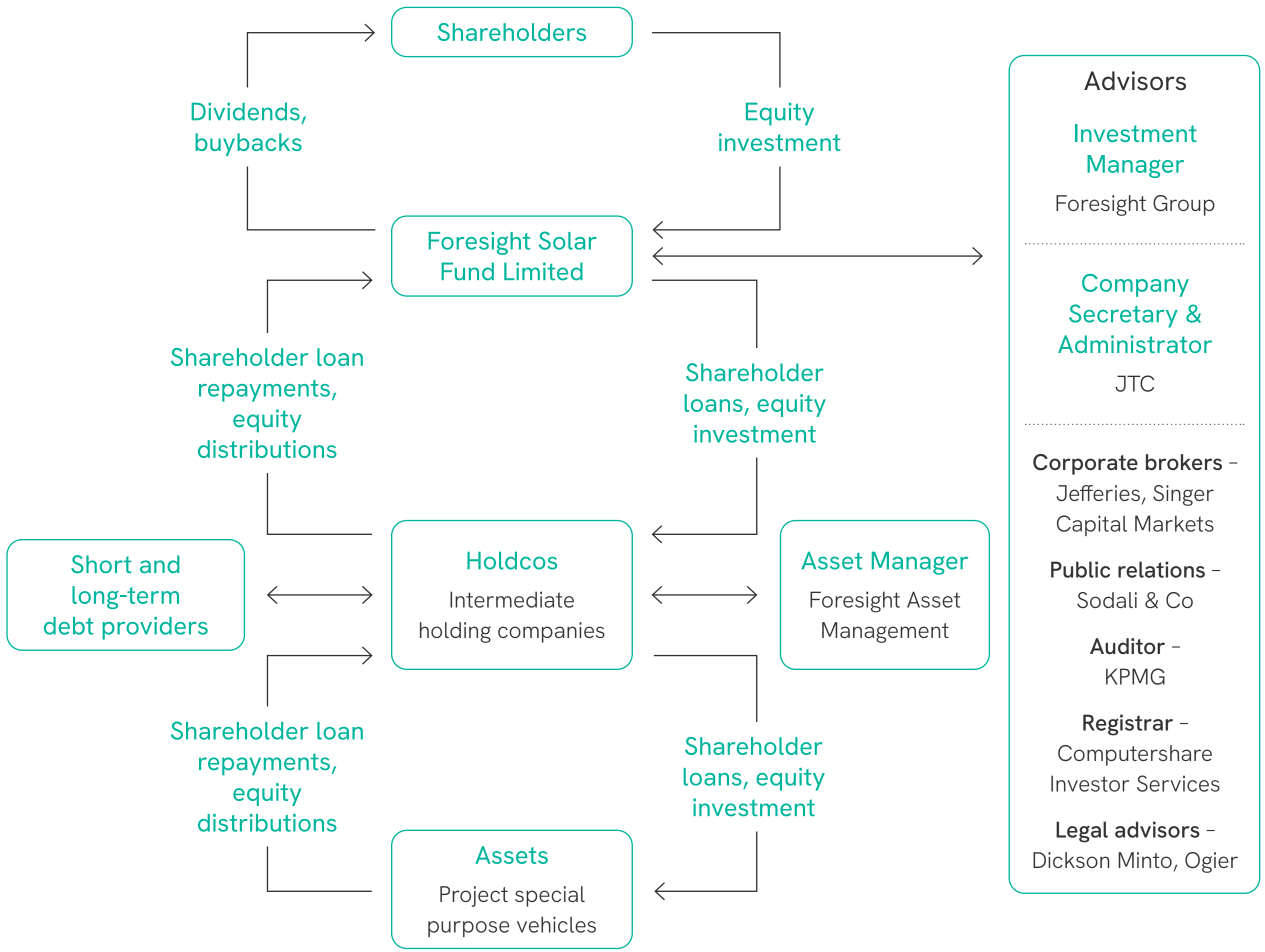
As an investment company, Foresight Solar has no direct employees and outsources its operations to a few key service providers. It makes investments through intermediate holding companies and underlying project vehicles/special purpose vehicles.

Significant Shareholders

FSFL's Shareholders include a mix of institutional and retail investors. Those with more than a 5% holding as at 30 June 2025 were:

Investor	Shareholding in fund %
Schroders	7.32%
BlackRock	6.19%
Hargreaves Lansdown	6.13%
Blackmead Infrastructure	5.88%
Gravis	5.77%
Total	**31.28%**

Operating structure and key service providers:



Chair's statement

"Investors backed the Board's work to execute Foresight Solar's income and growth strategy. We understand there is much to do to ensure FSFL continues to meet its targets, provides compelling returns and steadily re-rates."

Tony Roper
Chair

Since joining the Board in November 2024, I have worked closely with my fellow Directors and the Investment Manager to advance Foresight Solar's income and growth strategy.

Many of you have shared your views in dozens of meetings and those conversations have been invaluable. With your feedback, we have taken steps to try and address the share price discount to NAV.

The start to the year was favourable, with robust operational performance and what was then an encouraging re-rating of the share price, but there is more to achieve amid sustained market volatility and a continued rise in long-dated government bond yields.

Market context

The first half of 2025 was marked by considerable instability.

Geopolitical tensions, particularly in the Middle East, drove energy price fluctuations, directly impacting wholesale electricity markets.

Meanwhile, broad tariffs affecting US trade partners continue to raise concerns about global growth and investor sentiment.

Amid all this turbulence, FSFL's share price rose by 25.7% between 28 January, a historic low, and 30 June. Yet, market signals remain mixed and a turn in the outlook in August has eliminated some of those gains.

Addressing the share price discount

In July, we allocated a further £10 million to our buyback programme. Shareholders have asked for more capital returns and we responded. Since the programme began in May 2023, we have repurchased over 53 million shares and delivered 2.8 pence per share (pps) of accretion.

At the prevailing average discount of the first half of the year, the share buybacks offered compelling returns on an operational solar portfolio with a proven track record of cash generation.

Foresight Solar returns to 30 June 2025

	12 months	5 years	10 years
Total shareholder return	5.4%	15.0%	59.0%
Total NAV return	1.4%	57.7%	106.0%

Chair's statement continued

Addressing the share price discount continued

To accelerate the process of unlocking capital that can, among other things, be distributed to investors, we're focused on our divestment programme.

In Australia, we have now received indicative offers for the portfolio and the Investment Manager, supported by the local financial advisor, is reviewing their deliverability. Conditions have become more difficult, with higher bond yields, curtailment challenges and multiple sales processes in the market making renewables investors even more selective. In a complex environment, retaining flexibility in progressing this divestment is key to protect value.

We also announced plans in March to divest an additional 75MW of operational solar sites. We are pleased with how quickly the Investment Manager prepared sale processes in our core markets and we are incorporating feedback to inform timing and positioning of assets. We remain open-minded about how to deliver the best possible outcome for investors.

It is clear that markets are more challenging than at the start of the year and many potential buyers are waiting to see how conditions unfold. We remain committed to selling assets but recognise we must be adaptable to safeguard Shareholders' interests.

Proceeds from any sales will be used in line with our stated capital allocation strategy, which balances reducing debt, returning cash to Shareholders and reinvesting in development-stage projects with higher return potential.

The portfolio will continue to evolve to meet the Company's investment goals efficiently and effectively. Sandridge BESS coming online and the sale of Lunanhead, both after the period, are examples of our recognition of the role battery storage will play in the energy transition and how we are prepared to capitalise on market opportunities. In parallel, we are also considering alternatives to improve the appeal of our existing sites, including refinancing options and BESS co-location.

These initiatives will build on measures we have already taken to improve Foresight Solar's financial position and to optimise future financial performance. The renegotiation of the revolving credit facility (RCF) is another example. Completed in May, it will save approximately £1 million of debt costs over the extended three-year term.

Aligning the Investment Manager's fee structure more closely with Shareholders' interests, which we unveiled in February, will provide direct benefits for investors, with estimated annual savings of 15% at the current share price.

Governance

Our succession plan has progressed smoothly. Paul Masterton and I joined the Board last November. Chris Ambler stepped down at the Annual General Meeting (AGM) in June and Alex Ohlsson departed on 16 September.

I thank them for their years of service and their unparalleled contribution to the success of Foresight Solar. We wish them all the best in their endeavours.

At the AGM, we had a discontinuation vote due to our share price performance in relation to prevailing NAV in 2024. We are pleased the majority of Shareholders supported our efforts to narrow the discount and voted against discontinuation.

We remain focused on finding acceptable solutions in a difficult market for alternative investment trusts and will continue our active engagement with investors to ensure we understand your views.

> We thank our investors for their continued support as we work to meet our targets and to deliver on our income and growth strategy.

On 30 June 2025, the discount to NAV stood at 20.6% – a level which is unacceptable. In our view, it is significantly below the portfolio's fair value.

There's much to do to ensure FSFL continues to meet its targets, generates and distributes compelling returns, and steadily re-rates.

Operational performance

Strong operational performance has been central to Foresight Solar's ability to deliver a reliable and growing dividend. After a year of reduced solar irradiation in 2024, we're back to outperforming budget and remain confident in our long-term assumptions.

Electricity generation exceeded forecasts by 4.0%, supported by irradiation 8.5% higher than expected. UK assets led the way, with production 8.9%[3] above budget. Excluding distribution network operators' outages, generation in the Company's main market would have been 13.0% above base case.

The Investment Manager continued to hedge power at advantageous prices, supporting a projected 1.3x dividend cover target for the year.

Chair's statement continued

Road ahead

As the operational portfolio continues to excel, we are excited about the potential of our proprietary development pipeline.

In Spain, our work demonstrates the opportunity. We recently secured capacity awards for several battery storage projects, and our 55MW Muel solar project is expected to reach ready-to-build status later this year.

As these assets become ready to build, they unlock value – much like land that gains planning permission and then appreciates more with the construction of a building.

In the same way we have established a development pipeline of almost 1GW in Spain, we're evaluating opportunities in the UK, mindful of selecting the best partners and projects to maximise Shareholder value.

Although zonal pricing has been dismissed by the UK government – a positive development – changes to the grid queue to accelerate the connection process and future-proof our network make selecting the right development partner even more important.

Strategic options

The Board continues to analyse all options to deliver the best possible outcome for Shareholders, and that includes consolidation. The number of London-listed investment trusts fell from 337 in May 2022 to 279 in May 2025, with 10 takeover bids this year alone – three times the total of 2024.

In May, we made a combination proposal for another investment trust. Though our approach was rebuffed, we are convinced there are options with strong potential to drive material value based on meaningful synergies and the creation of bigger, more liquid vehicles.

We are also exploring other ways to improve transparency and reporting and to ensure our structure remains fit for purpose.

Notwithstanding recent headwinds, investment companies are a tried-and-tested product that offer exposure to asset classes that are often difficult to access directly. Changes to the regulatory regime in the UK, however, mean differences between investment and operating companies are blurred and new structures can provide similar benefits to investors.

We remain open to considering all options for Foresight Solar and are confident the Company is well positioned to benefit from the global transition to a low-carbon economy.

The UK aims to triple installed solar capacity by 2030, while Spain targets 81% renewable electricity generation by the same year.

With a clear strategy, a strong track record and a committed team, FSFL is ready to capture these opportunities.

Thank you for your continued support.

A. C. Roper.

Tony Roper
Chair

17 September 2025

Tony Roper, Chair of Foresight Solar

Investment Manager's report

What's in this section:

£603.8m
Net Asset Value
(as at 30 June 2025)

£1.09m/MW
UK portfolio valuation
(as at 30 June 2025)

7.5x
EV/EBITDA ratio
(as at 30 June 2025)

Longreach, Australia

Investment Manager's report

Investment Manager

Foresight Group, the Company's Investment Manager, is responsible for the acquisition and management of assets, including the sourcing and structuring of new transactions, as well as advising on the borrowing strategy to optimise the capital structure.

Founded in 1984, Foresight Group is a leading listed infrastructure and private equity Investment Manager. With a long-established focus on sustainability-led strategies, it aims to provide attractive returns to institutional and retail investors from hard-to-access private markets.

Foresight Group manages hundreds of infrastructure assets with a focus on renewable energy generation, including solar, onshore wind, bioenergy and energy-from-waste. The firm also manages renewable energy-enabling sites, energy efficiency management solutions, social and core infrastructure projects, and sustainable forestry assets on behalf of its clients.

The infrastructure division consisted of almost 200 investment, portfolio and technical professionals as at 31 March 2025 – the latest publicly available data.[1] The team is comprised of:

- An investment management team responsible for originating, assessing and pricing assets, managing due diligence and executing transactions
- An asset management team with expertise across electrical and civil engineering, finance and legal disciplines that oversees day-to-day portfolio operations
- A sustainability team that contributes to every phase of the investment and asset management processes and is responsible for integrating and monitoring best practices

The second part of Foresight Group's business, private equity, manages 25 investment vehicles across the UK and Ireland. The division reviews approximately 3,000 business plans each year and currently supports a portfolio of over 250 small and medium-sized enterprises.

The third pillar, Foresight Capital Management, is responsible for seven differentiated strategies investing in listed companies with a sustainability focus around the world, answering for £1.2 billion in assets under management (AUM).

Foresight Group operates in six countries in Europe and in Australia with total AUM of £13.2 billion.

Foresight Group Holdings Limited listed on the London Stock Exchange in February 2021 and was admitted to the FTSE 250 in September 2023.

£13.2bn
assets under management

448
infrastructure assets under management

185+
investment, commercial and technical professionals

5.0GW
total green energy technology capacity

1. All data on this page is accurate as per Foresight Group's latest results.

Investment Manager's report continued

Key investment metrics

	Six months to 30 June 2025	Six months to 30 June 2024	Year to 31 December 2024
Net Asset Value (NAV)	**£603.8m**	£656.8m	£634.4m
NAV per share	**108.5p**	114.9p	112.3p
Dividend declared per share for the period	**4.05p**	4.00p	8.00p
Annualised total NAV return since IPO	**7.1%**	7.6%	7.4%
Gross Asset Value (GAV)	**£1,005.6m**	£1,085.2m	£1,044.7m
Share price	**86.1p**	90.1p	77.0p
Ordinary Shares in circulation[1]	**556,268,382**	571,566,814	564,856,642
Market capitalisation	**£478.9m**	£515.0m	£434.9m
Annualised total shareholder return since IPO	**5.1%**	5.0%	3.8%
UK portfolio valuation	**£1.09m/MW**	£1.16m/MW	£1.10m/MW
Cash flow from operations	**£14.8m**	£9.6m	£61.7m
Total operating profit (EBITDA)	**£66.5m**	£60.6m	£105.4m
Net debt/EBITDA[2]	**3.1x**	3.2x	3.2x
Enterprise value (EV)/EBITDA[2]	**7.5x**	7.6x	7.4x

1. During the period, 8,588,260 shares were repurchased and are held in treasury. Further details on page 45.
2. EBITDA for the last 12 months (LTM) used in calculations to allow for comparability.

Paddock Wood, UK

Investment Manager's report continued

Key operational metrics

	30 June 2025					30 June 2024				
	Operational capacity (MW)	Total generation (GWh)[1]	Budgeted generation (GWh)	Generation variance in relation to base case[2]	Irradiation variance in relation to base case	Operational capacity (MW)	Total generation (GWh)[1]	Budgeted generation (GWh)	Generation variance in relation to base case[2]	Irradiation variance in relation to base case
United Kingdom	723	394	362	8.9%[3]	16.7%	723	348	363	(4.3)%	(2.7)%
Spain	76	60	70	(14.0)%	(3.1)%	76	65	71	(7.9)%	(3.7)%
Australia	170	124	124	0.0%	(4.6)%	170	118	138	(14.0)%	(4.5)%
Global portfolio	969	578	556	4.0%	8.5%	969	531	572	(7.1)%	(3.3)%

1. Generation numbers include distribution network operators' (DNOs) outages outside of Foresight Solar's control. Removing network operators' unforeseen stoppages, total generation for the global portfolio to 30 June 2025 would have been 3.3% higher at 596GWh.
2. Generation figures have been adjusted, where relevant, for events in which compensation has been, or will be, received.
3. Excluding network outages, UK production would have been better at 13.0% above base case.

Verwood, UK

Investment Manager's report continued

Portfolio overview

As at 30 June 2025, Foresight Solar's portfolio comprises 61 assets with a total net peak capacity of 1,044MW, and a growing proprietary development pipeline of solar and battery storage projects totalling 989MWp.

In the UK, the Company has 50 operational solar sites with an installed capacity of 723MW and a 50% stake in Sandridge, a battery storage (BESS) asset equivalent to 25MW/25MWh that is entering operations. In addition, FSFL owns stakes in two pre-construction battery storage projects, totalling 50MW. Foresight Solar also owns four operational solar farms in Australia, equivalent to 170MW of installed capacity, and another four operational plants in Spain, with stakes corresponding to 76MW. (See the full portfolio composition from page 13.)

The solar farms in the United Kingdom all benefit from regulatory support and are accredited under the Renewables Obligation (RO) scheme, except for Yardwall, which is a Feed-in Tariff (FiT) scheme accredited asset. The battery storage assets will predominantly trade on a merchant basis, although they may also be able to bid for fixed price service contracts under National Grid ESO capacity auctions.

The Australian projects, meanwhile, benefit from Large-scale Generation Certificate (LGC) subsidies.

The Spanish sites do not rely on regulatory support. They instead have long-term power purchase agreements (PPAs), striking production deals at determined prices with creditworthy counterparties for certain periods. This approach provides a high proportion of contracted income and revenue visibility.

The Investment Manager successfully sourced those contracts, ensuring competitive prices for 70% of the portfolio's production. Virgen del Carmen established a 10-year offtake agreement with Shell in September 2020, and the Lorca sites (comprising Los Llanos, Los Picos and Las Salinas) signed a decade-long agreement with Statkraft in December 2021.

Foresight Solar has been building its proprietary development pipeline of solar and battery storage assets. So far, the Company has established a total of 867MWp between multiple projects of both technologies and developed 122MWn of BESS in-house in Australia. These well-structured, early-stage opportunities are an excellent way to increase investment optionality, provide an avenue for growth and improve returns for Shareholders over time.

Revenue structure

The Company generates income by producing and exporting electricity to the grid. The revenue predominantly arises from the sale of electricity to third-party offtakers – either at fixed or merchant prices – and from regulatory support mechanisms available in the markets in which FSFL operates.

Foresight Solar seeks to minimise the impact of power price volatility on future cash flows by implementing a proactive hedging strategy that includes fixed price arrangements for the sale of electricity and financial instruments. The goal of this approach is to enhance the quality of revenues by actively managing the price exposure of forecast production in the short and medium term.

By way of example, Foresight Solar can fix the price for an amount of electricity sales in the summer of a given year to support the dividend policy, whilst leaving some exposure to market rates that allow it to capture potential upside from power price volatility in other seasons.

Income from subsidies, from fixed price power purchase agreements and from hedges have a high degree of receivable certainty and are, therefore, defined as contracted. Day-ahead electricity sales, on the other hand, are labelled merchant or uncontracted.

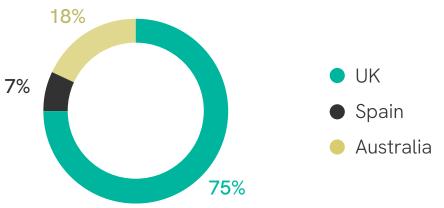
During the first half of 2025, approximately 51% of total revenues were derived from subsidies, with the remaining 49% coming from the sale of electricity. With fixed price contracts mainly secured through PPAs, 88% of revenue in the period was considered contracted, with the remaining 12% deemed merchant.

On a net present value basis, as at 30 June 2025, contracted revenues over the entire investment period represented 47% of the total forecasted revenue.

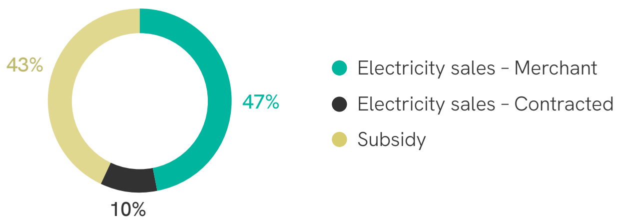
Investment Manager's report continued

Portfolio overview continued

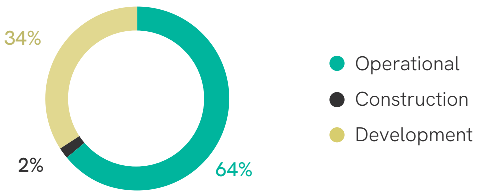
Countries by installed capacity



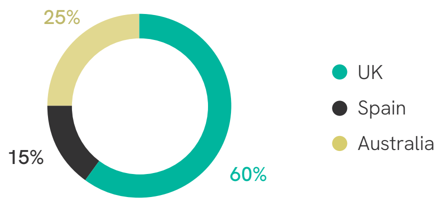
Global portfolio revenue by net present value



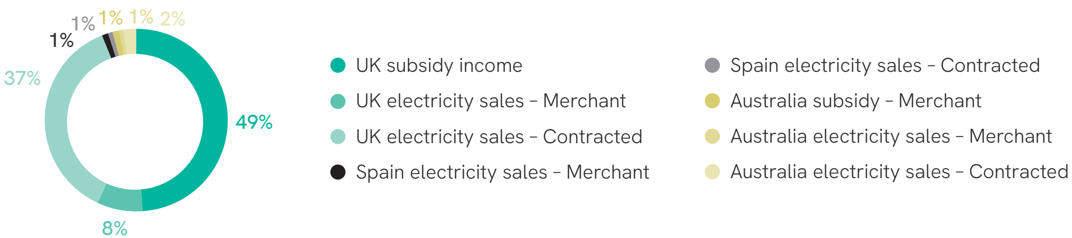
Global portfolio stage by peak capacity



Countries by production



Countries by portfolio revenue



Shotwick, UK

Investment Manager's report continued

Portfolio overview continued

Current portfolio

Type	Asset	Peak capacity (MW/MWh)	Status	Connection date	Revenue type
UK solar					
01	Wymeswold	34	Operational	March 2013	ROC/Electricity sales
02	Castle Eaton	18	Operational	March 2014	ROC/Electricity sales
03	Highfields	12	Operational	March 2014	ROC/Electricity sales
04	High Penn	10	Operational	March 2014	ROC/Electricity sales
05	Pitworthy	16	Operational	March 2014	ROC/Electricity sales
06	Hunters Race	10	Operational	July 2014	ROC/Electricity sales
07	Spriggs Farm	12	Operational	March 2014	ROC/Electricity sales
08	Bournemouth	37	Operational	September 2014	ROC/Electricity sales
09	Landmead	46	Operational	December 2014	ROC/Electricity sales
10	Kencot Hill	37	Operational	September 2014	ROC/Electricity sales
11	Copley	30	Operational	December 2015	ROC/Electricity sales
12	Atherstone	15	Operational	March 2015	ROC/Electricity sales
13	Paddock Wood	9	Operational	March 2015	ROC/Electricity sales
14	Southam	10	Operational	March 2015	ROC/Electricity sales
15	Port Farm	35	Operational	March 2015	ROC/Electricity sales
16	Membury	16	Operational	March 2015	ROC/Electricity sales
17	Shotwick	72	Operational	March 2016	ROC/Electricity sales
18	Sandridge	50	Operational	March 2016	ROC/Electricity sales
19	Wally Corner	5	Operational	March 2017	ROC/Electricity sales
20	Coombeshead	10	Operational	December 2014	ROC/Electricity sales
21	Park Farm	13	Operational	March 2015	ROC/Electricity sales
22	Sawmills	7	Operational	March 2015	ROC/Electricity sales
23	Verwood	21	Operational	February 2015	ROC/Electricity sales
24	Yardwall	3	Operational	June 2015	FiT/Electricity sales
25	Abergelli	8	Operational	March 2015	ROC/Electricity sales
26	Crow Trees	5	Operational	February 2016	ROC/Electricity sales
27	Cuckoo Grove	6	Operational	March 2015	ROC/Electricity sales
28	Field House	6	Operational	March 2016	ROC/Electricity sales

Paddock Wood, UK

Investment Manager's report continued

Portfolio overview continued

Current portfolio continued

Type	Asset	Peak capacity (MW/MWh)	Status	Connection date	Revenue type
UK solar continued					
29	Fields Farm	5	Operational	March 2016	ROC/Electricity sales
30	Gedling	6	Operational	March 2015	ROC/Electricity sales
31	Homeland	13	Operational	March 2014	ROC/Electricity sales
32	Marsh Farm	9	Operational	March 2015	ROC/Electricity sales
33	Sheepbridge	5	Operational	December 2015	ROC/Electricity sales
34	Steventon	10	Operational	June 2014	ROC/Electricity sales
35	Tengore	4	Operational	February 2015	ROC/Electricity sales
36	Trehawke	11	Operational	March 2014	ROC/Electricity sales
37	Upper Huntingford	8	Operational	October 2015	ROC/Electricity sales
38	Welbeck	11	Operational	July 2014	ROC/Electricity sales
39	Yarburgh	8	Operational	November 2015	ROC/Electricity sales
40	Abbey Fields	5	Operational	March 2016	ROC/Electricity sales
41	SV Ash	8	Operational	March 2015	ROC/Electricity sales
42	Bilsthorpe	6	Operational	November 2014	ROC/Electricity sales
43	Bulls Head	5	Operational	September 2014	ROC/Electricity sales
44	Lindridge	5	Operational	January 2016	ROC/Electricity sales
45	Manor Farm	14	Operational	October 2015	ROC/Electricity sales
46	Misson	5	Operational	March 2016	ROC/Electricity sales
47	Nowhere	8	Operational	March 2015	ROC/Electricity sales
48	Pen Y Cae	7	Operational	March 2015	ROC/Electricity sales
49	Playters	8	Operational	October 2015	ROC/Electricity sales
50	Roskrow	9	Operational	March 2015	ROC/Electricity sales
UK BESS					
51	Sandridge BESS[1]	25/25[2]	Construction	—	Merchant
52	Clayfords	25[3]	Pre-construction	—	Merchant
53	Lunanhead[4]	25[5]	Pre-construction	—	Merchant
	Operational sub-total	**723**			
	Construction and pre-construction sub-total	**75**			

Atherstone, UK

1. Post period, Sandridge BESS was energised. Commercial operations are expected to begin soon.
2. Accounts for the 50% stake the Company holds of Sandridge BESS (50MW).
3. Accounts for the 50% stake the Company holds of Clayfords (50MW).
4. Post period, Foresight Solar exchanged contracts for the sale of its 50% stake in Lunanhead. The deal is expected to complete later this year.
5. Accounts for the 50% stake the Company held in Lunanhead (50MW).

Investment Manager's report continued

Portfolio overview continued

Current portfolio continued

Type	Asset	Peak capacity (MW/MWh)	Status	Connection date	Revenue type
Spain solar					
1	Virgen del Carmen	26	Operational	November 2022	Long-term PPA/ Electricity sales
Lorca portfolio					
2	Los Llanos	25[1]	Operational	August 2022	Long-term PPA/ Electricity sales
3	Las Salinas	15[1]			
4	Los Picos	10[1]			
5	Cuerva pipeline	467	Development	—	Long-term PPA/ Electricity sales
Spain BESS					
6	Chelion pipeline	400	Development	—	Merchant
	Operational sub-total	76			
	Development sub-total	867			

Type	Asset	Peak capacity (MW/MWh)	Status	Connection date	Revenue type
Australia solar					
1	Bannerton	53[2]	Operational	July 2018	LGC/Long-term PPA
2	Longreach	17	Operational	March 2018	LGC/Long-term PPA
3	Oakey 1	30	Operational	February 2019	LGC/Long-term PPA
4	Oakey 2	70	Operational	May 2019	LGC/Electricity sales
Australia BESS					
5	Bannerton BESS	42[2]	Development	—	Merchant
6	Oakey 1 BESS	80	Development	—	Merchant
	Operational sub-total	170			
	Development sub-total	122[2]			
	Operational total	969			
	Construction and pre-construction total	75			
	Development total	989			


Los Picos, Spain

1. Accounts for the 50% stake the Company holds in the Lorca portfolio (100MW).
2. Accounts for the 48.5% stake the Company holds of Bannerton (110MW) and the development Bannerton BESS (87MW) project.

Investment Manager's report continued

Portfolio overview continued

Divestments

Australian portfolio

This summer, technical advisors finalised the necessary forecasting assessments to support bidder due diligence. This was important because of the impact of economic and technical curtailment. Whilst the sale process has taken time, the quality of the data provided is important to support portfolio value. Following detailed analyses, bidders submitted indicative offers, which are currently being reviewed.

As market conditions have changed, with higher bond yields adding to ongoing curtailment challenges, interest for renewables projects has dampened. Investors are being selective on which opportunities they pursue, with a preference for pipelines with follow-on deployment opportunities.

The Board remains committed to divesting these assets to realise cash and, along with the Investment Manager, will carefully consider the benefits of a sale over retaining these stably-operating plants.

Operational solar

In March, the Board started a process to sell an additional 75MW of operational solar projects. The Directors appointed financial advisors in the summer and a process is underway.

The divestment would crystallise value and release cash to be deployed according to the Company's capital allocation strategy, which balances reducing debt, returning cash to Shareholders, and reinvesting in development-stage projects with higher return potential.

Lunanhead

Post period, Foresight Solar exchanged contracts for the sale of its 50% stake in the 50MW battery storage asset in Perthshire, Scotland. The project was sold to an independent third-party at a price in line with the 30 June 2025 carrying value. The deal is expected to complete this September.

Development update

Unlike purchasing consented rights from developers or having the right of first offer, Foresight Solar is the holder of the rights to its development pipeline. This means the Company can capture the full financial benefit of projects' evolution for its Shareholders.

Chelion portfolio

In the second half of 2024, the Company submitted multiple applications for grid capacity under the terms of its agreement with Chelion Iberia to jointly invest in up to 400MW of development-stage battery storage projects. The arrangement requires Foresight Solar to commit funding only to viable assets in Spain.

After an evaluation process, the regulator awarded capacity for several projects in different locations, a significant step forward in the process to secure the necessary permits for construction and reach ready-to-build status. The Investment Manager is now analysing the best options to move the sites forward.

The local BESS market is developing rapidly as the government aims to incorporate much-needed storage into the grid. The government's support extends to an aid scheme backing large-scale energy storage. Foresight Solar has applied for grants to assist with capital expenditure at two projects and awaits the results.

Cuerva portfolio

Muel, the first project from the 467MWp solar development pipeline in Spain, secured its environmental permit earlier this year. Land agreements are advancing and the asset is on track to reach ready-to-build status by the end of 2025.

Once this milestone is reached, the Board will evaluate its options, considering between a sale to capitalise on immediate returns on the invested capital or, depending on the availability of funding, building the project to improve returns further once it becomes operational.

The technical studies for the remaining assets in the Cuerva pipeline are ongoing.

Pre-construction and construction progress

Clayfords

Customary pre-construction works continued to meet planning milestones for the project and ensure its position in the grid queue. These efforts are important to guarantee the asset maintains its connection date as the Office of Gas and Electricity Markets (Ofgem) reforms the connection framework.

In the meantime, the Board is considering the best options for Foresight Solar's 50% stake in Clayfords.

Sandridge BESS

The local distribution network operator (DNO) concluded delayed infrastructure works and the 50MW, one-hour lithium-ion battery was energised in August. The site will now begin final commissioning and testing, with commercial operations expected soon after.

Investment Manager's report continued

Market context

United Kingdom

Geopolitical turbulence in the Middle East and the risk of a global trade war are blurring the outlook for global growth.

Although revisions ultimately determined the UK economy grew between 1.0% and 1.2% in the first half of the year, there is still plenty of scepticism about the country's long-term trajectory and the sustainability of its performance.

Amid all the uncertainty, inflation remained above the Bank of England's target due to rising energy costs and wage pressures.

This complex backdrop spurred the central bank to act, and the Monetary Policy Committee delivered the first of three cuts to its benchmark rate in February. It acted again in May and in August, ultimately settling on 4.0%. The market is now split about another potential cut this year.

Further reductions should act as a tailwind for the listed renewable energy investment trust sector, which had been slowly re-rating as gilt yields stabilised, corporate action intensified and the regulatory environment steadied. The positive momentum changed in August, however, when fears about the government's fiscal headroom intensified ahead of the Autumn Budget.

Across the sector, investors continued to demand capital returns and cited a preference for vehicles of scale with greater liquidity. Boards have responded with buybacks, tender offers and consolidation. The number of London-listed investment trusts fell 17% to 279 in May when compared to three years earlier. There were 10 takeover bids in the first five months of 2025 – three times the total of all of 2024.

The fewer investment trust options have led many investors to reposition, increasing the appetite for those remaining.

On the political front, despite a challenging first year in office, the government has been unwavering in its support for solar and wind power.

In July, the Department for Energy Security and Net Zero (DESNZ) provided an update on the Review of Electricity Market Arrangements (REMA). After starting consultations in 2022, it officially rejected zonal pricing, opting to retain a single national wholesale electricity market.

This was welcome news for the sector, releasing an unhelpful regulatory overhang. The improved clarity has brought back interested investors who were on the sidelines and is likely to encourage more private capital into the sector.

Shortly after the REMA announcement, DESNZ extended the length of its flagship support mechanism, the Contracts for Difference (CfD) scheme, to 20 years from 15 years and unveiled competitive prices to make the upcoming Allocation Round 7 the largest since 2014. The measures have the potential to de-risk renewables projects and further incentivise their rollout.

Legislative consistency and supportive initiatives are key if the UK is to meet its ambitious decarbonisation goals of tripling solar capacity and quadrupling offshore wind deployment. The government has already permitted enough offshore wind projects to meet the installed capacity goal for 2030. The opportunity is there for solar to catch up.

Spain

On 28 April 2025, a widespread blackout affected Spain and Portugal. Supply was restored the same day, but the event exposed vulnerabilities in system stability. Experts and national authorities are still reviewing the causes of the interruption and will eventually report on their findings. The speed with which solar and wind capacity has expanded in the Iberian Peninsula, however, has made investors apprehensive.

In an aim to avoid future issues, manage contingencies, stabilise frequency and support the integration of renewables, the government moved to back the deployment of fast-responding flexibility – particularly utility-scale batteries and co-located solar and storage.

A welcome initiative was the structuring of the capacity mechanism, which will remunerate availability from generation, storage and demand response. Transitional auctions are expected this year and full operation is targeted from 2026. This broadens the revenue stack for batteries beyond energy arbitrage to include availability payments and balancing services.

In addition to that, €700 million has been set aside to support capex of large-scale storage projects.

The incentives have supported the accelerating rollout. More than 300 projects, totalling 5.2GW of capacity, are currently under review. So far, 380MW have received construction permits and over 1GW of standalone systems have obtained environmental permits. The average project size is 17MW with c.3-hour duration.

Investment Manager's report continued

Market context continued

Spain continued

High reservoir levels and lower electricity demand due to a mild winter and spring resulted in more instances of zero or negative electricity prices in the first half of 2025. As a result, many solar plants were temporarily curtailed.

The implementation of 15-minute trading and new order types will improve alignment between supply and demand. The regulator is also working to shape demand around when solar output peaks. This will reduce the depth and duration of negative prices and curtailment. Combined with more BESS and hybrid projects, these measures should stabilise prices.

The government's goal is still for 80% of electricity production to come from renewable sources by 2030, with around 76GW of solar and 22.5GW of storage installed, providing opportunities for Foresight Solar's operational assets and for its proprietary development pipeline.

Australia

Strong momentum in corporate and household adoption of green electricity sources on the back of supportive policy and market conditions has propelled renewable energy in Australia. Investors, meanwhile, have been focusing on proven technologies with scalable returns.

According to the Clean Energy Council, a trade association, a record A$12.7 billion was invested in renewables in 2024 – most of which was used to back large-scale generation, particularly wind.

Rooftop solar also grew, surpassing four million installations that added 3.2GW of new capacity. Experts calculate that panels on top of homes now answer for 12% of Australia's electricity supply.

The re-election of the Labor government in May provided confidence in the continuity of renewable energy policies and climate-focused initiatives, boosting investment further.

One of the measures the government has been pushing is the National Renewable Energy Priority List, which will streamline environmental approvals for 56 commercially viable and strategically important projects to accelerate the country's energy transition. These represent roughly 16GW of generation and 6GW of storage capacity.

Paddock Wood, UK

Investment Manager's report continued

Power prices

Subsidy revenue

The buy-out price for Renewables Obligation Certificates, one of the United Kingdom's main support mechanisms for large-scale renewable electricity projects, for the 2025/26 annual compliance period increased to £67.06 (2024/25: £64.73). The change reflected the average monthly percentage move in the Retail Prices Index (RPI), a common measure of inflation, during 2024. On average, Foresight Solar received 1.40 ROC/MWh across the UK portfolio.

Meanwhile, the 2025/26 Feed-in Tariff rate for Yardwall, the only UK asset to which the RO scheme does not apply, was £98.70/MWh (2024/25: £95.30/MWh).

In Australia, the average Large-scale Generation Certificate price secured by the portfolio in the first half of 2025 was A$27 per certificate, lower than the A$46 registered in the same period of 2024. The drop was fundamentally caused by a supply and demand imbalance.

United Kingdom

Throughout the first half, Foresight Solar benefited from its active hedging strategy, locking in attractive power prices and securing income to underpin the dividend.

Arrangements signed during 2022 still provide price certainty with fixes at higher rates than the spot wholesale market offered so far this year.

As a result, the average realised price across the UK portfolio, including fixed price arrangements and merchant exposure, was £85/MWh – marginally below the N2EX average for the first half of 2025.

Investment Manager's report continued

Power prices continued

United Kingdom continued

Price forecasts

The Investment Manager uses forward-looking power price forecasts to estimate the portfolio's likely future income for valuation purposes. The UK solar assumptions are composed of a blended average of three independent consultants' forecasts, adjusted by the Investment Manager for the expected capture price discounts for solar generation as appropriate.

For assets with fixed price arrangements in place, the contracted values are used instead of the blended forecast.

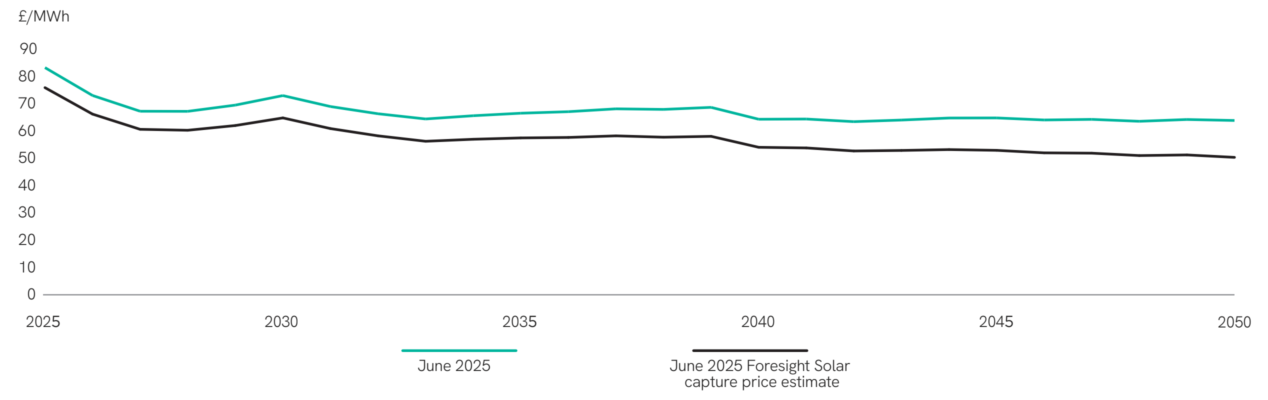
For sites with subsidy guarantees in place for a period shorter than the assumed useful economic life, the blended forecast is used for the remaining period.

When the assumed asset life extends beyond 2050, the Investment Manager expects no real growth in forecast power prices.

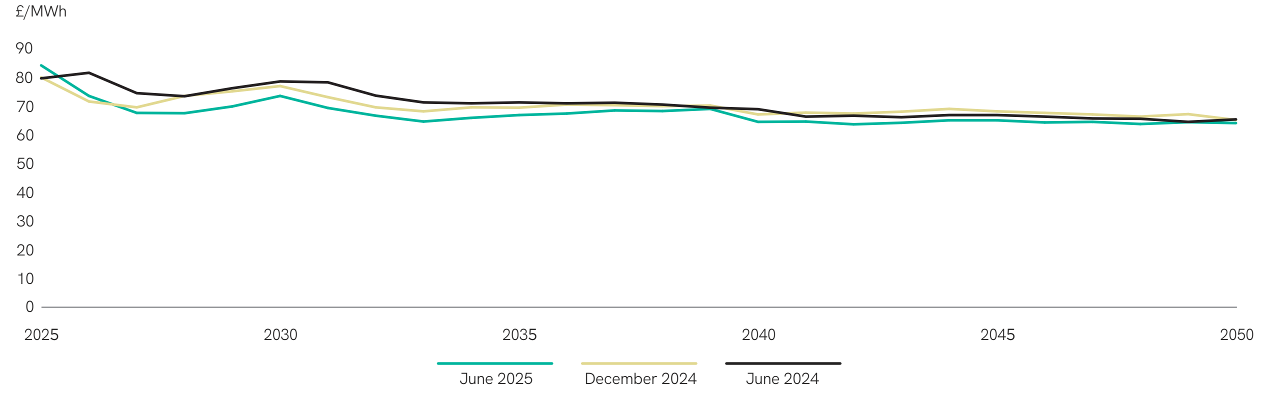
In the UK, power forecasts decreased across the length of the power curves. The most significant falls happen between 2026 and 2030, a period for which the Company is actively seeking to increase its contracted revenues at prices accretive to dividend cover.

Overall, the average annual decrease in the longer term was 0.9%, reflecting Foresight Solar's view on capture price discounts.

UK wholesale vs solar capture power price forecasts[1]



UK wholesale power price forecasts[1]



Source: Foresight Solar Fund Limited.

1. Power price forecasts reflect real 2024 prices.

Investment Manager's report continued

Power prices continued

Spain

The first half of 2025 was marked by very low, and at times negative, mid-day wholesale electricity prices.

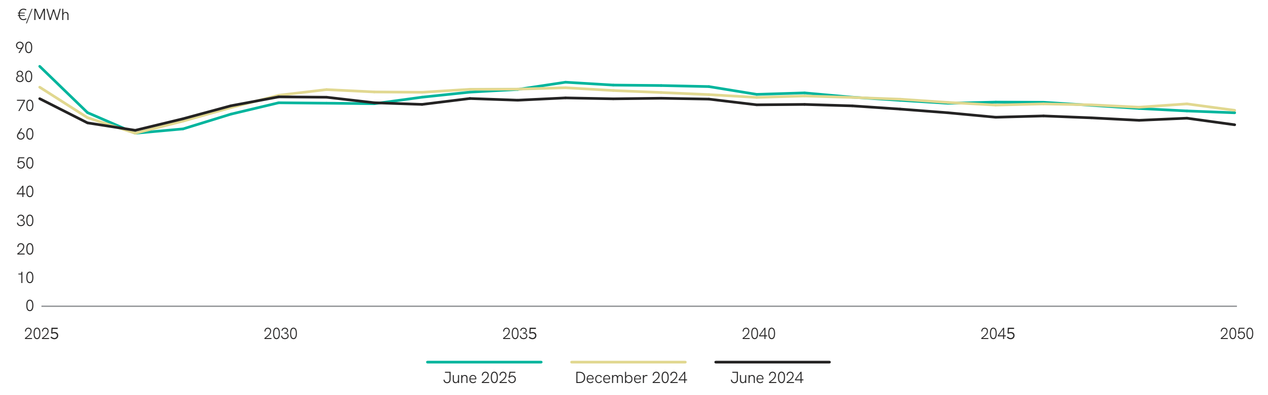
There were two main drivers: heavy spring rainfall filled reservoirs to over 70% of capacity – considerably higher than the five-year average – leading to unusual hydro availability; and softer demand during a mild winter and spring. Together, these factors increased renewable oversupply in daytime hours and caused curtailment of solar plants.

As temperatures rose in June, energy demand increased, but negative or zero prices still appeared around solar peaks. Spot price data shows higher average daily prices week-over-week whilst 86 hours cleared at zero or negative prices, potentially underlining a new pattern of mid-day softness and evening tightness.

Market design changes are now bedding in. Spain moved to 15-minute units across intraday trading in March and in the day-ahead market from June, alongside new bid types. The finer time windows sharpen price signals around the solar ramp and improve the ability of storage assets to arbitrage spreads between low and negative mid-day prices and higher evening prices.

At the half-year mark, the average capture discount forecast for the life of the Spanish assets was 49%.

Spain wholesale power price forecasts[1]



Source: Foresight Solar Fund Limited.

1. Power price forecasts reflect real 2024 prices.

Price forecasts

Whilst the near-term forecasts for the Spanish market improved, medium- and long-term expectations have fallen.

As renewable energy capacity grows, consultants have refined their analyses of capture price discounts. Though estimates still vary significantly, discounts are expected to increase over time – and the forecasts reflect a growing potential impact. At the half-year mark, the average capture discount forecast for the life of the Spanish assets was 49%.

The Investment Manager will continue to use consultants' forecasts. Once enough data from the projects has been gathered, the Company will factor in the market's realised capture discounts into its modelling. In the three years Foresight Solar's Spanish portfolio has been operational, realised capture discounts have steadily increased.

The growing share of renewable electricity on the grid makes a strong case for the faster roll-out of BESS to help balance the network and benefit from the arbitrage opportunities offered by the pronounced price spread.

Investment Manager's report continued

Power prices continued

Australia

The time-weighted average power price across the National Electricity Market (NEM) was A$98/MWh in the first half of 2025, a 15% decline from the A$115/MWh registered in the same period of the previous year. The fall reflects milder seasonal conditions, stronger rooftop solar output and softer gas prices.

Queensland and New South Wales saw the largest declines, driven by lower gas generation costs and high rooftop solar penetration, which reduced daytime demand from the grid.

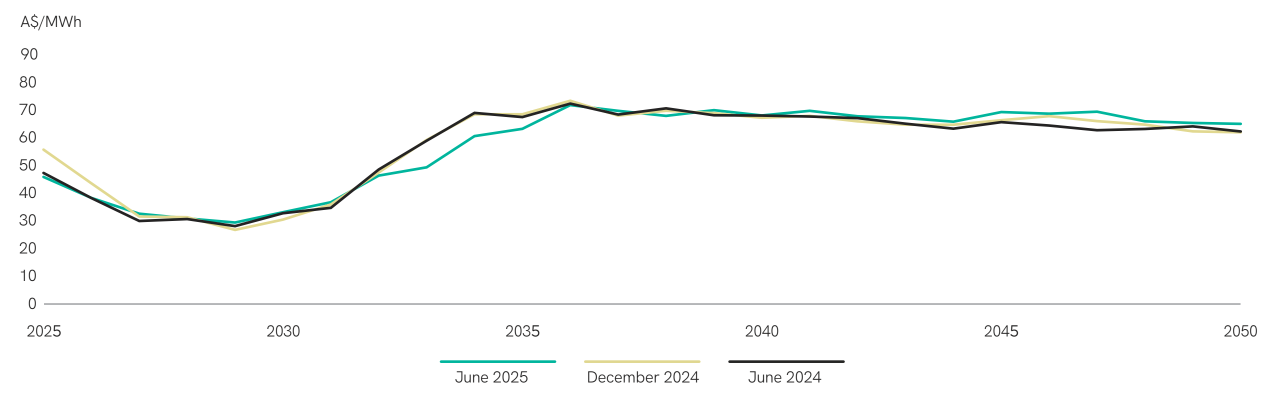
In Victoria, underperformance from wind generation continued into the early months of 2025. This exacerbated evening ramp pressures and contributed to sharp price movements during peak demand periods.

Price forecasts

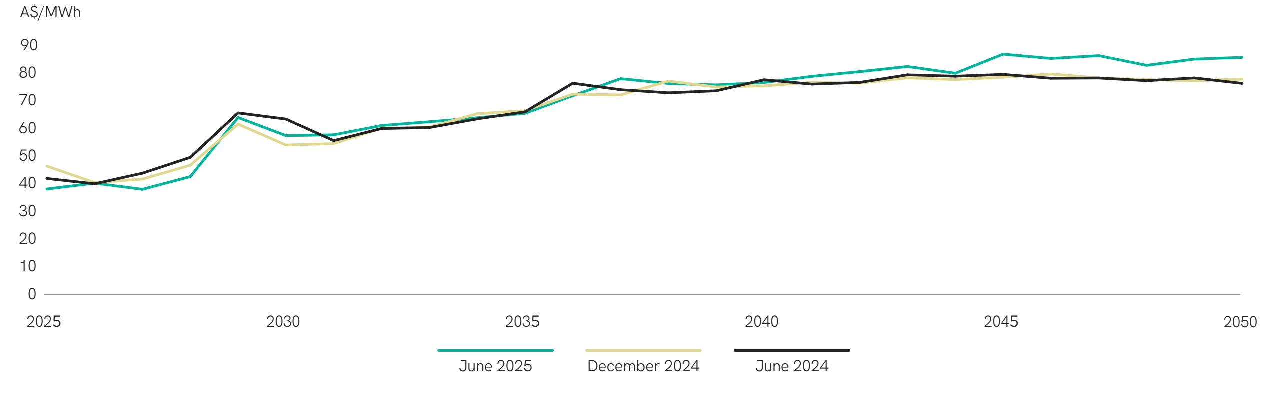
Lower solar dispatch weighted average price forecasts reflect both structural changes and market developments. The outlook reflects stronger supply expectations driven by accelerated project commitments and state-led procurement programmes. With several gigawatts of new solar capacity moving towards financial close or early construction, mid-day oversupply, particularly in Queensland, is likely to increase.

Curtailment risk has also been more clearly priced into forecasts. Grid congestion in areas of Queensland and Victoria, combined with delays in upgrades, has raised concerns about consistent network access for solar generators. At the same time, slow approvals for large-scale storage projects have reduced short-term expectations for value capture. Batteries remain critical for shifting excess generation to higher-value periods.

Queensland wholesale power price forecasts[1]



Victoria wholesale power price forecasts[1]



Source: Foresight Solar Fund Limited.

1. Power price forecasts reflect real 2024 prices.

Investment Manager's report continued

Operational review

Global portfolio performance

Good irradiation – 8.5% above base case – contributed to electricity generation being 4.0% higher than expected across Foresight Solar's global portfolio. The positive performance would have been even more pronounced if not for grid outages in the UK and Spain, and curtailment and limited solar resource in Australia.

Status of contracted revenues

The Investment Manager monitors opportunities to enter new arrangements to fix and to hedge prices up to five years ahead. The goal of this active power price management is to provide more certainty over future revenue and ensure dividend cover.

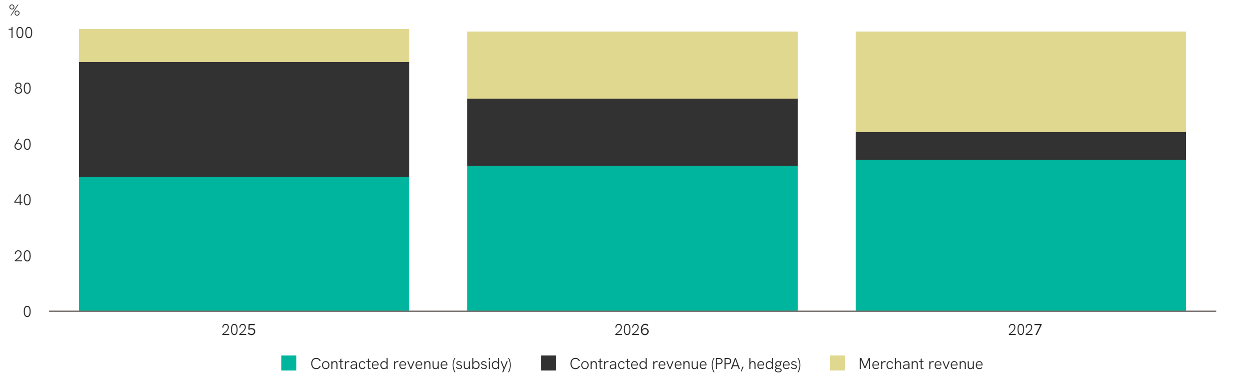
In the six months to 30 June 2025, FSFL secured dividend-accretive hedges for 2025 and 2026, driving total contracted revenues to 88% and 77% in those years, respectively. Of the total now hedged, a portion from 2026 is under fixed volume baseload agreements, with the remainder being pay-as-produced.

As elevated fixes agreed during the pandemic roll off this year, the Company maintains its attractive revenue profile with steady, covered income for Shareholders.

The table below sets out the average hedged price for the UK portfolio – not including revenue from subsidies – in each calendar year and the proportion of global generation that is considered contracted as at the publication of this report.

	2025	2026	2027
Average hedged price for the UK portfolio (£/MWh)	£85.48	£74.05	£74.51
Proportion of contracted revenues for the global portfolio	88%	77%	63%

Revenue profile breakdown



From volatility to visibility: Hedging supports dividend stability

Foresight Solar's income and growth strategy is predicated on cash distributions from the operational portfolio with the proprietary development pipeline amplifying returns over time.

Revenue visibility is key to provide clarity on income and the Company's ability to pay its progressive dividend.

Historically, FSFL relied on power purchase agreements to fix production. PPAs are reliable structures with wide recognition but are susceptible to limited liquidity. As renewables have matured, so has the market, and there are now other tools to provide additional revenue visibility.

The Investment Manager developed in-house capabilities that allow access to financial hedging mechanisms to widen options for the Company's active power price hedging approach. These contracts provide access to deeper, more liquid markets and offer the possibility to lock in prices for years ahead.

Through these financial hedges, FSFL has agreed prices accretive to dividend cover in a challenging wholesale power market and is comfortably meeting its contracted generation target.

In the short to medium term, the average hedged price and the proportion of contracted revenue give the Board confidence in the 1.3x dividend cover target for 2025 and will deliver enhanced visibility for years to come.

Investment Manager's report continued

Operational review continued

United Kingdom portfolio performance

The UK assets meaningfully outperformed expectations, with electricity generation 8.9% ahead of base case after adjusting for minor compensation payments received from operation and maintenance (O&M) counterparties and insurance providers. The six months to 30 June 2025 was the second best start to the year in terms of production since Foresight Solar listed in 2013. If not for unplanned network outages and inverter issues on a few sites, production would have been even better. Strong solar resource contributed to the above-budget generation. Irradiation was 16.7% higher than expected during the period.

Irradiation and production against budget

	HY 2014	HY 2015	HY 2016	HY 2017	HY 2018	HY 2019	HY 2020	HY 2021	HY 2022	HY 2023	HY 2024	HY 2025
Irradiation	+1.8%	+0.6%	+0.2%	(2.2)%	+6.4%	+3.8%	+8.5%	+0.6%	+9.4%	+2.1%	(4.7)%	+16.7%
Production	+1.4%	+4.5%	(4.0)%	(4.6)%	+4.9%	+3.9%	+8.4%	+1.0%	+8.6%	+0.7%	(6.0)%	+8.9%

The Asset Manager continues to foster good relationships with DNOs and has regularly negotiated to reduce the number of days required for planned outages or to move them to periods of lower irradiation. When longer interruptions are expected and risk severe disruptions, the Asset Manager steps up engagement with the DNO and, if needed, seeks escalation – which was the case in the first half of 2025.

This proactive approach to limit the length of stoppages is reflected in the portfolio's performance. Excluding network outages, UK production during the period would have been 13.0% above base case.

As assets pass the 10-year mark, dedicated initiatives to ensure operational excellence become more important. As a preventative measure, for example, the Investment Manager has opted to upgrade inverters at several sites.

Following a successful first phase of works, the second phase will commence this autumn alongside a rolling repairs programme. The move will repurpose the replaced inverters to improve performance and maintain availability across the portfolio.

The Asset Manager has also successfully completed warranty claims with module manufacturers and will replace panels at a couple of sites in the fourth quarter of 2025.

Excluding network outages, UK production during the period would have been better at 13.0% above base case.

Over the life of the sites, the Investment Manager's dedicated portfolio team has added value of some £84 million by executing Foresight Solar's active power price hedging at accretive figures, securing lease extensions, delivering efficiency gains, improvements in operations and maintenance, and renegotiating contracts with favourable terms, among other measures.

Investment Manager's report continued

Operational review continued

Spain portfolio performance

Operational performance across the four Spanish sites was impacted by network outages, with electricity generation 14.0% below budget as recorded irradiation was 3.1% lower than expected.

Despite resilient operational performance in January and February, the second quarter of 2025 was challenging as negative prices forced plants to disconnect from the grid.

The implementation of the Automatic Power Reduction System, a management protocol designed to enhance flexibility and stability in the Spanish network as renewable penetration increases, limited the impact of DNO outages and allowed the portfolio to continue generating with small capacity reductions.

Battery storage is a natural complement to intermittent renewables and will play a key role in Spain's transition to a lower-carbon economy. The Board and the Investment Manager are constantly looking for opportunities to future-proof assets and improve returns. This includes the analysis of co-located BESS on the Company's operating plants.

With the Lorca portfolio's Final Acceptance Certificate secured, a new O&M contract was agreed, reducing the running costs for the three assets.

Australia portfolio performance

Production for the four Australian plants was in line with budget in the first half of 2025 despite irradiation 4.6% below forecasts.

The outcome was largely influenced by lower-than-expected curtailment at Bannerton and a more favourable curtailment profile at Oakey 2. At Oakey 1, strong operational performance led to availability surpassing budget forecasts.

While the portfolio exceeded expectations overall, it would have been even better if it were not for a few challenges. Higher-than-budgeted curtailment impacted production at Longreach and Oakey 1. In Queensland, Oakey 2 suffered generation losses due to tracker-related issues.

Las Salinas, Spain

Investment Manager’s report continued

Net Asset Value

Valuation methodology

The Investment Manager is responsible for providing fair value market estimates of the Company’s underlying assets to the Board every quarter. The models incorporate a broad range of assumptions based on long-term forecasts and are generally unaffected by short-term fluctuations, economic gyrations or technical performance. Material changes to long-term expectations typically have a greater impact.

The Investment Manager determines assets’ fair value using discounted cash flows (DCF) from the date of acquisition. Assets in development or under construction are valued at the lower of cost or net realisable value until the date of commissioning and start of operations. Revenues and costs accrued during construction or during commissioning do not form part of the DCF calculation when arriving at a fair valuation.

Based on the Investment Manager's recommendation, the Board reviews and challenges the operating and financial assumptions, including the discount rates, used in the valuation of the portfolio before approval.

This approach adheres to IFRS 13 accounting standards, as well as the International Private Equity and Venture Capital Valuation (IPEV) guidelines. (See page 56 for more details.)

Discount rates for valuation

The Investment Manager regularly reviews the discount rates used to value the portfolio to ensure they remain in line with Foresight Solar’s risk profile and that they reflect potential market changes.

This analysis is based on valuation information from transactions of comparable assets, reviews of the risk premium above the risk-free rate, and input from independent third parties.

After evaluating those factors, the weighted average levered discount rate across the portfolio was raised to 7.93% (31 December 2024: 7.88%).

The marginal increase reflects discount rates 30 basis points (bps) higher for the Australian assets (31 December 2024: 8.29%) in response to a sustained rise in the country's long-dated government bond yields.

The discount rates for the UK and Spanish portfolio were unchanged at 8.00% and 6.52%, respectively.

Asset lives

The expected weighted average life of the UK portfolio at 30 June 2025 was 31.3 years (31 December 2024: 31.3 years) from the date of commissioning. This represents a remaining portfolio useful life of 21 years when the historical operational periods are taken into account.

The average useful economic life (UEL) across 41 of the 50 operational UK assets goes beyond 25 years, averaging 32.8 years from the date of commissioning. Realistic operational and lifecycle costs are incorporated into the extended useful life period.

The expected UEL for Spanish assets held steady at 40 years (31 December 2024: 40 years) and at 37 years for the Australian sites (31 December 2024: 37 years).

Inflation

Income from the portfolio, particularly in the UK, is correlated to inflation both through subsidies and exposure to energy prices.

For valuation purposes, the Company forecasts inflation will be 4.0% in 2025, falling to 3.0% in the period between 2026 and 2030, and then dropping to 2.25% from 2031.

Investment Manager's report continued

Net Asset Value continued

Movements in NAV

Foresight Solar's NAV per share decreased to 108.5 pence in the first half of 2025 from 112.3 pence at 31 December 2024. A breakdown in the movements is shown in the graph.

Dividends paid

The Company paid £22.4 million in dividends during the six-month period to 30 June 2025.

Fund costs

Total costs were £4.1 million, predominantly composed of management fees, finance costs and corporation tax.

Other adjustments

Working capital adjustments resulted in a £0.2 million inflow.

Share buybacks

Foresight Solar deployed £6.5 million in the first half of the year to repurchase more than 8.5 million shares. This was accretive to NAV per share because the acquisition prices were below the Company's holding Net Asset Value.

Foreign exchange movements

Fluctuations in the exchange rate over the period increased the sterling valuation of Australian and Spanish assets by £0.1 million.

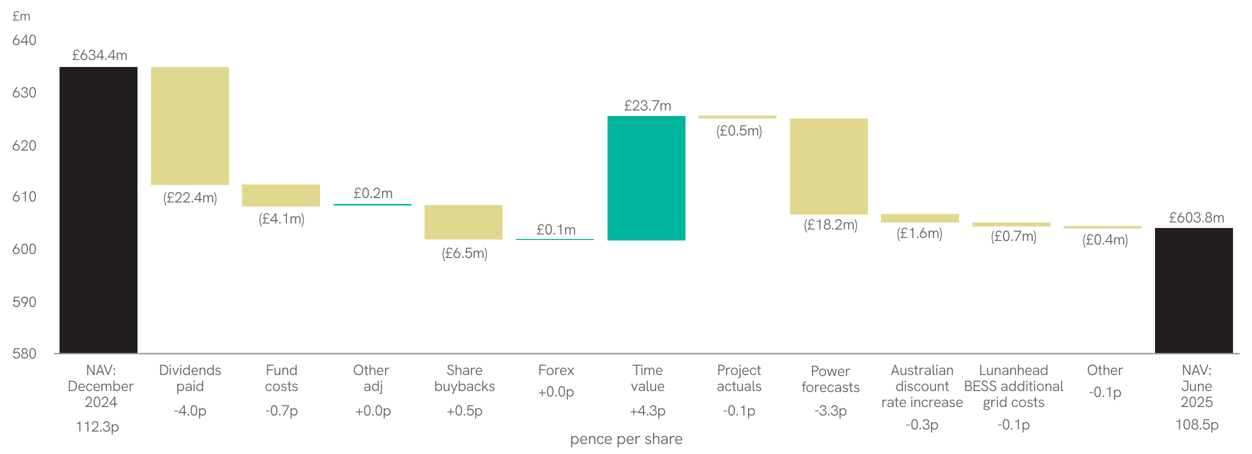
Time value

A value uplift of £23.7 million, resulting from moving the valuation date forward and, therefore, bringing future cash flows closer to the present (and discounting them less).

Project actuals

Reflects the cash performance of the portfolio compared to the modelled forecast for the period. The marginal reduction is related to the timing of cash receipts, which will be captured post period.

Movements in Net Asset Value



Power price forecasts

The Company uses forward-looking power price assumptions to assess the likely future income of its assets for valuation purposes. The assumptions are based on a blended average of the forecasts provided by third-party consultants, which are updated every quarter.

The valuation change of £18.2 million reflects the impact of the UK, Australian and Spanish price forecasts.

Australian discount rate increase

Foresight Solar increased discount rates across its Australian portfolio by 30bps, leading to a £1.6 million reduction in NAV.

Lunanhead BESS additional grid costs

Additional grid costs for Lunanhead[1] led to a £0.7 million reduction to the valuation of FSFL's 50% stake.

Other portfolio valuation adjustments

This step accounts for other updates across the portfolio, such as a small movement in fund-level working capital, totalling a reduction of £0.4 million.

1. Post period, Foresight Solar exchanged contracts for the sale of its stake in Lunanhead at a price in line with the 30 June 2025 carrying value.

Investment Manager's report continued

Net Asset Value continued

Valuation sensitivities

Where possible, assumptions are based on observable market and technical data. In many cases, such as forward power prices, independent advisors are used to provide evidenced information, enabling the Investment Manager to adopt a reasonable approach.

The chart on this page shows the impact per share of changes in key valuation assumptions on NAV.

The Investment Manager has set out the inputs which it has ascertained would have a material effect on the NAV in note 16 to the Financial Statements.

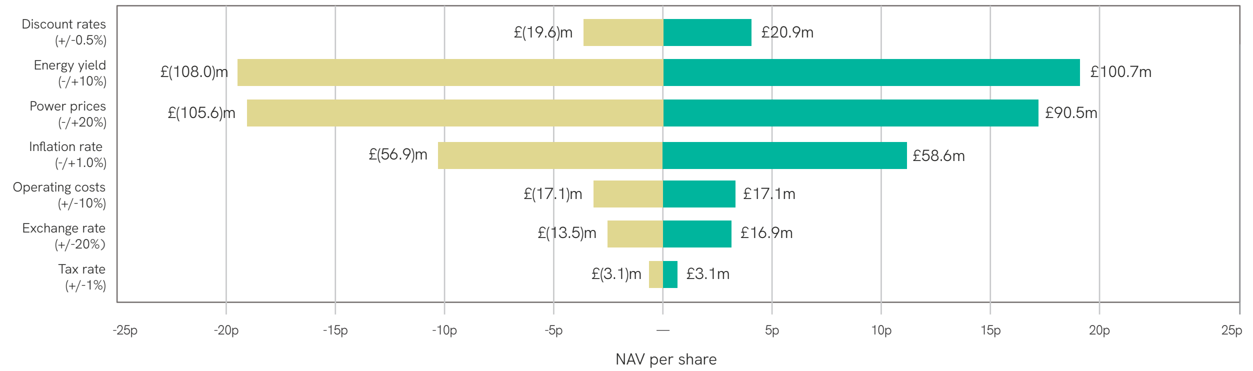
All sensitivities are calculated independently of each other.

United Kingdom portfolio valuation

The table on this page demonstrates the breakdown of Foresight Solar's UK portfolio valuation in £m/MW over recent periods.

The reduction in the first half of 2025 was driven by a lower portfolio value, which was affected by changes to power price forecasts, and less cash held.

Impact on NAV and NAV per share



UK portfolio valuation

	30 June 2025	30 June 2024	31 December 2024
Portfolio value	**£536.0m**	£584.2m	£543.7m
Cash held	**£16.1m**	£25.4m	£18.9m
Portfolio equity valuation	**£519.9m**	£558.8m	£524.8m
Debt	**£265.0m**	£283.1m	£271.7m
Enterprise valuation	**£784.9m**	£841.9m	£796.5m
Capacity (MWp)	**723.1MW**	723.1MW	723.1MW
£m/MWp	**1.09**	1.16	1.10

Investment Manager's report continued

Case study: Realising value from development

Proven track record

In 2020, Foresight Solar purchased the Lorca portfolio and Virgen del Carmen at the ready-to-build (RTB) stage. In one move, the Company established a foothold in Spain and expanded into subsidy-free solar energy generation.

Following construction oversight and improvements that included the establishment of long-term PPAs and capital structure optimisation, the plants became operational in 2022.

The model

When the Lorca assets progressed from construction to operation, they delivered a 2 pence per share (pps) uplift to NAV. Then, the sale of a 50% stake at a 21% premium to holding value in 2023 crystallised returns and led to another 1.6pps NAV increase – all whilst maintaining exposure to a portfolio that continues to generate cash and contribute to dividend cover.

The opportunity

There is now an opportunity to execute the same playbook with FSFL's proprietary development pipeline.

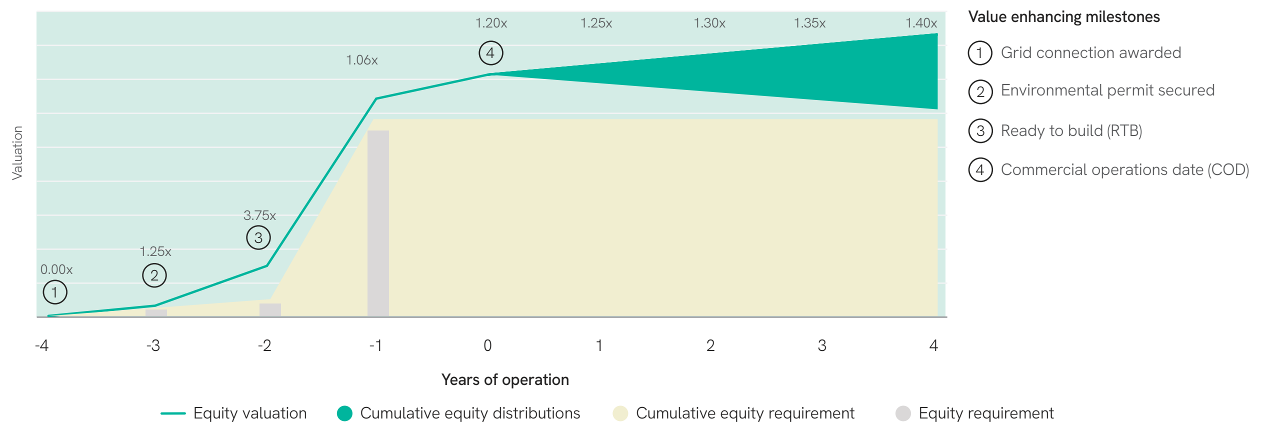
The earlier-stage investments offer the chance to realise value when projects receive planning permission and, if constructed, when they reach operations.

The in-house expertise to identify assets with strong potential, build them, operate them and realise the full financial upside for Shareholders exemplifies the income and growth strategy.

The pipeline

Foresight Solar has been growing its pipeline and now owns the rights to the equivalent of 467MWp of solar and 400MWn of battery storage projects.

Indicative development lifecycle: Investment and valuation



Solar

Muel, a 55MWp solar project in Spain, is expected to reach RTB later this year. It has already received its environmental approvals and is awaiting the construction permit. Once those documents are secured, the project will be effectively ready to build. In the same way that a plot of land increases in value once it receives planning permission, Muel's value is likely to rise at that point.

When Muel reaches RTB, the Board will have the option to sell it for multiples on invested capital or commit to build it. If the decision is the latter, there is another opportunity to sell the site or choose to operate it for cash yield once construction is complete.

BESS

A similar situation arises with the battery storage projects under development. During the latest round of grid capacity awards in Spain, several of FSFL's sites received allocations.

The grid connection offers are the first step in value creation for these assets, which will already appeal to potential buyers. They now need environmental and construction permits to reach RTB.

Sustainability

What's in this section:

Highlights to 30 June 2025

578GWh
of clean electricity generated

214,074
UK homes powered

198,998 tCO_2e
avoided compared to country-specific grid

Paddock Wood, UK

Sustainability

Approach to sustainability

Sustainability and environmental considerations are at the centre of Foresight Solar's strategy, informing its investment process and its asset management activities.

FSFL aims to contribute to climate change mitigation whilst seeking to identify risks and opportunities for the portfolio. A key component of this is the ability to quantify, measure and enhance the impact of its operations.

To track and evaluate progress, the Investment Manager's Sustainable Infrastructure Investment Strategy is based on:

- Establishing investment strategies informed by long-term, global sustainability themes and considering climate risks and nature-related opportunities
- Incorporating sustainability due diligence guided by regulatory standards and frameworks
- Ongoing monitoring and management of sustainability performance through the collection and analysis of portfolio metrics, driving optimisation
- Reporting transparently to all relevant stakeholders

Tracking progress

The nature of Foresight Solar's operations means it is well positioned to serve the needs of investors seeking to achieve positive environmental and social outcomes alongside attractive financial returns.

The inherent sustainability features, in addition to the Company's London listing and its Shareholder characteristics, led the Board to seek equivalency to the Financial Conduct Authority's (FCA) Sustainability Focus label – even though the regulator's Sustainability Disclosure Requirements currently apply only to UK-domiciled vehicles. FSFL has voluntarily sought to demonstrate alignment as a matter of best practice and has made available pre-contractual and consumer-facing disclosures on its website.

To secure a label, the FCA calls for investment trusts to have clear and measurable KPIs to substantiate assets' contributions to sustainability objectives.

Foresight Solar invests only in solar and battery storage assets, both of which are eligible under the EU Taxonomy for sustainable activities. The Company's alignment with the Taxonomy, reported below, is based on internal assessment after analysing each project against the technical screening criteria, inclusive of the Do No Significant Harm and Minimum Safeguards elements.

At the portfolio level, the metrics quantify Foresight Solar's contribution to a lower-carbon electricity system. The Company aims to grow its operating solar and BESS capacity over time and, as its proprietary development pipeline matures, FSFL will enable more assets that produce green energy on the grid.

In addition to the key performance indicators that show progress against the Company's investment objective, to demonstrate its commitment to achieving environmental and social benefits, Foresight Solar presents quantitative reporting against the UN's Sustainable Development Goals (SDGs) and their underlying targets.

The SDGs are a set of 17 objectives to mobilise the international community to deliver sustainable development by 2030. They represent a key driver of the Company's investment activities.

The tables on this page and the following page demonstrate FSFL's performance against the KPIs of its investment objective and the contributions to the relevant SDGs and their underlying targets.

Investment objective KPIs

Company	
Maintain a minimum 70% alignment with an authoritative taxonomy which will demonstrate the sustainability of the underlying assets	100%

Portfolio (in MW)		Solar	Battery storage
Operational (total renewable energy capacity added)	United Kingdom	723	—
	Spain	125	—
	Australia	170	—
	Total	**1,018**	
Developed (total renewable energy capacity enabled)	United Kingdom	—	—
	Spain	—	—
	Total	—	

Sustainability continued

Sustainable impact reporting

Foresight Solar's contributions to the SDGs are correlated to its portfolio and the amount of renewable energy generated in any given period. Variations in those factors and inputs will have a direct effect on the KPIs presented below. In other words, higher electricity output translates into higher impact figures and vice versa.

3 Good health and well-being — Good health and wellbeing

Foresight Solar contributes by reducing pollution and emissions through the installation and management of clean energy generation assets.

310,153kg
NOx (nitrous oxide) avoided vs energy generation from gas
(HY 2024: 286,254kg)

5,399kg
PM10 (µm10 particulate matter) avoided
(HY 2024: 4,982kg)

227,445kg
SOx (sulphur dioxide) avoided
(HY 2024: 209,920kg)

2,469kg
PM2.5 (µm2.5 particulate matter) avoided
(HY 2024: 2,279kg)

7 Affordable and clean energy — Affordable and clean energy

Foresight Solar contributes by reducing reliance on fossil fuels through investment in renewable energy generation.

578GWh
Renewable energy generated
(HY 2024: 531GWh)

214,074
UK homes powered for a year
(HY 2024: 196,332)

9 Industry, innovation and infrastructure — Industry, innovation and infrastructure

Foresight Solar contributes by future-proofing energy systems through investment in generation assets using the latest technologies to maximise electrical output.

969MW
Renewable energy capacity connected to the electricity grid
(HY 2024: 969MW)

13 Climate action — Climate action

Foresight Solar contributes by raising awareness and improving institutional knowledge on climate change mitigation.

198,998 tCO_2e
Emissions avoided compared to country-specific grid intensity
(HY 2024: 185,290 tCO_2e)

15 Life on land — Life on land

Foresight Solar contributes by preserving the integrity of land it uses through investment in low-polluting technologies and introducing active asset management initiatives that improve biodiversity.

49,385 TOE avoided
Tonnes of oil equivalent contributed to the avoidance of fossil fuel use
(HY 2024: 45,580 TOE)

Sustainability continued

Key sustainability metrics

Emissions reporting

Although Foresight Solar's assets make a significant and quantifiable contribution to the energy transition, to decarbonising industry and to enhancing nature recovery, there are still emissions associated with the operation and maintenance of the portfolio.

To minimise its carbon footprint, the Company has continued efforts to limit Scope 1 and Scope 2 emissions, those over which it has direct control. This effort has resulted in a significant net benefit since avoided emissions are more than three times higher than FSFL's greenhouse gases emissions.

Not having any issues in its operations in the first half of 2025, Foresight Solar's Scope 1 emissions were negligible.

The Company has shifted most of its assets to use green sources of power. Although the plants produce energy, they still need to draw electricity from the grid to feed on-site equipment. This push to renewable tariffs has contributed to a steep reduction in emissions since Foresight Solar started tracking Scope 2 in 2021. In recent years, the figure has remained stable and, as the portfolio changes, it is likely to fluctuate modestly.

More work is required to better understand Scope 3 emissions, those that come from third-party providers, and the ability to reduce them. The Investment Manager is liaising with Foresight Solar's partners to measure their carbon footprints and gauge their plans to reduce them.

GHG emissions

0.01 tCO_2e
Scope 1
(HY 2024: 4.6 tCO_2e)

79.37 tCO_2e
Scope 2
(HY 2024: 78.7 tCO_2e)

62,106.75 tCO_2e
Scope 3[1]
(HY 2024: 55,847.2 tCO_2e)

Environmental footprint

0.13 tCO_2e/£m invested
Carbon footprint
(HY 2024: 0.13 tCO_2e/£m invested)

0.47 tCO_2e/£m revenue
Weighted Average Carbon Intensity (WACI) of investee companies
(HY 2024: 0.88 tCO_2e/£m revenue)

Share of renewable energy consumption and production

98%
of assets with a renewables tariff for on-site consumption
(HY 2024: 93%)

88%
of overall portfolio consumption from renewable sources
(HY 2024: 92%)

100%
of energy generated from renewable sources
(HY 2024: 100%)

Sustainability metrics per outstanding share

1.04kWh/share
(HY 2024: 0.93kWh/share)

357.74 gCO_2e avoided/share
(HY 2024: 324.2gCO_2e avoided/share)

1. Data quality is assessed to be Data Quality 4.

Sustainability continued

Case study: Inspiring the next generation of climate innovators

Foresight Solar has a long-standing partnership with consultancy Earth Energy Education to educate and empower students. Pupils from around the UK have the opportunity to see how solar farms work and how they contribute to a lower-carbon future, as well as to local communities.

In the first half of 2025, the initiative's organised site visits to seven of the Company's sites to help deliver renewable energy education to 510 pupils from 14 schools.

Programme delivery

By connecting the curriculum with real world climate solutions, students gain insight into solar technology and the vital role it plays in the energy transition, as well as a deeper understanding of the interface these plants have with the natural environment.

Stats

18
on-site educational visits to Bournemouth, Fields Farm, Park Farm, Sawmills, Southam, Verwood and Wally Corner

23
school workshops tailored to suit children of all ages

Community engagement

A flagship example of sustained community engagement is at Verwood, where Earth Energy Education has hosted educational site visits since 2014.

Verwood stats

Nearly 2,000
young people gained a deeper understanding of Verwood's role in the UK's energy transition

More than 60
school workshops delivered in connection with the farm

Over 40
local groups have visited the site

Shotwick, UK

Sustainability continued

Case study: Inspiring the next generation of climate innovators continued

Feedback and outcomes

The programme's value is evident in the response from teachers and students:

- 94% of educators reported students benefited from hands-on learning
- 100% of participating schools expressed interest in return visits
- 100% of educators indicated they would collaborate with Earth Energy Education again

Looking ahead

Earth Energy Education's collaboration with Foresight Solar is part of a broader national effort by the consultancy. In the 2024–2025 academic year alone, the educational initiative:

- Delivered more than 180 school workshops
- Facilitated over 120 solar and wind farm visits
- Partnered with 146 schools
- Engaged roughly 80 industry professionals
- Connected with over 5,250 young people

The 2024-2025 programme was directly connected to Foresight Solar's sustainability objectives:

- Enhancing climate literacy among children
- Strengthening community connections
- Highlighting career opportunities in the renewables sector

FSFL and Earth Energy Education are committed to expanding access to renewable energy education, nurturing curiosity and empowering the climate leaders of tomorrow.

> "It's so much better to see the solar farm in real life rather than learning from textbooks. This visit made it real for the students."
>
> - Lecturer during a college visit to Verwood

> "Our relationship with Verwood solar farm is invaluable. A long-term commitment has enabled us to design a curriculum that meets the needs of our learners and allows the opportunity to show the positive impact solar farms have on the environment."
>
> - Headteacher after a visit to Verwood

> "The most important thing about these school visits is that everyone finishes their day more knowledgeable of, and curious about, climate change, renewable energy and the world around them. The value that stems from that is immeasurable."
>
> - Impact and communications manager from Communities for Renewables after a site visit


Shotwick, UK

Risk and risk management

Foresight Solar is exposed to multiple risks that can affect its valuation, reputation and financial or operational performance. The nature and levels of risk are identified according to the investment objectives and existing policies, with the Board determining the acceptable risk tolerance.

The principal risks and uncertainties affecting the Company are considered broadly similar to those reported from page 46 of the audited Annual Report and Financial Statements for the year ended 31 December 2024. There have, however, been some changes to emphasis given current market conditions. Read more about risks in the full document, which can be found at: **foresightsolar.com/reports-and-publications**.

Changes to the level of risk and uncertainty assessed by the Board during the period or the principal risks that can have a short to medium-term impact are:

Access to capital	–
Regulatory change, including changes to subsidies	–
Near-term and long-term energy prices	–
Fund performance	–
Portfolio performance	–
Liquidity of investments	^
Counterparty risk	–
Development and construction	^
Financial gearing	v
Supply chain	–

The following provides a summary of updates to the principal risks as viewed by the Board and the Investment Manager:

Access to capital

The challenging macroeconomic backdrop has continued into 2025. Despite a brief resurgence in the sector's share prices in the first half of the year, sentiment has again waned in August.

In the UK, a steady increase in long-dated government bond yields and speculation ahead of the government's forthcoming Autumn Budget has added downward pressure to asset prices and discouraged renewable infrastructure investors.

Investment trusts are locked out of the market for new equity, which over time may lead to long-term NAV decline.

To mitigate this risk, the Company adheres to a disciplined capital allocation approach and has taken action to address the discount to NAV at which its shares have traded.

Liquidity of investments

Foresight Solar invests in assets which may be, depending on market conditions, difficult to realise, which means the Company's ability to release capital from its solar farms and battery storage projects is subject to sometimes uncontrollable or unpredictable factors.

As FSFL progresses its divestment programme, the Board is aware it may be difficult to secure an attractive price because of timing issues or changing market conditions, such as dynamic macroeconomic factors, evolving regulatory landscapes or volatile power price forecasts, that can affect investor appetite.

The Investment Manager's global footprint and local presence in the countries in which Foresight Solar operates give the Company a competitive advantage. This market expertise contributes to enhance opportunities and mitigate risks and should be a supportive factor in these processes.

Development-stage investments

Foresight Solar classifies development-stage investments as those which have not yet secured all necessary project rights for construction and operation but have a delivery plan in place. There is, therefore, a risk that these investments may not progress to construction, ultimately becoming an irrecoverable sunk cost. Market conditions may also fluctuate before the Company is able to capitalise on a sale, affecting potential returns.

The capital requirements involved in these opportunities predominantly cover the costs of staff, planning applications, fees and time. Overall, they are significantly lower than those needed to fully build projects as they do not involve the expense of construction.

At this early stage, more significant investment can also be deferred to when there is greater certainty projects will receive planning permission. Investment structuring is key to improving the chances of delivery and a portfolio approach to development reduces risk as not all individual developments will be successful.

To build the Company's growing proprietary development pipeline, the Investment Manager will only select partners with a demonstrable track record or those that have clear site development plans. In any case, they are subject to thorough due diligence to provide the highest possible chances of success.

Risk and risk management continued

Financial gearing

Foresight Solar's subsidiaries and investments have debt facilities that can lead to losses if cash is insufficient to meet repayments. In addition, the Company may not be able to refinance existing borrowing on equal terms, or at all.

To mitigate these risks, the Investment Manager enters interest rate hedging arrangements for a minimum of 80% of the outstanding debt balances to reduce exposure to benchmark rates and to limit the risk of cash flow volatility.

The Company's long-term debt is fully hedged. Short-term, variable-rate debt, meanwhile, was extended and reduced in May 2025. The multicurrency revolving credit facility was resized to £100 million from the previous £150 million and the maturity date was extended by two years to 2028. The lower commitment will result in fee savings of approximately £1 million over the course of the facility.

Longreach, Australia

Financial review

Foresight Solar applies IFRS 10 and Investment Entities: Amendments to IFRS 10, IFRS 12 and IAS 28, which states that investment entities should measure all their subsidiaries that are themselves investment entities at fair value.
The Company accounts for its interest in its wholly owned direct subsidiary Foresight Solar (UK Holdco) Limited as an investment at fair value through profit or loss.

The primary impact of this application, in comparison to consolidating subsidiaries, is that the balances, the working capital balances and the borrowings in the intermediate holding companies are presented as part of the Company's fair value of investments.

Foresight Solar's intermediate holding companies provide services that relate to investment activities on behalf of the parent, which are incidental to the management of the portfolio.

The Company and its intermediate holdings (the Group) have investments in 61 assets, which make distributions in the form of interest on loans and equity dividends, as well as loan repayments and equity redemptions.

For the detailed Financial Statements, including the profit and loss and the cash flow statements, refer to the section from page 51 of this report.

For more information on the basis of accounting and Company structure, please refer to the Notes to the Financial Statements starting on page 55.

Net assets

Net assets on 30 June 2025 decreased 4.8% to £603.8 million from £634.4 million at 31 December 2024. This was primarily due to lower power price forecasts. The NAV movements are detailed in the Investment Manager's report on page 28.

The Company's net assets comprise the £958.8 million portfolio of UK, Australian and Spanish solar and UK battery storage investments and the Group's cash balances of £52.3 million, offset by £325.9 million of long-term debt, £75.9 million of outstanding RCF debt and other net liabilities of £5.5 million.

Analysis of the Group's net assets at 30 June 2025

All amounts presented in £million (except as noted)	At 30 June 2025	At 30 June 2024	At 31 December 2024
Gross portfolio value[1]	**958.8**	1,041.5	981.2
Intermediate holding companies' cash	**49.2**	46.9	66.3
Intermediate holding companies' long-term debt	**(325.9)**	(354.0)	(336.9)
Intermediate holding companies' revolving credit facility	**(75.9)**	(74.5)	(73.4)
Intermediate holding companies' other liabilities	**(3.9)**	(3.4)	(4.6)
Fair value of the Company's investment in portfolio[2]	**602.3**	656.5	632.6
Company's cash	**3.1**	0.7	2.0
Company's other net liabilities	**(1.6)**	(0.4)	(0.2)
Net Asset Value	**603.8**	656.8	634.4
Ordinary Shares in circulation	**556,268,382**	571,566,814	564,856,642
Net Asset Value per share	**108.5p**	114.9p	112.3p

1. Classified as the gross fair value of the underlying assets in the portfolio.
2. Equal to investments held at fair value through profit or loss and interest receivable as per the statement of financial position on page 52.

Financial review continued

Third-party debt arrangements and gearing position

Total outstanding debt including the RCF was £401.8 million, representing 40.0% of GAV.

The net debt position, after deducting existing cash balances, was £349.6 million.

Summary of cost of capital and gearing

	Six-month period ended 30 June 2025	Six-month period ended 30 June 2024	12-month period ended 31 December 2024
NAV (£m)	**603.8**	656.8	634.4
Long-term debt (£m)	**325.9**	353.9	336.9
Short-term RCF debt (£m)	**75.9**	74.5	73.4
Outstanding debt (£m)	**401.8**	428.4	410.3
GAV (£m)	**1,005.6**	1,085.2	1,044.7
Cash (£m)	**52.3**	47.6	68.3
Gearing	**40.0%**	39.5%	39.3%
Long-term gearing	**32.4%**	32.6%	32.3%
Net debt gearing (after deducting cash)	**34.8%**	35.1%	32.7%
Weighted cost of long-term debt	**3.6%**	4.0%	4.1%
Weighted cost of short-term RCF debt	**5.8%**	7.2%	6.6%

Long-term facilities

As at 30 June 2025, of the £325.9 million long-term debt, a total of £83.5 million was linked to inflation (31 December 2024: £336.9 million and £84.7 million).

The cost of these inflation-linked facilities is expected to increase over time according to the Company's annual Retail Prices Index expectations of 3.0% in the medium term and 2.25% post-2030.

FSFL's long-term debt is fully hedged against interest rate exposure through swaps.

Revolving credit facility

As at 30 June 2025, Foresight Solar had used £75.9 million of its RCF, with £24.1 million remaining undrawn. Of the undrawn balance, £1.1 million was allocated to letters of credit.

On 29 May 2025, the revolving credit facility was reduced and extended. The multi-currency line was resized to £100.0 million from the previous £150.0 million and the maturity date was extended by two years to 2028. The lower commitment will result in fee savings of approximately £1.0 million over the term of the facility.

The facility is drawn in sterling and in euro to reduce the exposure to SONIA and save interest expenditure on the spread between SONIA charged on the sterling tranche and Euribor charged on the euro tranche of the loan. The euro tranche was sized to align with the valuation of the Spanish operational portfolio and create a natural hedge for the currency exposure.

Financial review continued

Revolving credit facility continued

Based on the current spread between SONIA and Euribor, this treasury management initiative lowered the cost of the euro portion of the RCF by as much as 233 basis points. This implies savings of £1.0 million per annum in interest payments when compared to the equivalent drawing down of the €50.3 million loan tranche in sterling.

The RCF balance increased by £2.5 million during the period due to net drawdowns of £1.0 million and adverse currency movements of £1.5 million.

Foreign exchange

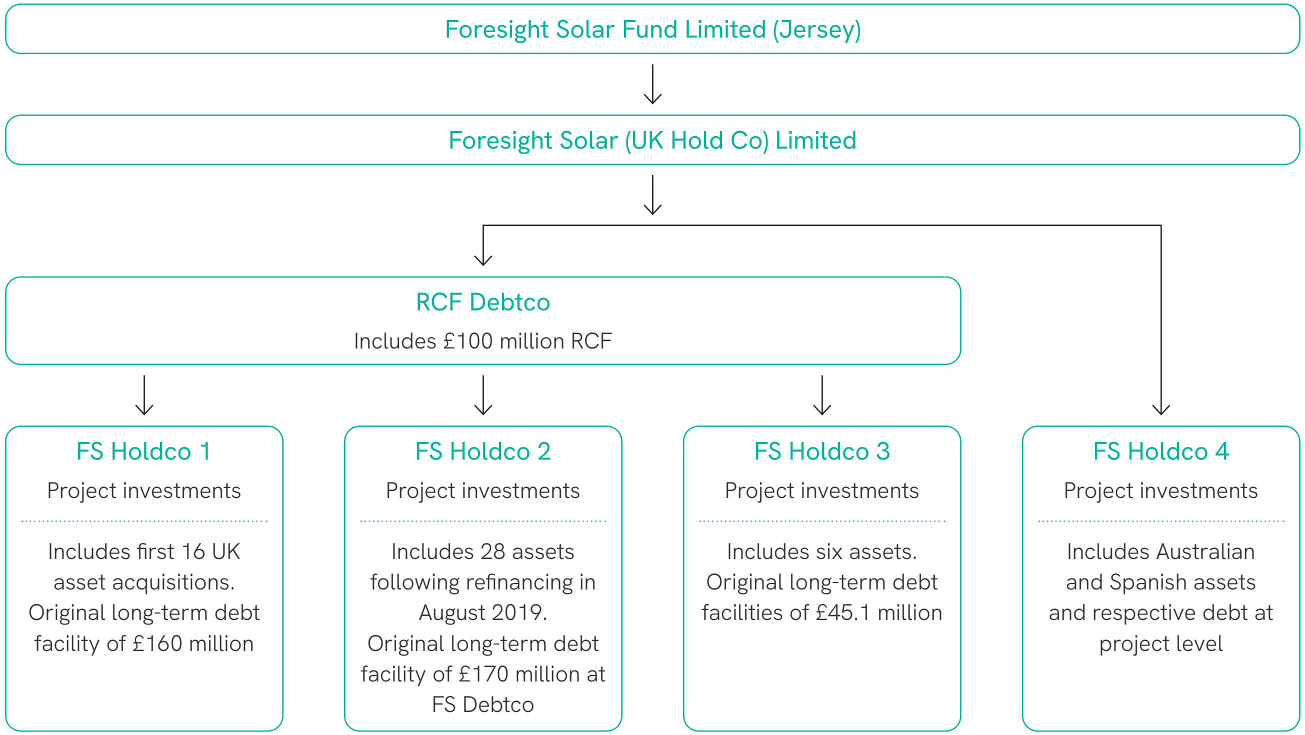
The Company is exposed to foreign exchange movements in respect of its investments in Australia and Spain. As such, it continues to implement a hedging strategy to reduce the possible impact of currency fluctuations and to minimise the volatility of equity returns and cash flow distributions.

Foreign exchange hedging will not be applied to the cost of the equity investments, considering the Company's long-term investment strategy, although a natural hedge is in place with the euro tranche of the RCF mitigating some foreign exchange exposure.

For the Australian assets, Foresight Solar has entered a rolling two-year forward contracts strategy for an amount equivalent to approximately 75% of its expected distributable foreign currency cash flows at project level. For the Spanish projects, there are currently no cash flow hedges in place due to the euro cash flows being available to service euro RCF interest.

The Company routinely reviews its foreign exchange strategy to limit the short-term volatility in sterling-distributable cash flows caused by foreign exchange fluctuations and to optimise the costs of the hedging instruments.

Debt structure



Note: simplified for illustrative purposes. For outstanding debt balances please refer to the table on the following page.

Financial review continued

Debt structure continued

The following table summarises the Company's debt position as at 30 June 2025:

Borrower	Holding vehicle	Provider	Facility type	Outstanding (m)	Maturity	Hedging	Applicable rate
FS Holdco	FS Holdco	MIDIS	Fixed rate, fully amortising	£48.0	Mar-34	N/A	3.78%
		MIDIS	Inflation linked, fully amortising	£59.7[1]	Mar-34	N/A	RPI Index + 1.08%
Total				**£107.7**			
FS Debtco		SMBC/Helaba	Term loan, fully amortising	£130.8	Mar-36	100%	SONIA + 1.30% (margin step to 1.35% in 2029)
Total				**£130.8[2]**			
Second Generation Portfolio 1	FS Holdco 3	MIDIS	Fixed rate, fully amortising	£2.7	Aug-34	N/A	4.40%
			Inflation linked, fully amortising	£23.8[1]	Aug-34	N/A	RPI Index + 1.70%
Total				**£26.5**			
Global Solar Energy 27 SL (Lorca)	FS Holdco 4	BayernLB	Term loan	€11.1[3,6]	Dec-31	100%	Double tranche: €8.7m at 1.61% fixed rate, €2.4m at Euribor + 210bps
Foresight Solar Australia Pty Ltd	FS Holdco 4	CEFC	Term loan	A$34.8[4]	Jun-26	N/A	Base rate (0.96375%) + margin (2.00%)
Longreach		ANZ/Deutsche	Term loan	A$16.9	Apr-27	100%	BBSY Base rate + margin (1.20%)
Oakey 1		ANZ/Deutsche	Term loan	A$27.5	Apr-27	100%	BBSY Base rate + margin (1.20%)
Oakey 2 Finco Pty Ltd		CEFC	Term loan	A$28.3	Sep-25	N/A	Base rate (4.30%) + 2.25%
Total				**A$107.5[5]**			
Total long-term debt				**£325.9[3,5]**			
FS RCF Debtco	FS (UK Hold Co)	AIB/Barclays/Lloyds	Revolving credit	£32.8	May-28	0%	SONIA + 1.9%
				€50.3	May-28	0%	EURIBOR + 1.9%
Total short-term debt				**£75.9**			
Total outstanding debt				**£401.8**			

1. Nominal loan balance as at 30 June 2025 with the applicable RPI applied.
2. Interest rate swap for 100% of the outstanding debt.
3. EUR/GBP exchange rate of 0.8566 as at 30 June 2025.
4. Bannerton debt prorated for Company's share of asset ownership.
5. AUD/GBP exchange rate of 0.4782 as at 30 June 2025.
6. Lorca portfolio debt prorated for Company's share of asset ownership.

Financial review continued

Debt structure continued

The Company has no exposure to benchmark interest rate movements in the UK, Australia or Spain as a result of the interest rate swaps in place for the long-term debt. The short-term RCF, equivalent to 18.9% of total debt, is subject to interest rate volatility.

The sterling-denominated long-term debt facility priced over SONIA benefits from an interest rate swap hedging 100% of the outstanding debt during the term of the loan.

In Australia, debt facilities with CEFC have no exposure to the Bank Bill Swap Bid Rate (BBSY), as the interest rate was fixed at financial close or upon loan extension. The remaining debt facilities have interest rate swaps in place on a decreasing nominal amount for a notional tenor of 20 years.

In Spain, the debt facility priced over Euribor benefits from interest rate swaps hedging 100% of the outstanding balance during the term of the loan.

Combined profit and loss of the underlying investments

The underlying investments in the UK, Spain and Australia generated an operating profit, a measure of earnings before interest, tax, depreciation and amortisation (EBITDA), of £66.5 million for the period to 30 June 2025. Above-budget electricity production in the UK was the main contributor to revenue being 5.9% higher than expected and total operating profit being 7.7% above forecasts.

During the period, on a combined basis, the underlying assets earned £80.4 million of revenue. UK subsidised revenue was consistent with 8.9% favourable production. Global wholesale revenue was 6% higher than expected due to favourable irradiance in the UK, though economic curtailment in Australia and low merchant pricing in Spain partly offset the benefits.

Operating expenditure of £13.9 million was consistent with contractual arrangements, some of which were renegotiated during the period.

Profit and loss of the underlying investments

	Six-month period ended 30 June 2025					
	UK £m	Australia A$m[1]	Spain €m[2]	Combined £m	Six-month period ended 30 June 2024 Combined £m	12-month period ended 31 December 2024 Combined £m
Revenue of underlying investments						
Wholesale revenue	34.8	5.4	2.0	39.1	37.1	66.9
Subsidised revenue[3]	39.0	1.0	—	39.5	35.6	63.3
Other income	1.8	—	—	1.8	1.8	2.8
Total revenue	75.6	6.4	2.0	80.4	74.5	133.0
Operating expenditure						
O&M fixed	(3.1)	(1.0)	(0.3)	(3.8)	(3.3)	(6.7)
O&M variable	(0.9)	(0.2)	—	(1.0)	(0.7)	(1.5)
Other operating expenditure	(7.5)	(2.1)	(0.7)	(9.1)	(9.9)	(19.4)
Total operating expenditure	(11.5)	(3.3)	(1.0)	(13.9)	(13.9)	(27.6)
Total operating profit (EBITDA)	64.1	3.1	1.0	66.5	60.6	105.4

1. The profit and loss accounts of the Australian assets are combined based on the Company's ownership, using an average AUD/GBP exchange rate of 0.4803.
2. The profit and loss accounts of the Spanish assets are combined using an average EUR/GBP exchange rate of 0.8466.
3. Subsidised revenue consists of ROCs, ROC recycle, Feed-in Tariff, embedded benefits and LGCs.

Financial review continued

EBITDA to cash distributions

The table in this section links the total operating profit (EBITDA) to the cash distributions from the underlying SPVs by adjusting for cash movements and timings of working capital.

It may take up to two months between earning revenue and receiving the cash from the SPVs. Consequently, working capital produces variations between earnings measures and cash measures. In periods of rising energy prices, these working capital balances are expected to grow, increasing the differences, and vice versa in periods of falling prices.

Working capital movements during the period relate to the seasonality of £19.7 million in revenue receipts and £3.4 million of June 2025 income received after period end.

Movements in retained cash for lifecycle and capital expenditure are a result of a standalone exercise undertaken to review and subsequently re-profile the portfolio's expected lifecycle requirements and the potential capital expenditure for future years. The new profile was verified by a third-party technical advisor, which signed off on its appropriateness.

As per project debt service, this is tied to principal and interest payments made by SGP 1, Lorca and the Australian assets.

All amounts presented in £million	**Six-month period ended 30 June 2025**	Six-month period ended 30 June 2024	12-month period ended 31 December 2024
Total operating profit (EBITDA)	**66.5**	60.6	105.4
Adjustments:			
Corporation tax	**(4.0)**	(3.0)	(6.4)
Interest earned	**0.3**	0.4	0.8
Working capital	**(23.1)**	(23.9)	3.1
Movement in retained cash for lifecycle and capex	**(2.1)**	2.4	6.5
Other	**(1.9)**	(3.3)	0.8
Free cash before project debt service	**35.7**	33.2	110.1
Project debt service	**(5.3)**	(4.8)	(9.4)
Cash distributions from underlying investments	**30.4**	28.4	100.7

Financial review continued

Company and intermediate holding companies' cash flows

During the six months to 30 June 2025, the underlying investments paid £30.3 million of ordinary distributions to the intermediate holding companies.

Cash received from underlying investments covers the long-term debt repayments, financing costs and the operating and administrative expenses of the Company and the intermediate holding companies, as well as the dividends declared to Shareholders.

The acquisition costs of £0.9 million relate to the investment in the development of the Spanish solar pipeline asset, Muel.

Debt arrangement fees of £0.8 million were paid in May 2025, subsequent to the refinancing of the existing RCF. The remainder of the £1.4 million relates to transaction costs incurred on the Australian portfolio divestment and power hedging fees paid.

Debt resizing amounts of £0.6 million reduced the principal in the loan for Oakey 1 and Longreach and supported compliance with the covenants. Continuing curtailment in the period and grid outages put pressure on the projects' near-term revenues, requiring the pre-payment.

In the first half of the year, Foresight Solar repurchased 8.6 million shares through its announced £60 million buyback programme. The process delivered NAV accretion to the tune of 0.5 pence per share in the period. FSFL has deployed more than £48.2 million, resulting in a cumulative 2.8 pence per share NAV uplift since the Company began repurchasing its own stock in May 2023.

All amounts presented in £million	**Six-month period ended 30 June 2025**	Six-month period ended 30 June 2024	12-month period ended 31 December 2024
Cash distributions from underlying investments	**30.3**	28.4	100.7
Administrative expenses	**(0.9)**	(1.3)	(2.7)
Directors' fees and expenses	**(0.2)**	(0.2)	(0.3)
Investment management fees	**(1.5)**	(3.2)	(6.3)
Financing costs	**(5.0)**	(5.8)	(10.3)
Repayments of long-term debt facilities	**(8.0)**	(8.3)	(19.4)
Cash flow from operations	**14.8**	9.6	61.7
Acquisition and disposals of assets	**(0.9)**	(1.5)	(4.1)
Debt arrangement and refinancing fees	**(1.4)**	(4.1)	(4.1)
Net drawings and repayments of RCF	**1.0**	—	—
Share buyback	**(6.6)**	(16.6)	(22.5)
Other	**(0.6)**	1.0	0.9
Dividends paid in cash to Shareholders	**(22.4)**	(22.0)	(44.7)
Cash movement in the period	**(16.1)**	(33.6)	(12.8)
Opening Group cash balance	**68.3**	81.2	81.2
Closing Group cash balance	**52.3**	47.6	68.3

Financial review continued

Dividends

Foresight Solar has met all target dividends since its initial public offering (IPO) and adopts a progressive dividend policy, aiming to grow its payouts sustainably over time.

For the 2025 financial year, it is targeting a payout of 8.10 pence per share. It has, so far, distributed the first interim dividend of 2.025 pence per share, totalling £11.2 million.

Including the distributions made in the period, FSFL has paid out £363.0 million to Shareholders since listing on the London Stock Exchange in 2013. Considering the dividend payments made after period end, Foresight Solar has distributed a total of £374.2 million since IPO.

Dividend cover

Strong operational performance resulted in modestly higher cash distributions from the underlying investments. If production remains above budget in the second half of the year and fund-level costs stay in line with forecasts, the Investment Manager expects a target net dividend cover of 1.3x for the 12 months to 31 December 2025.

Dividend timetable for 2025 financial year

	Amount	Status	Payment date
Interim 1	2.025p	Paid	22 August 2025
Interim 2	2.025p	Declared	24 November 2025
Interim 3	2.025p	Targeted	First quarter 2026
Interim 4	2.025p	Targeted	Second quarter 2026
Total	**8.100p**		

On 16 September 2025, the Board approved the second interim dividend relating to 2025 of 2.025 pence per share.

Second interim dividend	Date
Ex-dividend date	30 October 2025
Record date	31 October 2025
Dividend payment date	24 November 2025

Ongoing charges

The ongoing charges ratio for the period to 30 June 2025 was 1.17% (31 December 2024: 1.17%). This has been calculated using methodology recommended by the Association of Investment Companies.

Asset management fees charged by Foresight Asset Management Limited, a subsidiary of Foresight Group LLP, on an arm's length basis at project level are excluded from the ongoing charges ratio.

Alternative Performance Measures (APMs)

The Directors assess Foresight Solar's performance using a number of APMs that are not defined under IFRS. These measures are not always comparable with similar companies, and, therefore, the table below connects them to relevant GAAP definitions in the Financial Statements from page 51.

APM	Purpose	Calculation	APM value	Reconciliation to IFRS (where applicable)
Annualised total NAV return since IPO	Annualised measure of financial performance, indicating the movement of the value of the Company's assets since IPO and expressed as a percentage	Closing NAV per Ordinary Share as at 30 June 2025 plus all dividends paid since IPO assumed reinvested, divided by the NAV at IPO, to the power of one over the number of years since IPO	7.1%	The calculation uses the closing NAV per Ordinary Share as per the statement of financial position on page 52
Annualised total Shareholder return since IPO	Annualised measure of financial performance, indicating the total return derived from holding the stock since IPO and expressed as a percentage	Closing share price as at 30 June 2025 plus all dividends paid since IPO assumed reinvested, divided by the share price at IPO, to the power of one over the number of years since IPO	5.1%	The calculation does not have an IFRS equivalent, but uses the closing share price as per the key investment metric table on page 10
Cash distributions from underlying investments	A measure of financial performance from the underlying portfolio	Total cash received from investments in the period	£30.3 million	The calculation uses combined cash flows of the Company and Group entities and, therefore, does not have an IFRS equivalent
Dividend cover	A measure of excess cash generated by the Company after payment of the dividend	Net operating cash flow divided by dividend paid within the period, including potential scrip dividend impact	1.31x	The calculation uses the dividend paid as shown in the statement of changes in equity divided by cash flow from operations. The calculation uses cash flows of the Company and Group entities and, therefore, does not have an IFRS equivalent
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	A measure to indicate cash flow and business performance, allowing for a comparable figure between businesses	Operating revenue minus operating expenses, with total operating profit as a proxy for EBITDA	£66.5 million	The calculation uses total combined revenue of underlying investments and subtracts total expenditure, as per the combined profit and loss of the underlying investments on page 43
Enterprise value (EV)	A measure to determine a company's total value, a more comprehensive alternative to market capitalisation	The sum of market capitalisation as at 30 June 2025 and total outstanding debt minus cash (and cash equivalents)	£828.5 million	The calculation uses Group entities' debt and Group-wide cash balances and, therefore, does not have an IFRS equivalent. The calculation uses market capitalisation from page 10, the total outstanding debt on page 40 and the closing cash balance on page 45

Alternative Performance Measures (APMs) continued

APM	Purpose	Calculation	APM value	Reconciliation to IFRS (where applicable)
Gearing	A measure of financial risk on the Company's balance sheet	Total third-party debt of the Group entities as a percentage of GAV	40.0%	The calculation uses the Net Asset Value as per the statement of financial position on page 52. It also uses the total outstanding debt on page 40, which does not have an IFRS equivalent
Gross Asset Value (GAV)	A measure of the value of the Company's total assets	The sum of the Company's total assets as shown on the statement of financial position and the total debt of the Group and underlying investments	£1,005.6 million	The calculation uses the Net Asset Value as per the statement of financial position on page 52. It also uses the total outstanding debt on page 40, which does not have an IFRS equivalent
Market capitalisation	Provides an indication of the size of the Company	Closing share price as at 30 June 2025 multiplied by the closing number of Ordinary Shares in circulation	£478.9 million	The calculation uses the closing share price as per the key investment metrics table on page 10 and the closing number of Ordinary Shares as per note 17 of the Financial Statements on pages 76 and 77
NAV per Ordinary Share	A measure of the value of one Ordinary Share	The net assets divided by the number of Ordinary Shares	108.5p	As per the closing NAV per Ordinary Share and as per the statement of financial position on page 52
Ongoing charges ratio	A measure of the annual reduction in Shareholder returns because of operational expenses based on historical data	Total ongoing expenses including Investment Manager fees, legal and professional fees, administration fees, Directors' fees and audit fees expressed as a percentage of average NAV through the period	1.17%	The calculation does not have an IFRS equivalent. Detailed calculation on page 80 of Foresight Solar's 2024 Annual Report
Total NAV return	A measure of financial performance indicating the movement of the value of the Company's assets in the year and expressed as a percentage	Closing NAV per share as at 30 June 2025 plus all dividends paid in the year assumed reinvested, divided by the NAV at 31 December 2024, expressed as a percentage	(1.2%)	The calculation uses the Net Asset Value as per the statement of financial position on page 52 and the cash dividends paid as per the statement of changes in equity on page 53
Total shareholder return	Annualised measure of financial performance, indicating the total return derived from holding the stock in the year and expressed as a percentage	Closing share price as at 30 June 2025 plus all dividends paid in the last six months assumed reinvested, divided by the share price at 31 December 2024, expressed as a percentage	1.8%	The calculation uses the closing share price as per the key investment metrics table on page 10 and the cash dividends paid as per the statement of changes in equity on page 53

Statement of Directors' responsibilities

The Disclosure Guidance and Transparency Rules (DTR) of the UK Listing Authority require the Directors to confirm their responsibilities in relation to the preparation and publication of the Unaudited Interim Report and Financial Statements for the six months ended 30 June 2025.

The Directors confirm to the best of their knowledge that:

(a) The condensed set of Financial Statements included in this Unaudited Interim Report have been prepared in accordance with International Accounting Standards 34 Interim Financial Reporting and give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company

(b) The Interim Report includes a fair review of the information required by DTR 4.2.7R and DTR 4.2.8R of the FCA's Disclosure Guidance and Transparency Rules

(c) The Interim Report includes, where required, a fair review of the information required on related party transactions

Tony Roper

Chair

For and on behalf of Foresight Solar Fund Limited

17 September 2025

Paddock Wood, UK

Financial Statements

What's in this section:

Paddock Wood, UK

Statement of profit and loss and other comprehensive income

For the period 1 January 2025 to 30 June 2025 (Unaudited)

	Note	**Unaudited period 1 January 2025 to 30 June 2025 £'000**	Unaudited period 1 January 2024 to 30 June 2024 £'000	Audited year 1 January 2024 to 31 December 2024 £'000
Revenue				
Interest earned on cash in bank		**15**	44	60
Interest income	4	**13,900**	13,639	31,368
Loss on investments held at fair value through profit or loss	14	**(11,995)**	(12,878)	(20,311)
		1,920	805	11,117
Expenditure				
Administration fees	6	**(124)**	(117)	(251)
Directors' fees	7	**(181)**	(155)	(315)
Management fees	5	**(2,699)**	(3,230)	(6,348)
Other expenses	8	**(519)**	(474)	(1,197)
Total expenditure		**(3,523)**	(3,976)	(8,111)
(Loss)/profit before tax for the period		**(1,603)**	(3,171)	3,006
Taxation	2.7	**—**	—	—
(Loss)/profit for the period		**(1,603)**	(3,171)	3,006
Other comprehensive income		**—**	—	—
(Loss)/profit and other comprehensive income for the period		**(1,603)**	(3,171)	3,006
(Loss)/earnings per Ordinary Share (pence per share)	9	**(0.29)**	(0.55)	0.52

All items above arise from continuing operations; there have been no discontinued operations during the period.

The accompanying notes on pages 55 to 90 form an integral part of these Financial Statements.

Statement of financial position

As at 30 June 2025 (Unaudited)

	Note	**Unaudited 30 June 2025 £'000**	Unaudited 30 June 2024 £'000	Audited 31 December 2024 £'000
Assets				
Non-current assets				
Investments held at fair value through profit or loss	14	**599,103**	656,160	632,329
Total non-current assets		**599,103**	656,160	632,329
Current assets				
Interest receivable	10	**3,228**	360	197
Trade and other receivables	11	**320**	304	304
Cash and cash equivalents	12	**3,092**	664	2,018
Total current assets		**6,640**	1,328	2,519
Total assets		**605,743**	657,488	634,848

	Note	**Unaudited 30 June 2025 £'000**	Unaudited 30 June 2024 £'000	Audited 31 December 2024 £'000
Equity				
(Accumulated loss)/retained earnings		**(26,092)**	26,876	4,470
Stated capital and treasury shares	17	**629,892**	629,892	629,892
Total equity		**603,800**	656,768	634,362
Liabilities				
Current liabilities				
Trade and other payables	13	**1,943**	720	486
Total current liabilities		**1,943**	720	486
Total liabilities		**1,943**	720	486
Total equity and liabilities		**605,743**	657,488	634,848
Net Asset Value per Ordinary Share	18	**108.5**	114.9	112.3

The Financial Statements on pages 51 to 54 were approved by the Board of Directors and signed on its behalf on 17 September 2025 by:

Tony Roper

Chair

The accompanying notes on pages 55 to 90 form an integral part of these Financial Statements.

Statement of changes in equity

For the period 1 January 2025 to 30 June 2025 (Unaudited)

	Note	Issued Ordinary Shares[1] £'000	Treasury shares[2] £'000	Retained earnings £'000	Total £'000
Balance as at 1 January 2025		**588,184**	**41,708**	**4,470**	**634,362**
Total comprehensive loss for the period:					
Loss for the period		—	—	(1,603)	(1,603)
Transactions with owners, recognised directly in equity:					
Dividends paid in the period	21	—	—	(22,432)	(22,432)
Purchase of treasury shares[2]	17	(6,527)	6,527	(6,527)	(6,527)
Balance as at 30 June 2025		**581,657**	**48,235**	**(26,092)**	**603,800**

For the period 1 January 2024 to 30 June 2024 (Unaudited)

	Note	Issued Ordinary Shares[1] £'000	Treasury shares[2] £'000	Retained earnings £'000	Total £'000
Balance as at 1 January 2024		609,983	19,909	67,997	697,889
Total comprehensive loss for the period:					
Loss for the period		—	—	(3,171)	(3,171)
Transactions with owners, recognised directly in equity:					
Dividends paid in the period	21	—	—	(21,969)	(21,969)
Purchase of treasury shares[2]	17	(15,981)	15,981	(15,981)	(15,981)
Balance as at 30 June 2024		594,002	35,890	26,876	656,768

For the year 1 January 2024 to 31 December 2024 (Audited)

	Note	Issued Ordinary Shares[1] £'000	Treasury shares[2] £'000	Retained earnings £'000	Total £'000
Balance as at 1 January 2024		609,983	19,909	67,997	697,889
Total comprehensive profit for the year:					
Profit for the year		—	—	3,006	3,006
Transactions with owners, recognised directly in equity:					
Dividends paid in the year	21	—	—	(44,734)	(44,734)
Purchase of treasury shares[2]	17	(21,799)	21,799	(21,799)	(21,799)
Balance as at 31 December 2024		588,184	41,708	4,470	634,362

1. The stated capital of the Company comprises issued Ordinary Shares, share premium and treasury shares.
2. Represents the cash payments made to Jefferies International Limited by period end.

The accompanying notes on pages 55 to 90 form an integral part of these Financial Statements.

Statement of cash flows

For the period 1 January 2025 to 30 June 2025 (Unaudited)

	Note	**Unaudited period 1 January 2025 to 30 June 2025 £'000**	Unaudited period 1 January 2024 to 30 June 2024 £'000	Audited year 1 January 2024 to 31 December 2024 £'000
(Loss)/profit for the period after tax		**(1,603)**	(3,171)	3,006
Adjustments for:				
Unrealised loss on investments	14	**11,995**	12,878	20,311
Operating cash flows before changes in working capital		**10,392**	9,707	23,317
(Increase)/decrease in interest receivables	10	**(3,031)**	13,291	13,454
Increase in trade and other receivables	11	**(16)**	(13)	(14)
Increase/(decrease) in trade and other payables	13	**1,458**	(478)	(711)
Net cash inflow from operating activities		**8,803**	22,507	36,046
Investing activities				
Repayment of Shareholder loan		**21,230**	14,066	30,464
Net cash inflow from investing activities		**21,230**	14,066	30,464
Financing activities				
Purchase of treasury shares		**(6,527)**	(15,981)	(21,799)
Dividends paid	21	**(22,432)**	(21,969)	(44,734)
Net cash outflow from financing activities		**(28,959)**	(37,950)	(66,533)
Net increase/(decrease) in cash and cash equivalents		**1,074**	(1,377)	(23)
Cash and cash equivalents at the beginning of the period/year		**2,018**	2,041	2,041
Cash and cash equivalents at the end of the period/year	12	**3,092**	664	2,018

The accompanying notes on pages 55 to 90 form an integral part of these Financial Statements.

Notes to the Financial Statements

For the period 1 January 2025 to 30 June 2025 (Unaudited)

1. Company information

Foresight Solar Fund Limited (the Company) is a closed-ended public company with an indefinite life and was incorporated in Jersey under the Companies Law (Jersey) 1991, as amended, on 13 August 2013, with registered number 113721. The address of the registered office is: 28 Esplanade, St Helier, Jersey, JE4 2QP.

The Company has one investment, Foresight Solar (UK Hold Co) Limited (UK Hold Co). The principal activity of the Company through its direct and indirect subsidiaries, as per the structure chart, is investing in operational and development-stage ground-based solar power plants and battery storage systems in the UK, Australia and Spain.

UK Hold Co has three investments: FS RCF Debtco Limited (RCF Debtco), FS Holdco 4 Limited (FS Holdco 4) and Foresight Battery Storage Holding Limited (FBSHL).

RCF Debtco has three investments: FS Top Holdco 1 Limited (FS Topco 1), FS Top Holdco 2 Limited (FS Topco 2) and FS Holdco 3 Limited (FS Holdco 3).

FS Topco 1 has one investment in FS Intermediate Holdco Limited (FIHC). FIHC in turn has one investment in FS Holdco Limited (FS Holdco).

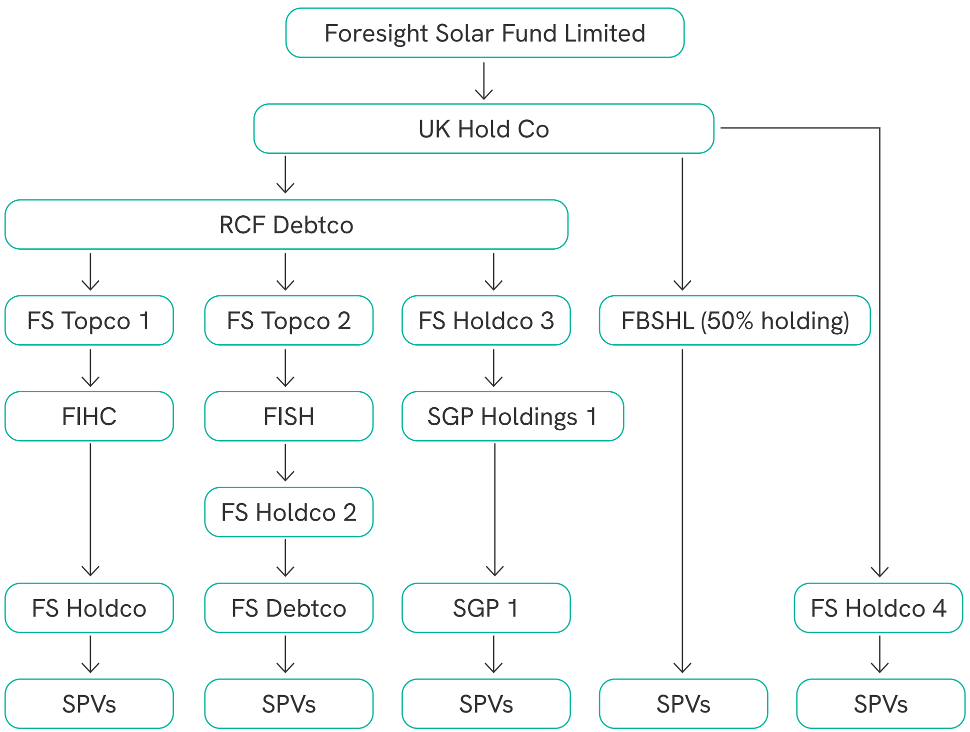
FS Topco 2 has one investment in Foresight Intermediate Solar Holdings Limited (FISH). In turn, FISH has one investment in FS Holdco 2 Limited (FS Holdco 2) which has one investment in FS Debtco Limited (FS Debtco).

FS Holdco 3 has one investment in Second Generation Portfolio 1 Holdings Limited (SGP Holdings 1). SGP Holdings 1 in turn invests in Second Generation Portfolio 1 (SGP 1) which invests directly into underlying solar investments.

FS Holdco, FS Debtco and FS Holdco 4 invest in further holding companies (the SPVs) which then invest in the underlying solar and battery storage investments.

Structure chart

The following chart shows the Group structure as at 30 June 2025:



Notes to the Financial Statements continued

For the period 1 January 2025 to 30 June 2025 (Unaudited)

2. Summary of significant accounting policies

2.1 Basis of presentation

The Unaudited Interim Financial Statements (the "Interim Financial Statements") for the period 1 January 2025 to 30 June 2025 have been prepared in accordance with International Accounting Standard 34 Interim Financial Reporting (IAS 34).

The Interim Financial Statements do not include all the information and disclosures required in the annual Financial Statements, and should be read in conjunction with the annual Audited Financial Statements as at 31 December 2024.

These are not statutory accounts in accordance with Article 105 of the Companies Law (Jersey) 1991, as amended and the financial information for the period ended 30 June 2025 and 30 June 2024 have been neither audited nor formally reviewed. Statutory accounts in respect of the period to 31 December 2024 have been audited and reported on by the Company's auditors and delivered to the Registrar of Companies and included the report of the auditors which was unqualified and did not contain a statement under Article 113B (3) or 113B (6) of the Companies Law (Jersey) 1991. No statutory accounts in respect of any period after 31 December 2024 have been reported on by the Company's auditors or delivered to the Registrar of Companies.

2.2 Going concern

Discontinuation vote:

As set out in the Company's Articles of Association, as the Company's share price traded at more than a 10% discount to NAV during 2024, Shareholders had the opportunity to vote on a special resolution at the June 2025 AGM of the Company on whether the Company should cease to continue in its present form. The Company's shares traded at a 24% discount to NAV, on average during 2024. Similar to peers in the renewable infrastructure sector, the Company continues to trade at a discount as investors demand higher returns against a backdrop of higher levels of inflation and higher interest rates. The Board and Investment Manager continue to actively implement strategies to mitigate this and to enhance the appeal of the shares to investors.

FSFL's June 2025 discontinuation vote resulted in 86% of votes cast being in favour of FSFL continuing in its present form, which is an improvement from the prior year result of 76%.

Due to the ongoing discount to NAV at which the Company's shares trade at, the Investment Manager has considered a potential discontinuation vote in June 2026, which falls within the going concern assessment period. The Board continues to actively engage with Shareholders and is considering a range of strategic options while continuing to deliver on the Company's near-term objectives.

The Directors are focused on balancing the objectives expressed by Shareholders in order to deliver value to Shareholders in an efficient and effective manner by exploring all options available. Actions taken to date have responded promptly to the market environment and further strategic action will be taken to reduce the trading discount to NAV.

The Directors have considered the improved result against discontinuation in June 2025 and the Board's and the Investment Manager's efforts to address the discount to NAV the shares trade at through a disciplined capital allocation strategy. Furthermore, from 1 March 2025, a revised investment management fee was agreed, delivering cost savings to Shareholders.

The Investment Manager believes there is no "material uncertainty" in the ability of FSFL to continue as a going concern regardless of a potential discontinuation vote in June 2026.

Background:

The Company's exposure to wholesale energy prices is reduced in the medium term through a combination of fixed price forward sales arrangements and financial hedging arrangements, which cover the going concern period. This provides protection if merchant power prices continue to decline. The Company's power purchase agreements are all contracted across a pool of five UK, five Australian and two Spanish energy suppliers. Insolvency of PPA offtakers presents a key risk for the Company due to the high proportion of revenues that are contracted with these energy suppliers. Accordingly, the Investment Manager periodically monitors the counterparty risk on the Company's energy suppliers and will consider new PPAs if the counterparty risk of existing energy suppliers is of concern. Similarly, the credit risk of financial hedging counterparties are monitored and managed in accordance with Company policies.

In July 2025, the UK government announced its decision to maintain a single national wholesale electricity price, while implementing reforms to network charging and balancing incentives to improve locational investment signals. This means the government will not proceed with zonal pricing, a previously considered option. Reformed national pricing involves significant reforms to network charging and balancing incentives to better guide investment in generation and storage, encouraging them to locate where they are most needed on the network.

Notes to the Financial Statements continued

For the period 1 January 2025 to 30 June 2025 (Unaudited)

2. Summary of significant accounting policies continued

2.2 Going concern continued

Background: continued

The implementation of the reformed national pricing plan will be published later in 2025, including cost-benefit analysis, after which, the government will work with Ofgem, the National Energy System Operator (NESO) and the industry to develop and implement these changes. The recent updates that the UK government is publishing provide investors with clarity, particularly for the next Contracts for Difference allocations.

The Investment Manager expects any market changes will take years to implement and will therefore fall outside of the going concern assessment period.

Cash flow analysis:

Cash flow analysis was prepared for the going concern assessment period. The going concern assessment period contemplated for these accounts is until 31 December 2026.

An evaluation of going concern was prepared by the Company's Investment Manager, then approved by the Audit and Risk Committee and subsequently by the Board.

Cash flow analysis was completed to consider the following individual downside scenarios, each of which has been linked to quantifiable risks identified in the risk and risk management section of this Interim Report and Financial Statements:

1) All investments consistently generate a P90 level (90% probability of exceeding expected production over a 10-year period) of electricity output. The Directors deem this is to be an appropriate, market-standard stress test, with a relevant example being historically low irradiation in the UK throughout 2024 and the first two months of 2025. This is corroborated by data from the Department for Energy Security and Net Zero, showing that 2024 had the lowest number of sun hours since the Company's IPO in 2013
2) Power prices were reduced by 20% across the portfolio. This downside scenario represents decreasing merchant power prices and historic oil and electricity price volatility
3) The PPA provider that the Group is most exposed to fails to settle revenue under the PPA contract. This downside scenario represents the risk of insolvencies of PPA counterparties in response to the high number of energy company insolvencies during the last three years because of the high power price market
4) The inclusion of the maximum forecasted project lifecycle outflows and the associated lost revenues as a result of the downtime during the lifecycle works
5) The removal of the sales proceeds from planned divestments
6) A combination of scenarios 1 and 2

Severe but plausible cash flow analysis was also completed to consider a scenario in which the three highest yielding project companies in the portfolio simultaneously have operational restrictions and reduced capacity and therefore pay reduced distributions (13% less than base case) in the going concern assessment period.

If any of the scenarios described above were to materialise, the Company could still settle all liabilities falling due and there would be no instances of non-compliance of debt covenants during the going concern assessment period.

The Board would continue to review on a periodic basis whether the dividend paid per share is appropriate considering the reduced cash flow. The cash flow forecasts show that operating costs would be settled as they fall due, but the cash balance would reduce gradually during the going concern assessment period.

Covenant compliance:

Three Group subsidiaries, FS Holdco, FS Debtco and RCF Debtco, are all required to complete semi-annual debt compliance reporting. The covenants that FS Holdco and FS Debtco are required to report on are the look-back debt service cover ratio, the look-forward debt service cover ratio and the loan life cover ratio. The debt service cover ratio (DSCR), calculated at investment entity subsidiaries level, is a measure of how each portfolio can use its generated cash to repay its debt obligations in any given six-month calculation period. It is calculated as the cash generated from operations and available to pay debt service divided by the debt principal and interest in any given six-month period.

RCF Debtco is required to report an interest cover ratio (ICR) and a Loan to Value (LtV) ratio. These must be compliant semi-annually to permit the movement of UK project company distributions to UK Hold Co and FSFL. Without these project distributions, FSFL would unlikely be able to pay quarterly dividends to investors at the current dividend per share.

Notes to the Financial Statements continued

For the period 1 January 2025 to 30 June 2025 (Unaudited)

2. Summary of significant accounting policies continued

2.2 Going concern continued

Covenant compliance: continued

A breach at RCF Debtco would restrict more cash moving up the structure than a breach at either FS Holdco or FS Debtco. While the Investment Manager considers non-compliance of the RCF covenants as unlikely, it was considered prudent to investigate this via two reverse stress tests, which also addressed financial gearing risk, as identified by the PR:

1) The base case SONIA and Euribor interest rates were gradually increased until the increased finance costs caused the ICR threshold to be breached. Variable interest rates would have to increase approximately five times by June 2026 to lead to a breach of the ICR, which is deemed highly unlikely.

2) The valuation of the RCF Debtco qualifying portfolio was gradually decreased until the LtV covenant was breached. This investigation has been deemed necessary considering falling merchant energy prices, rising discount rates and associated falling project valuations. UK project valuations would need to fall by 58% to lead to a breach of the LtV ratio, which represents a severe decrease deemed highly unlikely.

The Directors are pleased to confirm that there were no instances of non-compliance of debt covenants throughout the going concern assessment period in any of the scenarios.

Basis of preparation:

The Directors and the Investment Manager do not consider the prospect of the June 2026 discontinuation vote will impact the Company's ability to continue as a going concern or give rise to a material uncertainty.

Consequently, the Directors are confident that the cash flows have been appropriately challenged and therefore the Company will have sufficient funds to continue to meet its liabilities as they fall due for the going concern assessment period and has therefore prepared the Financial Statements on a going concern basis.

2.3 Changes in accounting policies and disclosures

New and revised IFRSs adopted by the Company

The accounting policies adopted are consistent with those of the previous financial year. Management have assessed all new standards and amendments to standards and interpretations that are effective for annual periods after 1 January 2025 and considered none to be applicable to the Company.

The following standards have been issued but are not effective for this accounting period and have not been adopted early:

- **Amendments to IFRS 9 and IFRS 7 Classification and Measurement of Financial Instruments** – The amendments clarify the timing for recognising and derecognising certain financial assets and liabilities, introduce additional guidance for the payments of principal and interest (SPPI) criterion, add new disclosure requirements for instruments with cash flow changes linked to ESG targets, and update disclosures for equity instruments designated at Fair Value through Other Comprehensive Income (FVOCI) – effective from 1 January 2026.
- **IFRS 18 Presentation and Disclosure in Financial Statements** – The new standard introduces updates to the presentation and disclosure in financial statements, particularly focusing on the statement of profit or loss. Key concepts include restructuring the statement of profit or loss, mandatory disclosures for management-defined performance measures reported outside the financial statements, and enhanced principles for aggregation and disaggregation in primary financial statements and notes – effective from 1 January 2027.

There are no standards, amendments or interpretations in issue at the reporting date which are effective and not yet adopted that are deemed to have a material impact on the Financial Statements.

Notes to the Financial Statements continued

For the period 1 January 2025 to 30 June 2025 (Unaudited)

2. Summary of significant accounting policies continued

2.4 Consolidation

Subsidiaries

Subsidiaries are entities over which the Company has control. The Company controls an entity when the Company is exposed to, or has the rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

Associates

Associates are entities over which the Company has significant influence, being the power to participate in the financial and operating policy decisions of the investee (but not control or joint control).

Investment entity exemption

Qualifying entities that meet the definition of an investment entity are not required to produce a consolidated set of Financial Statements and instead account for subsidiaries, joint ventures and associates at fair value through profit or loss.

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

- Obtains funds from one or more investors for the purpose of providing those investors with investment management services
- Commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both (including having an exit strategy for investments)
- Measures and evaluates the performance of substantially all of its investments on a fair value basis

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

- The Company is an investment company that invests funds obtained from multiple investors in a diversified portfolio of solar energy infrastructure assets and related infrastructure assets and has appointed the Investment Manager to manage the Company's investments
- The Company's purpose is to invest funds for investment income and potential capital appreciation and will exit its investments at the end of their economic lives or when their planning permissions or leasehold land interests expire (unless it has repowered their sites) and may also exit investments earlier for reasons of portfolio balance or profit
- The Board evaluates the performance of the Company's investments on a fair value basis as part of the quarterly management accounts review. The Company values its investments on a fair value basis twice a year for inclusion in its Annual and Interim Financial Statements with the movement in the valuations taken to the Income Statement and, therefore, is measured within its earnings

Taking these factors into account, the Directors are of the opinion that the Company has all the typical characteristics of an investment entity and meets the definition set out in IFRS 10.

The Directors believe the treatment outlined above provides the most relevant information to investors.

As UK Hold Co is not consolidated, its subsidiaries – plus their underlying investments – are not separately presented at fair value through profit or loss in the Company's accounts. The Directors have evaluated whether the subsidiaries are investment entities and have concluded that they meet the definition set out in IFRS 10. Should subsidiaries fail to meet the definition of an investment entity, the Company would have to consolidate its subsidiaries.

2.5 Treasury shares

The Company recognises the purchase of its own equity instruments in treasury shares, which are deducted from retained earnings. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Notes to the Financial Statements continued

For the period 1 January 2025 to 30 June 2025 (Unaudited)

3. Critical accounting estimates and judgements

The preparation of Financial Statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies.

The Board considers that the only areas where management make critical estimates that may have a significant effect on the Financial Statements are in relation to the valuation of investments held at fair value through profit and loss; the most significant judgement is related to the determination that the Company meets the definition of an investment entity.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates and underlying assumptions are reviewed on an ongoing basis.

Key judgements

The Board considers that the determination that the Company meets the definition of an investment entity involves significant judgement. The Board has concluded that the Company continues to meet the definition of an investment entity, as its strategic objective of investing in portfolio investments and providing investment management services to investors for the purpose of generating returns in the form of investment income and capital appreciation remains unchanged.

Key source of estimation uncertainty: Investments at fair value through profit or loss

The Company recognises its investment in UK Hold Co at fair value, which requires the determination of fair value of the underlying investments. The Board considers that determining the fair value of the underlying investments not quoted in an active market involves critical accounting estimates. The discount rate, power price curve, inflation and useful economical life of assets are considered the most significant unobservable inputs through which an increase or decrease would have a material impact on the fair value of the investments at fair value through profit or loss.

The discount rates are subjective and therefore it is feasible that a reasonable alternative assumption may be used, resulting in a different value. The discount rates applied to the cash flow are reviewed by the Investment Manager and approved by the Board on a quarterly basis, taking into consideration market transactions with similar nature.

Independent advisors are used to provide evidenced forward power price curves and therefore it is feasible that a reasonable alternative assumption may be used, resulting in a different value. The power price curves are reviewed by the Investment Manager and approved by the Board on a quarterly basis. Inflation forecasts, such as that of the Office for Budget Responsibility, are used alongside in-house views of the Investment Manager to determine this assumption and therefore it is feasible that a reasonable alternative assumption may be used, resulting in a different value. The inflation assumptions are reviewed by the Investment Manager and approved by the Board on a quarterly basis.

Useful economic life (UELs) of assets are based on the Investment Manager's estimates of the period over which the assets will generate revenue, which are periodically reviewed for continued appropriateness. The UELs of the assets are based on the underlying lease contract of the individual assets. The Investment Manager fully expects to be able to renew any lease contracts of the underlying investments. The expected weighted average life of the UK portfolio as at 30 June 2025 is 31 years from the date of commissioning. The UEL of the Australian portfolio is 37 years. The UEL of the Spanish portfolio is 40 years.

These key assumptions used in determining the fair value of the underlying investment and the associated sensitivities are disclosed in note 16.

4. Interest income

	30 June 2025 £'000	30 June 2024 £'000	31 December 2024 £'000
Interest on loan notes	**11,250**	11,375	25,430
Interest on Shareholder loans	**2,650**	2,264	5,938
	13,900	13,639	31,368

Loan notes were issued by the Company to UK Hold Co for the purchase of investments. Interest accrues at 9% per annum in arrears on each Interest Payment Date (28/29 February and 31 August each year).

Notes to the Financial Statements continued

For the period 1 January 2025 to 30 June 2025 (Unaudited)

4. Interest income continued

Where interest is not paid on the payment date, it will compound and future interest shall accrue at 11% per annum from the due date up to the date of actual payment, compounding on each Interest Payment Date. The loan notes balance at period end on which interest is charged is £250,000,000 (2024: £250,000,000). These loans form part of the fair value of the investments as per note 14. On 28 February 2025, all outstanding interest up to date was paid, resulting in no compounding interest.

A Shareholder loan is created when the total amount paid by the Company on behalf of UK Hold Co to acquire the underlying investments is more than the total loan notes issued by the Company to UK Hold Co. Interest accrues at 2% per annum, and is repayable on demand. The Shareholder loan balance at year end is £252,622,532 (30 June 2024: £290,251,761, 31 December 2024: £273,852,906). These loans form part of the fair value of the investments as per note 14.

5. Management fees

The Investment Manager of Foresight Solar is Foresight Group LLP.

From 1 January 2025 to 28 February 2025, the Investment Manager of the Company received an annual fee of 1% of the Net Asset Value (NAV) of the Company up to £500 million – NAV in excess to this was charged at 0.9% per annum. This was payable quarterly in arrears and calculated based on the published quarterly NAV.

During the period, the Board and Investment Manager re-negotiated the Investment Manager fee. Effective from 1 March 2025, the new management fee is applied to an equal weighting of the average of the closing daily market capitalisation during each quarter and the published NAV for the quarter. In addition to the change in basis, the Board has agreed that the percentage rates applied to each tier of weighted value will be reduced from 1% to 0.95% up to £500 million. The fee for NAV in excess to this will be reduced from 0.9% to 0.8%.

For the period ended 30 June 2025, the Investment Manager was entitled to a management fee of £2,699,358 (1 January 2024 to 30 June 2024: £3,229,739; 1 January 2024 to 31 December 2024: £6,347,915) of which £1,239,203 was outstanding as at 30 June 2025 (30 June 2024: £nil, 31 December 2024: £nil).

6. Administration fees

Under an Administration Agreement, the Administrator of the Company, JTC (Jersey) Limited, is entitled to receive minimum annual administration and accountancy fees of £205,000 (2024: £200,000) payable quarterly in arrears. For the period ended 30 June 2025, total administration and accountancy fees, including disbursements, were £123,809 (1 January 2024 to 30 June 2024: £117,075, 1 January 2024 to 31 December 2024: £251,363) of which £52,500 was outstanding as at 30 June 2025 (1 January 2024 to 30 June 2024: £50,000, 1 January 2024 to 31 December 2024: £50,000).

7. Staff costs and Directors' fees

No members of staff were employed during the period (period ended 30 June 2024: nil, year ended 31 December 2024: nil).

Total Directors' fees were £181,062 (1 January 2024 to 30 June 2024: £154,600, 1 January 2024 to 31 December 2024: £315,152).

8. Other expenses

	30 June 2025 £'000	30 June 2024 £'000	31 December 2024 £'000
Legal and professional fees	**439**	362	793
Other expenses	**80**	112	404
	519	474	1,197

Included within legal and professional fees is £102,854 (1 January 2024 to 30 June 2024: £113,445, 1 January 2024 to 31 December 2024: £192,250) relating to the accrual of the 2025 audit fees. Audit fees paid to KPMG LLP in relation to the final instalment payment relating to the year ended 31 December 2024 audit of the Group was £19,225 for the period ended 30 June 2025 (30 June 2024: £17,320, 31 December 2024: £375,765). There were no other fees paid to the auditor for non-audit services during the period (2024: £nil).

Notes to the Financial Statements continued

For the period 1 January 2025 to 30 June 2025 (Unaudited)

9. Earnings/(loss) per Ordinary Share – basic and diluted

The basic and diluted loss per Ordinary Share for the Company is 0.29 pence per share (period ended 30 June 2024: basic loss of 0.55 per share, year ended 31 December 2024: basic profit of 0.52 per share). This is based on the loss for the period of £1,602,504 (1 January 2024 to 30 June 2024: £3,169,234 loss, 1 January 2024 to 31 December 2024: £3,005,954 profit) and on 559,573,410 Ordinary Shares (1 January 2024 to 30 June 2024: 571,566,814, 1 January 2024 to 31 December 2024: 573,946,152), being the weighted average number of shares in issue during the year, excluding treasury shares.

10. Interest receivable

	30 June 2025 £'000	30 June 2024 £'000	31 December 2024 £'000
Interest receivable on loan notes	**2,625**	185	197
Interest receivable on Shareholder loans	**603**	175	—
	3,228	360	197

Information about the Company's exposure to credit and market risk and impairment losses for interest receivable is included in note 19.

11. Trade and other receivables

	30 June 2025 £'000	30 June 2024 £'000	31 December 2024 £'000
Prepaid expenses	**63**	47	47
Other receivables	**257**	257	257
	320	304	304

Information about the Company's exposure to credit and market risk and impairment losses for trade and other receivables is included in note 19.

12. Cash and cash equivalents

	30 June 2025 £'000	30 June 2024 £'000	31 December 2024 £'000
Cash at bank	**3,092**	664	2,018
	3,092	664	2,018

Information about the Company's exposure to credit and market risk and impairment losses for cash and cash equivalents is included in note 19.

13. Trade and other payables

	30 June 2025 £'000	30 June 2024 £'000	31 December 2024 £'000
Accrued expenses	**1,686**	339	211
Amounts due to subsidiaries[1]	**187**	194	187
Unsettled treasury shares	**70**	187	88
	1,943	720	486

1. Amounts due to subsidiaries are unsecured, interest free and repayable on demand.

Notes to the Financial Statements continued

For the period 1 January 2025 to 30 June 2025 (Unaudited)

14. Investments held at fair value through profit or loss

The following table presents the Company's investments held at fair value through profit or loss:

	30 June 2025 £'000		
	Equity	Loan	Total investment
Opening balance	**108,478**	**523,851**	**632,329**
Additions	**—**	**—**	**—**
Repayments	**—**	**(21,231)**	**(21,231)**
Loss on investments held at fair value through profit or loss	**(11,995)**	**—**	**(11,995)**
Investments held at fair value through profit or loss	**96,483**	**502,620**	**599,103**

	30 June 2024 £'000		
	Equity	Loan	Total investment
Opening balance	128,789	554,315	683,104
Additions	—	—	—
Repayments	—	(14,066)	(14,066)
Loss on investments held at fair value through profit or loss	(12,878)	—	(12,878)
Investments held at fair value through profit or loss	115,910	540,250	656,160

	31 December 2024 £'000		
	Equity	Loan	Total investment
Opening balance	128,789	554,315	683,104
Additions	—	—	—
Repayments	—	(30,464)	(30,464)
Loss on investments held at fair value through profit or loss	(20,311)	—	(20,311)
Investments held at fair value through profit or loss	108,478	523,851	632,329

The Company measures its investment in UK Hold Co at fair value through profit or loss. This investment consists of both debt and equity and is not quoted in an active market.

The fair value of the Company's interests in UK Hold Co is derived from the net assets of UK Hold Co which holds the underlying investments at fair value. The debt portion of the investment is measured at principal plus accrued interest (as these approximate the fair value of the debt). The full terms of the debt are included in note 4. The fair value of the equity portion is based on the net assets of UK Hold Co and reflects the fair value of underlying solar assets plus working capital less the borrowings in the structure. The underlying investments are valued using a discounted cash flow methodology, if operational. Assets in construction are valued at cost or cost less impairment.

The accrued interest on the debt at the period end of £3,228 million (30 June 2024: £360,000, 31 December 2024: £197,000) is shown separately as a current asset on the balance sheet as it reflects earned interest that will be recovered in the next 12 months.

In turn, UK Hold Co has three investments in RCF Debtco, FS Holdco 4 and FBSHL. RCF Debtco has three investments in FS Topco 1, FS Topco 2 and FS Holdco 3. FS Topco 1 has one investment in FIHC. FIHC has one investment in FS Holdco. FS Topco 2 has one investment in FISH. FISH has one investment in FS Holdco 2. FS Holdco 2 has one investment in FS Debtco. FS Holdco 3 has one investment in SGP Holdings 1 which in turn has one investment in Second Generation Portfolio 1 (SGP 1). These investments also consist of both debt and equity and are not quoted in an active market. FS Holdco and FS Debtco are fair valued using their Net Asset Value as reported at period end, with adjustments to their long-term external debt to reflect the fact that the carrying value at amortised cost is not considered to be the best approximation of their fair value. FS Topco 1, FS Topco 2, FS Holdco 4, FIHC, FS Holdco 3 and FISH are fair valued using their net assets.

Notes to the Financial Statements continued

For the period 1 January 2025 to 30 June 2025 (Unaudited)

14. Investments held at fair value through profit or loss continued

FS Holdco, FS Debtco, SGP Holdings 1 and FS Holdco 3's investment portfolios consist of unquoted investments in solar projects, the valuations of which are based on a discounted cash flow methodology (as set out in note 16) for solar projects that are operational. FS Holdco 4 consists of operational Australian and Spanish assets, the valuations of which are based on a discounted cash flow methodology and also a development pipeline of Spanish solar and BESS projects, which are held at cost less impairment to reflect current fair value based on market pricing.

FBSHL is held at cost less impairment to reflect current fair value based on market pricing.

Fair value hierarchy

IFRS 13 Fair Value Measurement requires disclosures relating to fair value measurements using a three-level fair value hierarchy. The level within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement.

Assessing the significance of a particular input requires judgement, considering factors specific to the asset or liability. The following table shows investments recognised at fair value, categorised between those whose fair value is based on:

(a) Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities

(b) Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

(c) Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

All investments held at fair value through profit or loss are classified as level 3 within the fair value hierarchy.

As UK Hold Co's Net Asset Value is not considered observable market data, the investment in UK Hold Co has been classified as level 3. There were no movements between levels during the period, categorised between those whose fair value is based on:

As at 30 June 2025:

	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Investments held at fair value through profit or loss	—	—	599,103	599,103
	—	—	599,103	599,103

As at 30 June 2024:

	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Investments held at fair value through profit or loss	—	—	656,160	656,160
	—	—	656,160	656,160

As at 31 December 2024:

	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Investments held at fair value through profit or loss	—	—	632,329	632,329
	—	—	632,329	632,329

Sensitivity analysis

Due to the nature of the Group structure and the underlying valuation basis of UK Hold Co, RCF Debtco, FS Topco 1, FIHC, FS Holdco, FS Topco 2, FS Debtco, FS Holdco 3, FS Holdco 4 and the underlying solar project investments, the valuation of the Company's investment at fair value through profit or loss is directly linked to the valuation of the underlying solar and battery storage investments. Therefore, the unobservable inputs driving the valuation of the Company's investments in UK Hold Co are directly attributable to the valuation of the unquoted investments in FS Holdco, FS Debtco, FS Holdco 3 and FS Holdco 4, which are discussed further in note 16.

Notes to the Financial Statements continued

For the period 1 January 2025 to 30 June 2025 (Unaudited)

15. Subsidiaries and associates

Name	Direct or indirect holding	Country of incorporation	Principal activity	Proportion of shares and voting rights held
Foresight Solar (UK Hold Co) Limited (UK Hold Co)	Direct	UK	Holding Company	100%
FS Holdco Limited (FS Holdco)	Indirect	UK	Holding Company	100%
FS Top Holdco 2 Limited (FS Topco 2)	Indirect	UK	Holding Company	100%
Foresight Intermediate Solar Holdings Limited (FISH)	Indirect	UK	Holding Company	100%
FS Holdco 2 Limited (FS Holdco 2)	Indirect	UK	Holding Company	100%
FS Debtco Limited (FS Debtco)	Indirect	UK	Holding Company	100%
FS Holdco 3 Limited (FS Holdco 3)	Indirect	UK	Holding Company	100%
FS Holdco 4 Limited (FS Holdco 4)	Indirect	UK	Holding Company	100%
FS RCF Debtco Limited (RCF Debtco)	Indirect	UK	Holding Company	100%
FS Top Holdco 1 Limited (FS Topco 1)	Indirect	UK	Holding Company	100%
FS Intermediate Holdco Limited (FIHC)	Indirect	UK	Holding Company	100%
FS Wymeswold Limited	Indirect	UK	SPV Holding Company	100%
FS Castle Eaton Limited	Indirect	UK	SPV Holding Company	100%
FS Pitworthy Limited	Indirect	UK	SPV Holding Company	100%
Foresight Solar Germany Holding GmbH	Indirect	Germany	SPV Holding Company	100%
FS Highfields Limited	Indirect	UK	SPV Holding Company	100%
FS High Penn Limited	Indirect	UK	SPV Holding Company	100%
FS Hunters Race Limited	Indirect	UK	SPV Holding Company	100%
FS Spriggs Limited	Indirect	UK	SPV Holding Company	100%
FS Bournemouth Limited	Indirect	UK	SPV Holding Company	100%

Notes to the Financial Statements continued

For the period 1 January 2025 to 30 June 2025 (Unaudited)

15. Subsidiaries and associates continued

Name	Direct or indirect holding	Country of incorporation	Principal activity	Proportion of shares and voting rights held
FS Landmead Limited	Indirect	UK	SPV Holding Company	100%
FS Kencot Limited	Indirect	UK	SPV Holding Company	100%
FS Copley Limited	Indirect	UK	SPV Holding Company	100%
FS Port Farms Solar Limited	Indirect	UK	SPV Holding Company	100%
FS Membury Limited	Indirect	UK	SPV Holding Company	100%
FS Southam Solar Limited	Indirect	UK	SPV Holding Company	100%
FS Atherstone Solar Limited	Indirect	UK	SPV Holding Company	100%
FS Paddock Wood Solar Farm Limited	Indirect	UK	SPV Holding Company	100%
Southam Holdco Limited	Indirect	UK	SPV Holding Company	100%
Atherstone Holdco Limited	Indirect	UK	SPV Holding Company	100%
Paddock Wood Holdco Limited	Indirect	UK	SPV Holding Company	100%
FS Shotwick Limited	Indirect	UK	SPV Holding Company	100%
FS Sandridge Limited	Indirect	UK	SPV Holding Company	100%
FS Wally Corner Limited	Indirect	UK	SPV Holding Company	100%
FS Holdco 5 Limited	Indirect	UK	SPV Holding Company	100%
FS Welbeck Limited	Indirect	UK	SPV Holding Company	100%
FS Trehawke Limited	Indirect	UK	SPV Holding Company	100%
FS Homeland Limited	Indirect	UK	SPV Holding Company	100%
FS Marsh Farm Limited	Indirect	UK	SPV Holding Company	100%
FS Steventon Limited	Indirect	UK	SPV Holding Company	100%

Notes to the Financial Statements continued

For the period 1 January 2025 to 30 June 2025 (Unaudited)

15. Subsidiaries and associates continued

Name	Direct or indirect holding	Country of incorporation	Principal activity	Proportion of shares and voting rights held
FS Fields Farm Limited	Indirect	UK	SPV Holding Company	100%
FS Gedling Limited	Indirect	UK	SPV Holding Company	100%
FS Sheepbridge Limited	Indirect	UK	SPV Holding Company	100%
FS Cuckoo Limited	Indirect	UK	SPV Holding Company	100%
FS Field House Limited	Indirect	UK	SPV Holding Company	100%
FS Upper Huntingford Limited	Indirect	UK	SPV Holding Company	100%
FS Abergelli Limited	Indirect	UK	SPV Holding Company	100%
FS Crow Trees Limited	Indirect	UK	SPV Holding Company	100%
FS Yarburgh Limited	Indirect	UK	SPV Holding Company	100%
FS Nowhere Solar Limited	Indirect	UK	SPV Holding Company	100%
FS Bilsthorpe Solar Limited	Indirect	UK	SPV Holding Company	100%
FS Bulls Head Solar Limited	Indirect	UK	SPV Holding Company	100%
FS Roskrow Solar Limited	Indirect	UK	SPV Holding Company	100%
FS Abbeyfields Solar Limited	Indirect	UK	SPV Holding Company	100%
FS Lindridge Solar Limited	Indirect	UK	SPV Holding Company	100%
FS Misson Solar Limited	Indirect	UK	SPV Holding Company	100%
FS Playters Solar Limited	Indirect	UK	SPV Holding Company	100%
FS PS Manor Farm Solar Limited	Indirect	UK	SPV Holding Company	100%
FS SV Ash Solar Park Limited	Indirect	UK	SPV Holding Company	100%
FS Pen Y Cae Solar Limited	Indirect	UK	SPV Holding Company	100%

Notes to the Financial Statements continued

For the period 1 January 2025 to 30 June 2025 (Unaudited)

15. Subsidiaries and associates continued

Name	Direct or indirect holding	Country of incorporation	Principal activity	Proportion of shares and voting rights held
Second Generation Portfolio Holdings 1 (SGP Holdings 1)	Indirect	UK	SPV Holding Company	100%
Second Generation Portfolio 1 (SGP 1)	Indirect	UK	SPV Holding Company	100%
Foresight Solar Spain Holding S.L (FSSH)	Indirect	Spain	SPV Holding Company	100%
Wymeswold Solar Farm Limited (Wymeswold)	Indirect	UK	Investment	100%
Castle Eaton Solar Farm Limited (Castle Eaton)	Indirect	UK	Investment	100%
Pitworthy Solar Limited (Pitworthy)	Indirect	UK	Investment	100%
Highfields Solar Limited (Highfields)	Indirect	UK	Investment	100%
High Penn Solar Limited (High Penn)	Indirect	UK	Investment	100%
Hunters Race Solar Limited (Hunters Race)	Indirect	UK	Investment	100%
Spriggs Solar Limited (Spriggs)	Indirect	UK	Investment	100%
Bournemouth Solar Limited (Bournemouth)	Indirect	UK	Investment	100%
Landmead Solar Farm Limited (Landmead)	Indirect	UK	Investment	100%
Kencot Hill Solar Farm Limited (Kencot)	Indirect	UK	Investment	100%
Copley Solar Limited (Copley)	Indirect	UK	Investment	100%
Port Farms Solar Limited (Port Farms)	Indirect	UK	Investment	100%
Membury Solar Limited (Membury)	Indirect	UK	Investment	100%
Atherstone Solar Farm Limited (Atherstone)	Indirect	UK	Investment	100%
Southam Solar Farm Limited (Southam)	Indirect	UK	Investment	100%
Paddock Wood Solar Farm Limited (Paddock Wood)	Indirect	UK	Investment	100%
Shotwick Solar Limited (Shotwick)	Indirect	UK	Investment	100%

Notes to the Financial Statements continued

For the period 1 January 2025 to 30 June 2025 (Unaudited)

15. Subsidiaries and associates continued

Name	Direct or indirect holding	Country of incorporation	Principal activity	Proportion of shares and voting rights held
Sandridge Solar Power Limited (Sandridge)	Indirect	UK	Investment	100%
Wally Corner Solar Limited (Wally Corner)	Indirect	UK	Investment	100%
Second Generation Yardwall Limited (Yardwall)	Indirect	UK	Investment	100%
Second Generation Verwood Limited (Verwood)	Indirect	UK	Investment	100%
Second Generation Park Farm Limited (Park Farm)	Indirect	UK	Investment	100%
Second Generation Coombeshead Limited (Coombeshead)	Indirect	UK	Investment	100%
Second Generation Sawmills Limited (Sawmills)	Indirect	UK	Investment	100%
Welbeck Solar Limited (Welbeck)	Indirect	UK	Investment	100%
Trehawke Solar Limited (Trehawke)	Indirect	UK	Investment	100%
Homeland Solar Limited (Homeland)	Indirect	UK	Investment	100%
Marsh Farm Solar Limited (Marsh Farm)	Indirect	UK	Investment	100%
Steventon Solar Limited (Steventon)	Indirect	UK	Investment	100%
Fields Farm Solar Limited (Fields Farm)	Indirect	UK	Investment	100%
Gedling Solar Limited (Gedling)	Indirect	UK	Investment	100%
Sheepbridge Solar Limited (Sheepbridge)	Indirect	UK	Investment	100%
Tengore Solar Limited (Tengore)	Indirect	UK	Investment	100%
Cuckoo Solar Limited (Cuckoo)	Indirect	UK	Investment	100%
Field House Solar Limited (Field House)	Indirect	UK	Investment	100%
Upper Huntingford Solar Limited (Upper Huntingford)	Indirect	UK	Investment	100%
Abergelli Solar Limited (Abergelli)	Indirect	UK	Investment	100%

Notes to the Financial Statements continued

For the period 1 January 2025 to 30 June 2025 (Unaudited)

15. Subsidiaries and associates continued

Name	Direct or indirect holding	Country of incorporation	Principal activity	Proportion of shares and voting rights held
Crow Trees Solar Farm Limited (Crow Trees)	Indirect	UK	Investment	100%
Yarburgh Solar Limited (Yarburgh)	Indirect	UK	Investment	100%
Nowhere Solar Limited (Nowhere)	Indirect	UK	Investment	100%
Bilsthorpe Solar Limited (Bilsthorpe)	Indirect	UK	Investment	100%
Bulls Head Solar Limited (Bulls Head)	Indirect	UK	Investment	100%
Roskrow Solar Limited (Roskrow)	Indirect	UK	Investment	100%
Lindridge Solar Limited (Lindridge)	Indirect	UK	Investment	100%
Misson Solar Limited (Misson)	Indirect	UK	Investment	100%
Playters Solar Limited (Playters)	Indirect	UK	Investment	100%
PS Manor Farm Solar Limited (Manor Farm)	Indirect	UK	Investment	100%
SV Ash Solar Park Limited (SV Ash)	Indirect	UK	Investment	100%
Pen Y Cae Solar Limited (Pen Y Cae)	Indirect	UK	Investment	100%
Bailey Solar Limited	Indirect	UK	Investment	100%
True Blue Solar Limited	Indirect	UK	Investment	100%
Shotton Grid Company Limited	Indirect	UK	Investment	100%
Abbeyfields Solar Limited (Abbeyfields)	Indirect	UK	Investment	100%
Virgen del Carmen Solar S.L (Virgen del Carmen)	Indirect	Spain	Investment	100%
Foresight Energy Storage Spain 1 S.L.U	Indirect	Spain	Investment	100%
Foresight Energy Storage Spain 2 S.L.U	Indirect	Spain	Investment	100%
Foresight Energy Storage Spain 3 S.L.U	Indirect	Spain	Investment	100%

Notes to the Financial Statements continued

For the period 1 January 2025 to 30 June 2025 (Unaudited)

15. Subsidiaries and associates continued

Name	Direct or indirect holding	Country of incorporation	Principal activity	Proportion of shares and voting rights held
Foresight Energy Storage Spain 4 S.L.U	Indirect	Spain	Investment	100%
Foresight Energy Storage Spain 5 S.L.U	Indirect	Spain	Investment	100%
Foresight Energy Storage Spain 6 S.L.U	Indirect	Spain	Investment	100%
San Isidro Solar 10 S.L	Indirect	Spain	Investment	100%
Longreach New Holdco Pty Limited	Indirect	Australia	SPV Holding Company	100%
Oakey 1 New Holdco Pty Limited	Indirect	Australia	SPV Holding Company	100%
FS Oakey 2 Pty Limited	Indirect	Australia	SPV Holding Company	100%
Oakey Networks Pty Limited	Indirect	Australia	SPV Holding Company	100%
Longreach Asset Company Pty Limited	Indirect	Australia	SPV Holding Company	100%
RE Oakey Pty Limited	Indirect	Australia	SPV Holding Company	100%
Oakey 1 Hold Company Pty Limited	Indirect	Australia	SPV Holding Company	100%
Longreach Hold Company Pty Limited	Indirect	Australia	SPV Holding Company	100%
Oakey 1 Asset Company Pty Limited	Indirect	Australia	SPV Holding Company	100%
Oakey 1 FinCo Pty Limited	Indirect	Australia	SPV Holding Company	100%
Oakey 1 Op Hold Company Pty Limited	Indirect	Australia	SPV Holding Company	100%
Oakey 1 Op Company Pty Limited	Indirect	Australia	Investment	100%
Longreach FinCo Pty Limited	Indirect	Australia	SPV Holding Company	100%
Longreach Op Hold Company Pty Limited	Indirect	Australia	Investment	100%
Kiamco Hanwha Foresight Bannerton Pty Limited	Indirect	Australia	SPV Holding Company	48.50%
Foresight Solar Australia Pty Limited	Indirect	Australia	Investment	48.50%

Notes to the Financial Statements continued

For the period 1 January 2025 to 30 June 2025 (Unaudited)

15. Subsidiaries and associates continued

Name	Direct or indirect holding	Country of incorporation	Principal activity	Proportion of shares and voting rights held
Lunanhead Energy Storage Limited	Indirect	UK	SPV Holding Company	50%
Clayfords Energy Storage Limited	Indirect	UK	SPV Holding Company	50%
Sandridge Battery Storage Limited	Indirect	UK	SPV Holding Company	50%
Global Solar Energy Veintisiete, S.L	Indirect	Spain	Investment	50%
Solar de la Contraviesa 5 S.L.U	Indirect	Spain	Investment	50%
Solar de la Contraviesa 6 S.L.U	Indirect	Spain	Investment	50%
Solar de la Contraviesa 7 S.L.U	Indirect	Spain	Investment	50%
Foresight Battery Storage Holding Limited (FBSHL)	Indirect	UK	Holding Company	50%

16. Fair value of the investments in unconsolidated entities

Valuation process

Valuations are the responsibility of the Board of Directors. The Investment Manager is responsible for submitting fair market valuations of Group assets to the Directors. The Directors review and approve these valuations following appropriate challenge and examination. Valuations are carried out quarterly. The current portfolio consists of non-market traded investments and valuations are based on a discounted cash flow methodology. The Investment Manager's assessment of fair value of investments is determined in accordance with the revised International Private Equity and Venture Capital 2022 (IPEV) Valuation Guidelines, using levered and unlevered discounted cash flow principles. The Investment Manager and Directors consider that the discounted cash flow methodology used in deriving a fair value is in accordance with the fair value requirements of IFRS 13. The assets in construction were valued at cost or cost less impairment at 30 June 2025 and have therefore been omitted from the sensitivity analysis on the following pages.

Notes to the Financial Statements continued

For the period 1 January 2025 to 30 June 2025 (Unaudited)

16. Fair value of the investments in unconsolidated entities continued

Sensitivity analysis of significant changes in unobservable inputs within level hierarchy of underlying investments

The majority of the Company's underlying investments (indirectly held through its unconsolidated subsidiaries FS Holdco, FS Debtco, FS Holdco 3 and FS Holdco 4) are valued with reference to the discounted value of future cash flows. The Directors consider the valuation methodology used, including the key assumptions and discount rate applied, to be appropriate. The Board reviews, at least annually, the valuation inputs and, where possible, makes use of observable market data to ensure valuations reflect the fair value of the investments. A broad range of assumptions are used in the valuation models. These assumptions are based on long-term forecasts and are not affected by short-term fluctuations in inputs, be it economic or technical. The Investment Manager has adjusted the sensitivities calculation methodology from an asset level cash flows only basis to a calculation based on asset level cash flow less holding company level debt cash outflows. This has resulted mainly in a reduction of the discount rate sensitivity disclosed below.

The base valuation of £584.4 million represents the levered discounted value of future cash flows of the underlying operational assets with assets under construction held at cost, less the discounted cash flows of the long-term debt held at holding company level. The valuation of the Australian assets is net of debt. The base valuation of £584.4 million is equal to the NAV of £603.8 million adjusted by items deemed not subject to the sensitivities applied.

	30 June 2025 £m
Base case for sensitivities	584.4
Items not subject to sensitivities:	
Cash in underlying assets	24.3
Assets in construction valued at cost or net realisable value	18.9
Company and intermediate holding companies' cash	52.3
RCF outstanding	(75.9)
Company and intermediate holding companies' net liabilities	(0.2)
Net Asset Value at 30 June 2025	**603.8**

The Directors consider the following to be the most significant inputs to the discounted cash flows (DCF) calculation.

Discount rate

The weighted average discount rate used is 8.00% (30 June 2024: 7.89%, 31 December 2024: 7.88%). The Directors do not expect to see a significant change in the discount rates applied within the solar infrastructure sector. Therefore, a variance of +/-0.5% is considered reasonable to be factored into the analysis. In terms of the climate change risk, the discount rate is benchmarked against a similar asset base to ensure the underlying climate risk exposure is factored into the analysis.

	-0.50%	-0.25%	Base	+0.25%	+0.50%
Portfolio valuation (£m)	605.3	594.7	584.4	574.4	564.8
Change in portfolio valuation (£m)	20.9	10.3	—	(10.0)	(19.6)
NAV per share change (pence)	3.8	1.8	108.5	(1.8)	(3.5)

Notes to the Financial Statements continued

For the period 1 January 2025 to 30 June 2025 (Unaudited)

16. Fair value of the investments in unconsolidated entities continued

Power price

Power price DCF models assume power prices that are consistent with the power purchase agreements currently in place. At the PPA end date, the model reverts to the power price forecast. The power price forecasts are updated quarterly and based on power price forecasts from relevant independent sources, adjusted by the Investment Manager for the expected capture price discounts for solar generation as considered appropriate.

The forecast assumes an average annual decrease in power prices in real terms of approximately 0.9% (30 June 2024: decrease of 1.3%, 31 December 2024: decrease of 0.7%). During the period, c.51% of the investments' operational revenues came from regulatory support mechanisms. The remaining c.49% of revenue is derived from electricity sales which are partially subject to power price movements. On a net present value basis, future electricity sales which are subject to price movements represent c.47% of total revenues.

	-20.0%	-10.0%	Base	+10.0%	+20.0%
Portfolio valuation (£m)	478.8	533.1	584.4	629.5	674.9
Change in portfolio valuation (£m)	(105.6)	(51.3)	—	45.1	90.5
NAV per share change (pence)	(19.0)	(9.2)	108.5	8.1	16.3

Production

Base case production is a function of a number of separate assumptions including irradiation levels, availability of the sites and technical performance of the equipment. A sensitivity of +/-10% is considered reasonable given historical stable levels of irradiation, contractual availability guarantees and understanding of future performance levels of the equipment.

	-10%	Base	+10%
Portfolio valuation (£m)	476.4	584.4	685.1
Change in portfolio valuation (£m)	(108.0)	—	100.7
NAV per share change (pence)	(19.4)	108.5	18.1

Inflation

A variable of 0.5% to 1.0% is considered reasonable given the long-term inflation rate of 4.00% for 2025, 3.00% from 2026 to 2030, after which it is 2.25% (30 June 2024: 3.00% for 2024, 3.00% from 2025 to 2030, after which it is 2.25%; 31 December 2024: 3.00% for 2024, 3.00% from 2025 to 2030, after which it is 2.25%).

	-1.0%	-0.5%	Base	+0.5%	+1.0%
Portfolio valuation (£m)	531.0	555.6	584.4	613.3	643.0
Change in portfolio valuation (£m)	(53.4)	(28.8)	—	28.9	58.6
NAV per share change (pence)	(9.6)	(5.2)	108.5	5.2	10.5

Notes to the Financial Statements continued

For the period 1 January 2025 to 30 June 2025 (Unaudited)

16. Fair value of the investments in unconsolidated entities continued

Operating costs (investment level)

The Directors also consider the following to be important inputs to the discounted cash flows calculation.

Operating costs include operating and maintenance (O&M), insurance and lease costs. Other costs are fixed and are therefore not considered to be sensitive to changes in unobservable inputs. Base case costs are based on current commercial agreements. The Directors' would not expect these costs to fluctuate widely over the life of the assets and are comfortable that the base case is appropriate. A variance of +/- 5.0% is considered reasonable, a variable of 10.0% is shown for information purposes.

	-10.0%	-5.0%	Base	+5.0%	+10.0%
Portfolio valuation (£m)	601.5	593.0	584.4	576.3	567.3
Change in portfolio valuation (£m)	17.1	8.6	—	(8.1)	(17.1)
NAV per share change (pence)	3.1	1.6	108.5	(1.5)	(3.1)

Useful economic lives (UELs)

The valuation of the Company's investments is determined based on the discounted value of future cash flows of those investments over their UELs. The UEL of individual assets is determined by reference to a fixed contractual lease term. However, the Board notes that if extended contractual lease terms were negotiated for individual assets, this would increase the value of those assets. Similarly, if the assets did not operate for the duration of the fixed contractual period, this would reduce the value of those assets.

	-1 Year	Base	+1 Year
Portfolio valuation (£m)	579.0	584.4	588.6
Change in portfolio valuation (£m)	(5.4)	—	4.2
NAV per share change (pence)	(1.0)	108.5	0.8

Tax rate

From 1 April 2023, the UK corporation tax increased from 19% to 25%. The impact of this change is reflected in the current year and prior year valuations. On that basis, a variable of 1.0% is considered reasonable given historic information.

	-1.0%	Base	+1.0%
Portfolio valuation (£m)	587.5	584.4	581.3
Change in portfolio valuation (£m)	3.1	—	(3.1)
NAV per share change (pence)	0.6	108.5	(0.6)

Exchange rate

The Company's investments are directly exposed to fluctuations in foreign currency due to its investments in Australian dollar and euro denominated assets. Whilst the Group mitigates its exposure to fluctuations in Australian dollars through the use of forward contracts, and in euros through the natural hedge of Spanish distributions offsetting with the euro debt service, the valuations of these assets will be directly impacted.

The DCF valuations of the Spanish assets may vary as a result of exchange rates; however, this is offset by the exchange rate movements in the equivalent balance of the euro denominated RCF loan. The EUR/GBP table below does not consider the offsetting exchange rate movements on the RCF.

Whilst the Directors would not expect to see fluctuations quite this large, a variable of 20% is considered appropriate.

AUD/GBP	-20.0%	-10.0%	Base	+10.0%	+20.0%
Portfolio valuation (£m)	577.6	581.0	584.4	587.8	591.2
Change in portfolio valuation (£m)	(6.8)	(3.4)	—	3.4	6.8
NAV per share change (pence)	(1.2)	(0.6)	108.5	0.6	1.2

Notes to the Financial Statements continued

For the period 1 January 2025 to 30 June 2025 (Unaudited)

16. Fair value of the investments in unconsolidated entities continued

Exchange rate continued

EUR/GBP	-20.0%	-10.0%	Base	+10.0%	+20.0%
Portfolio valuation (£m)	577.6	580.7	584.4	588.9	594.5
Change in portfolio valuation (£m)	(6.8)	(3.7)	—	4.5	10.1
NAV per share change (pence)	(1.2)	(0.7)	108.5	0.8	1.8

Interest rate

The Group's interest rate received on UK bank deposits is subject to reassessment in respect of fluctuations in the Bank of England's base rate. The valuations of the assets will be directly impacted by any changes to the UK bank deposit rate. Whilst the Directors would not expect to see fluctuations quite this large, a variable of 1% is considered appropriate.

	-1.0%	-0.5%	Base	+0.5%	+1.0%
Portfolio valuation (£m)	583.6	584.0	584.4	584.8	585.6
Change in portfolio valuation (£m)	(0.8)	(0.4)	—	0.4	0.8
NAV per share change (pence)	(0.2)	(0.1)	108.5	0.1	0.2

17. Stated capital and share premium

The Company issued shares of £nil par value and therefore the stated capital relates only to share premium. The stated capital of the Company consists of Ordinary Shares and treasury shares. At any General Meeting of the Company each Shareholder will have, on a show of hands, one vote and on a poll one vote in respect of each Ordinary Share held. As at the period end, the total number of voting rights in the Company is 556,268,382 which excludes 53,690,338 Ordinary Shares held in treasury.

Stated capital is the net proceeds received from the issue of Ordinary Shares (net of issue costs capitalised). The holders of the Ordinary Shares are entitled to receive dividends from time to time.

Authorised Ordinary Shares

	30 June 2025 Shares	30 June 2024 Shares	31 December 2024 Shares
Ordinary shares – £nil par value	**Unlimited**	Unlimited	Unlimited

Notes to the Financial Statements continued

For the period 1 January 2025 to 30 June 2025 (Unaudited)

17. Stated capital and share premium continued

Ordinary Shares in circulation

	30 June 2025	
	Ordinary Shares £'000	Treasury shares £'000
Opening balance	**564,856,642**	**45,102,078**
Purchase of treasury shares	**(8,588,260)**	**8,588,260**
Closing balance	**556,268,382**	**53,690,338**

	30 June 2024	
	Ordinary Shares £'000	Treasury shares £'000
Opening balance	589,239,345	20,719,375
Purchase of treasury shares	(17,672,531)	17,672,531
Closing balance	571,566,814	38,391,906

	31 December 2024	
	Ordinary Shares £'000	Treasury shares £'000
Opening balance	589,239,345	20,719,375
Purchase of treasury shares	(24,382,703)	24,382,703
Closing balance	564,856,642	45,102,078

Issued Ordinary Share capital and treasury shares

	30 June 2025	
	Ordinary Shares £'000	Treasury shares £'000
Opening balance	**588,184**	**41,708**
Purchase of treasury shares	**(6,527)**	**6,527**
Closing balance	**581,657**	**48,235**

	30 June 2024	
	Ordinary Shares £'000	Treasury shares £'000
Opening balance	609,893	19,909
Purchase of treasury shares	(15,981)	15,981
Closing balance	594,002	35,890

	31 December 2024	
	Ordinary Shares £'000	Treasury shares £'000
Opening balance	609,983	19,909
Purchase of treasury shares	(21,799)	21,799
Closing balance	588,184	41,708

On 4 May 2023, the Company announced a share buyback programme and allocated an initial £10,000,000 from its available cash reserves to the programme. On 16 November 2023, the Company announced that this allocation of available cash would be increased to a potential £40 million. On 8 August 2024, the Company announced that this allocation of available cash would further be increased to a potential £50 million. On 16 July 2025, the Company announced that this allocation of available cash would further be increased to a potential £60 million. There is no certainty that the full buyback allocation will be utilised.

Share buybacks under the engagement will be made pursuant to the authority granted to the Company at its General Meeting held on 17 June 2025, which limits purchases of Ordinary Shares by the Company in the market to up to 14.99% of the Company's issued capital.

Notes to the Financial Statements continued

For the period 1 January 2025 to 30 June 2025 (Unaudited)

18. NAV per Ordinary Share

The Net Asset Value (NAV) per redeemable Ordinary Share for the Company is 108.5 pence per ordinary share (30 June 2024: 114.9, 31 December 2024: 112.3). This is based on the Net Asset Value at the reporting date of £603,800,427 (30 June 2024: £656,769,171, 31 December 2024: £634,362,015) and on 556,268,382 (30 June 2024: 571,566,814, 31 December 2024: 564,856,642) redeemable Ordinary Shares, being the number of Ordinary Shares in issue at 30 June 2025 excluding Ordinary Shares held in treasury.

19. Financial instruments and risk profile

The Company holds cash and liquid resources as well as having receivables and payables that arise directly from its operations. The underlying investments of the Company's investment activities indirectly expose it to various types of risks associated with solar power. The main risks arising from the Company's financial instruments are market risk, liquidity risk, credit risk and interest rate risk.

The Directors regularly review and agree policies for managing each of these risks and these are summarised below:

19.1 Market risk

(a) Foreign currency risk

Foreign currency risk, as defined in IFRS 7, arises as the values of recognised monetary assets and monetary liabilities denominated in other currencies fluctuate due to changes in foreign exchange rates. Transactions in foreign currencies are translated at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated to pounds sterling at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in income.

The Company has no direct exposure to foreign currency risk, however through its underlying investment in FS Holdco 4 and RCF Debtco it has indirect exposure.

FS Holdco 4 is directly exposed to fluctuations in foreign currency due to its investments in assets and cash denominated in EUR and AUD. The relevant holding companies mitigate the exposure to fluctuations in foreign currency through the use of forward exchange contracts.

The carrying amount of FS Holdco 4's foreign currency exposure at the reporting date is as follows:

		30 June 2025 £'000	30 June 2024 £'000	31 December 2024 £'000
AUD	Investments	**36,049**	45,900	40,677
EUR	Investments	**45,958**	44,725	44,333
AUD	Cash	**360**	1	1
EUR	Cash	**844**	2,984	2,099

The RCF euro denominated tranche of €50,320,596 was chosen to align with the valuation of the operational Spanish portfolio of projects. The distributions of these operational projects act as a hedge to offset the currency exposure of the EUR RCF debt service.

The carrying amount of RCF Debtco's foreign currency exposure at the reporting date is as follows:

		30 June 2025 £'000	30 June 2024 £'000	31 December 2024 £'000
EUR	Loan	**43,105**	—	41,591
EUR	Cash	**32**	—	57

The FX rate applied at 30 June 2025 was AUD/GBP 0.4782 (30 June 2024: 0.5283, 31 December 2024: 0.4942) and EUR/GBP 0.8566 (30 June 2024: 0.8477, 31 December 2024: 0.8265).

The sensitivities linked to the assets denominated in AUD and EUR are set out in note 16 as these assets are held in the underlying investment.

Notes to the Financial Statements continued

For the period 1 January 2025 to 30 June 2025 (Unaudited)

19. Financial instruments and risk profile continued

19.1 Market risk continued

(b) Price risk

The Company's investments are susceptible to market price risk arising from uncertainties about future values of the instruments. The Investment Manager provides the Company with investment recommendations. The Investment Manager's recommendations are reviewed and approved by the Board before the investment decisions are implemented. To manage the market price risk, the Investment Manager reviews the performance of the investments on a regular basis and is in regular contact with the management of the non-current investments for business and operational matters.

Price risk is the risk that the fair value or cash flows of a financial instrument will fluctuate due to changes in market prices. At 30 June 2025, the Company's only investment was valued at net assets excluding the outstanding loans issued by the Company. Were this value to increase by 10%, the increase in net assets attributable to Shareholders for the period would have been £59,910,373 (30 June 2024: £65,616,038, 31 December 2024: £63,232,907). The impact of changes in unobservable inputs to the underlying investment is considered in note 16.

(c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term borrowing to its subsidiary. At period end, the Company had no long-term borrowings with third parties (30 June 2024: £nil, 31 December 2024: £nil).

	Total portfolio 30 June 2025 £'000	Weighted average interest rate 30 June 2025 %	Weighted average time for which rate is fixed 30 June 2025 Days
Loan notes	250,000	9.00	2,419
Shareholder loans	252,623	2.00	3,651
Cash	3,092	0.05	—
	505,715		

	Total portfolio 30 June 2024 £'000	Weighted average interest rate 30 June 2024 %	Weighted average time for which rate is fixed 30 June 2024 Days
Loan notes	250,000	9.00	2,054
Shareholder loans	290,252	2.00	3,286
Cash	664	0.05	—
	540,916		

	Total portfolio 31 December 2024 £'000	Weighted average interest rate 31 December 2024 %	Weighted average time for which rate is fixed 31 December 2024 Days
Loan notes	250,000	9.00	2,238
Shareholder loans	273,853	2.00	3,470
Cash	2,018	0.05	—
	525,871		

Notes to the Financial Statements continued

For the period 1 January 2025 to 30 June 2025 (Unaudited)

19. Financial instruments and risk profile continued

19.1 Market risk continued

(c) Interest rate risk continued

The Company is also indirectly exposed to interest rate risk through its investment in UK Hold Co. Details of the indirect interest rate risk exposure are as follows:

	Total indirect exposure 30 June 2025 £'000	Weighted average interest rate 30 June 2025 %	Weighted average time for which rate is fixed 30 June 2025 Days
Investments – RCF Debtco[1]	**642,105**	**7.09**	**1,277**
Investments – FS Holdco 4[1]	**93,401**	**5.64**	**3,328**
Cash and cash equivalents	**620**	**0.05**	**—**
Total indirect exposure to interest rate risk	**736,126**		

	Total indirect]exposure 30 June 2024 £'000	Weighted average interest rate 30 June 2024 %	Weighted average time for which rate is fixed 30 June 2024 Days
Investments – RCF Debtco[1]	642,105	7.09	912
Investments – FS Holdco 4[1]	93,401	5.64	2,963
Cash and cash equivalents	6,366	0.05	—
Total indirect exposure to interest rate risk	741,872		

	Total indirect exposure 31 December 2024 £'000	Weighted average interest rate 31 December 2024 %	Weighted average time for which rate is fixed 31 December 2024 Days
Investments – RCF Debtco[1]	642,105	7.09	1,096
Investments – FS Holdco 4[1]	93,401	5.64	3,147
Cash and cash equivalents	4,446	0.05	—
Total indirect exposure to interest rate risk	739,952		

1. Although interest is charged on the loan portion of the investments, the risk is low as the loans are inter-group and therefore not subject to significant fluctuations. These loans do not have a repayment date and are repayable on demand. However, the Directors do not intend to demand repayment within at least 12 months after year end.

19.2 Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due as a result of the maturity of assets and liabilities not matching. An unmatched position potentially enhances profitability but can also increase the risk of losses. Liquidity could be impaired by an inability to access secured and/or unsecured sources of financing to meet financial commitments. The Board monitors the Company's liquidity requirements to ensure there is sufficient cash to meet the Company's operating needs.

Notes to the Financial Statements continued

For the period 1 January 2025 to 30 June 2025 (Unaudited)

19. Financial instruments and risk profile continued

19.2 Liquidity risk continued

The following are the expected maturities of the financial assets and liabilities at the period end based on contractual undiscounted payments:

30 June 2025	Carrying amount £'000	Contractual total £'000	Less than 6 months £'000	6 to 12 months £'000	Greater than 12 months £'000
Financial assets					
Investments	599,103	599,103	—	—	599,103
Trade and other receivables	320	320	—	58	262
Interest receivable	3,228	3,228	—	3,228	—
Cash and cash equivalents	3,092	3,092	3,092	—	—
Total financial assets	605,743	605,743	3,092	3,286	599,365
Financial liabilities					
Trade and other payables	1,943	1,943	1,710	—	233
Total financial liabilities	1,943	1,943	1,710	—	233
Net position	603,800	603,800	1,382	3,286	599,132

30 June 2024	Carrying amount £'000	Contractual total £'000	Less than 6 months £'000	6 to 12 months £'000	Greater than 12 months £'000
Financial assets					
Investments	656,160	656,160	—	—	656,160
Trade and other receivables	304	304	—	304	—
Interest receivable	360	360	—	360	—
Cash and cash equivalents	664	664	664	—	—
Total financial assets	657,488	657,488	664	664	656,160
Financial liabilities					
Trade and other payables	720	720	720	—	—
Total financial liabilities	720	720	720	—	—
Net position	656,768	656,768	(56)	664	656,160

Notes to the Financial Statements continued

For the period 1 January 2025 to 30 June 2025 (Unaudited)

19. Financial instruments and risk profile continued

19.2 Liquidity risk continued

31 December 2024	Carrying amount £'000	Contractual total £'000	Less than 6 months £'000	6 to 12 months £'000	Greater than 12 months £'000
Financial assets					
Investments	632,329	632,329	—	—	632,329
Trade and other receivables	304	304	17	65	222
Interest receivable	197	197	—	197	—
Cash and cash equivalents	2,018	2,018	2,018	—	—
Total financial assets	634,848	634,848	2,035	262	632,551
Financial liabilities					
Trade and other payables	486	486	269	—	217
Total financial liabilities	486	486	269	—	217
Net position	634,362	634,362	1,766	262	632,334

19.3 Credit risk

a) Exposure to credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company places cash with authorised deposit takers and is therefore potentially at risk from the failure of such institutions.

In respect of credit risk arising from other financial assets and liabilities, which mainly comprise of cash and cash equivalents, exposure to credit risk arises from default of the counterparty with a maximum exposure equal to the carrying amounts of these instruments.

In order to mitigate such risks, cash is maintained with major international financial institutions. During the period and at the reporting date, the Company maintained relationships with the following financial institutions:

	Moody's credit rating	30 June 2025 £'000
Cash in bank:		
Royal Bank of Scotland International Limited	**P2**	**3,092**
Total cash and cash equivalents		**3,092**

	Moody's credit rating	30 June 2024 £'000
Cash in bank:		
Royal Bank of Scotland International Limited	P2	664
Total cash and cash equivalents		664

	Moody's credit rating	31 December 2024 £'000
Cash in bank:		
Royal Bank of Scotland International Limited	P2	2,018
Total cash and cash equivalents		2,018

The Company is also indirectly exposed to credit risk through its investment in UK Hold Co. The Board of UK Hold Co has determined that the maximum exposure to credit risk in relation to investments is £840,708,488 (30 June 2024: £765,269,357, 31 December 2024: £735,506,149), being the portion of UK Hold Co investments that are made up of loans as at 30 June 2025. Included within this are the related party loans as disclosed within note 22 as well as debt facilities entered into by FS Holdco, FS Debtco and RCF Debtco with Santander UK plc, NatWest Group plc, Allied Irish Banks plc, Lloyds Bank plc, Macquarie Group Limited, Landesbank Hessen-Thuringen Girozentrale, Sumitomo Mitsui Banking Corporation, London Branch and Barclays plc respectively.

Notes to the Financial Statements continued

For the period 1 January 2025 to 30 June 2025 (Unaudited)

19. Financial instruments and risk profile continued

19.3 Credit risk continued

a) Exposure to credit risk continued

The balance of the external debt facilities as at period end amounted to £293,147,937 (30 June 2024: £309,114,358, 31 December 2024: £297,759,940).

The Group's ability to meet the debt covenants described in note 2.2 is directly impacted by power prices. If the debt covenants were not met, the Company may not be able to repatriate cash through the structure. On the debt calculation date before the date of this report, the DSCR for FS Holdco was 3.17:1 and for FS Debtco it was 3.75:1.

On the debt calculation date for RCF Debtco, the interest cover ratio was 4.94:1. This ratio must remain higher than 3.00:1 to be compliant.

b) Expected credit loss assessment

Investments held at fair value through profit or loss are not subject to IFRS 9 impairment requirements.

The Company applies the simplified approach to measuring expected credit losses, as permitted by IFRS 9, which uses a lifetime expected credit loss allowance for all trade receivables. The expected credit loss on trade receivables and the balance at period end was deemed by management to be not material and therefore no impairment adjustments were accounted for.

c) Power hedging financial instruments

As part of its risk management strategy, the Group hedges its UK electricity market exposure through a combination of physically settled and non-physically settled hedging instruments.

Due to the relationship with external counterparties, there is an associated credit risk in relation to settlements and mark-to-market positions of the trades FS Topco 1, FS Topco 2 and FS Holdco 3 (the Holdcos) enter. The Group monitors and manages its counterparty credit exposure in accordance with its hedging policy.

Whilst the Holdcos with no direct commodity exposure hold trades at fair value, these values are eliminated on consolidation with internal trades.

19.4 Other risks

The value of Ordinary Shares may be affected by uncertainties such as political or diplomatic developments, social and religious instability, changes in government policies, taxation or interest rates, currency repatriation and other political and economic developments in law or regulations and, in particular, the risk of expropriation, nationalisation, and confiscation of assets and changes in legislation relating to the level of foreign ownership.

Governmental authorities are actively involved in the promulgation and enforcement of regulations relating to taxation, land use and zoning, planning restrictions, environmental protection, safety and other matters. The introduction and enforcement of such regulations could have the effect of increasing the expense and lowering the income or rate of return from, as well as adversely affecting the value of, the Company's assets.

Specific risks to the value of Ordinary Shares, as per the Risk and Risk Management section of this report are set out below:

Access to capital

Due to a period of fiscal tightening, renewable energy infrastructure investment trusts have experienced wide discounts to NAV and are unable to raise equity. There is a risk of reduced appetite for the Company's shares as it may struggle to raise additional capital for new investments and, therefore, be unable to grow – which would result in a long-term decline in NAV.

To address this risk, Foresight Solar adheres to a disciplined capital allocation approach and continues actions to address the discount.

Notes to the Financial Statements continued

For the period 1 January 2025 to 30 June 2025 (Unaudited)

19. Financial instruments and risk profile continued

19.4 Other risks continued

Regulatory change, including changes to subsidies

In 2022, the UK government started the Review of Electricity Market Arrangements to consult on the future of the market. In July 2025, the UK government announced its decision to maintain a single national wholesale electricity price, while implementing reforms to network charging and balancing incentives to improve locational investment signals. This means the government will not proceed with zonal pricing, a previously considered option.

The implementation of the reformed national pricing plan will be published later this year, including a cost-benefit analysis, after which the government will work with Ofgem, the National Energy System Operator (NESO) and the industry to develop and implement the changes.

The updates provide investors with clarity, particularly for the next Contracts for Difference allocation rounds.

In 2023, the UK government launched another consultation, this time into the Renewables Obligation Certificate (ROC) scheme, seeking views on introducing Fixed Price Certificates (FPCs) to help provide price stability as the ROC scheme came to an end. This was envisaged in the latter years of the ROC scheme. The Investment Manager is engaging with the process and responding via industry representatives to minimise any perceived risks for the sector.

Changes to the level of political support for renewable energy generation may result in adjustments to the levels of subsidy and incentives, whether on a prospective or retrospective basis. The Directors continue to monitor and review this risk under the risk management framework.

Near-term and long-term energy prices

Power curve forecasters generally assume that the mass deployment of renewable energy producers with a low marginal cost of generation will limit power price increases. Downward adjustments to power forecasts have the potential to significantly impact NAV and the Company's ability to meet its future obligations and dividend payments.

The Investment Manager addresses this risk by fixing power prices under PPA agreements and by actively hedging electricity prices.

Fund performance

In challenging market conditions, the Company's performance, investment objectives and the strategic decisions of the Board in respect of the Company's mandate are closely scrutinised against its peer group.

Should performance be below that of peers, investor confidence may be lost, leading to a reduction in appetite for Foresight Solar shares and long term NAV decline, in addition to allowing for a greater takeover risk.

The Directors oversee the Investment Manager's delivery of the mandate by closely monitoring performance.

Portfolio performance

There is a risk of the operating portfolio underperforming due to operational, technical or economic factors. These can lead to downtime and threaten the ability for the Company to meet obligations to creditors or Shareholders.

Diversification is a mitigant to the risk of systematic underperformance by reducing the effect of any individual issue on Foresight Solar's financial resilience.

Liquidity of investments

Foresight Solar invests in assets which may be, depending on market conditions, difficult to realise, which means the Company's ability to unlock capital from its solar farms and battery storage projects is subject to sometimes uncontrollable or unpredictable factors.

The Investment Manager's global footprint and local presence in the countries in which Foresight Solar operates give the Company a competitive advantage. The market expertise contributes to enhance opportunities and mitigate risks and should be a positive in these processes.

Notes to the Financial Statements continued

For the period 1 January 2025 to 30 June 2025 (Unaudited)

19. Financial instruments and risk profile continued

19.4 Other risks continued

Counterparty risk

The high interest environment has put pressure on counterparties with debt arrangements. This could have various financial impacts on the Company if the counterparty cannot fulfil its obligations. This is especially important with key services, such as financial hedging, construction, operations and maintenance and PPA offtake arrangements.

The Investment Manager periodically benchmarks key counterparties and performs credit checks to mitigate the risks of counterparty defaults.

Development and construction

Delays to construction in the development pipeline could push back connection of projects to the grid and, therefore, pose a risk to future revenues. This could also lead to difficulties in servicing debt.

This is mitigated through the negotiation of contracts with third parties that shift delivery responsibility to the contractor. Contractual risks will typically be mitigated by performance bonds and milestone payments, with funds transferred only once certain conditions are met.

In addition, the Investment Manager conducts due diligence on third parties and employs an experienced in-house construction management team to oversee the development and construction processes.

Financial gearing

Rises in interest rates mean third-party debt facilities with variable interest rates have the potential to cause cash flow restrictions and also pose a risk to refinancing existing facilities on equal terms. Furthermore, increasing discount rates could reduce portfolio valuations, increasing the gearing percentage and threatening Investment Policy thresholds.

The Investment Manager enters interest rate hedges and closely monitors debt covenant compliance to mitigate this risk. Restructuring analysis is also carried out to give options to reduce gearing pressure.

Supply chain

Due to geopolitical developments and international conflicts, supply chains have been strained. There is a risk that resources shipped internationally are delayed or become increasingly expensive due to supply and demand imbalances. Additionally, there are ethical concerns in relation to forced labour and modern slavery.

To mitigate this risk, the Investment Manager maintains strong relationships with key contractors and engages consultants who conduct due diligence on service providers throughout the supply chain.

20. Capital management

The Company's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for Shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to Shareholders, return capital to Shareholders, issue new shares (up to its authorised number of shares) or sell assets to reduce debt. The Company is permitted to purchase up to 14.99% of its own issued share capital.

Notes to the Financial Statements continued

For the period 1 January 2025 to 30 June 2025 (Unaudited)

21. Dividends

	30 June 2025 £'000	**30 June 2025 Pence/ Ordinary Share**	30 June 2024 £'000	30 June 2024 Pence/ Ordinary Share	31 December 2024 £'000	31 December 2024 Pence/ Ordinary Share
Quarter 1	**11,266**	**2.00**	11,027	1.880	11,027	1.880
Quarter 2	**11,166**	**2.00**	10,942	1.895	10,942	1.895
Quarter 3	**N/A**	**—**	N/A	—	11,412	2.000
Quarter 4	**N/A**	**—**	N/A	—	11,353	2.000
	22,432		44,385		44,734	

On 22 November 2024, the Company announced the third interim dividend, in respect of the period 1 July 2024 to 30 September 2024, of 2.000 pence per Ordinary Share. The shares went ex-dividend on 23 January 2025 and the dividend was paid on 21 February 2025 to Shareholders on the register as at the close of business on 24 January 2025.

On 18 February 2025, the Company announced the final interim dividend, in respect of the period 1 September 2024 to 31 December 2024, of 2.000 pence per Ordinary Share. The shares went ex-dividend on 24 April 2025 and the dividend was paid on 23 May 2025 to Shareholders on the register as at the close of business on 25 April 2025.

No shares were issued in lieu of cash dividends during the period.

Notes to the Financial Statements continued

For the period 1 January 2025 to 30 June 2025 (Unaudited)

22. Related party disclosures

For the purposes of these Financial Statements, a related party is an entity or entities who are able to exercise significant influence directly or indirectly on the Company's operations.

As noted in note 2, the Company does not consolidate its subsidiaries. However, the Company and its subsidiaries (direct and indirect) are a Group and, therefore, are considered to be related parties.

Transactions with UK Hold Co

For the period ended 30 June 2025:

	Opening balance as at 1 January 2025 £'000	Movements during the year £'000	Closing balance as at 30 June 2025 £'000
Interest-bearing loans and outstanding interest	523,853	(29,689)	494,164
Non-interest-bearing loans	187	—	187

For the period ended 30 June 2024:

	Opening balance as at 1 January 2024 £'000	Movements during the year £'000	Closing balance as at 30 June 2024 £'000
Interest-bearing loans and outstanding interest	567,966	(276,223)	291,743
Non-interest-bearing loans	187	—	187

For the period ended 31 December 2024:

	Opening balance as at 1 January 2024 £'000	Movements during the year £'000	Closing balance as at 31 December 2024 £'000
Interest-bearing loans and outstanding interest	567,966	(44,113)	523,853
Non-interest-bearing loans	187	—	187

Transactions between UK Hold Co and its underlying subsidiaries

There were no transactions between UK Hold Co, FISH, FS Topco 1, FIHC and SGP Holdings 1 during the current or prior period/year.

Transactions with RCF Debtco

For the period ended 30 June 2025:

	Opening balance as at 1 January 2025 £'000	Movements during the year £'000	Closing balance as at 30 June 2025 £'000
Interest-bearing loans and outstanding interest	640,517	(89,595)	550,922
Non-interest-bearing loans	(261,001)	215,981	(45,020)

For the period ended 30 June 2024:

	Opening balance as at 1 January 2024 £'000	Movements during the year £'000	Closing balance as at 30 June 2024 £'000
Interest-bearing loans and outstanding interest	638,828	(52,150)	586,678
Non-interest-bearing loans	(306,279)	8,380	(297,899)

Notes to the Financial Statements continued

For the period 1 January 2025 to 30 June 2025 (Unaudited)

22. Related party disclosures continued

Transactions with RCF Debtco continued

For the year ended 31 December 2024:

	Opening balance as at 1 January 2024 £'000	Movements during the year £'000	Closing balance as at 31 December 2024 £'000
Interest-bearing loans and outstanding interest	638,828	1,689	640,517
Non-interest-bearing loans	(306,279)	45,278	(261,001)

Transactions with FS Holdco

For the period ended 30 June 2025:
There were no transactions between UK Hold Co and FS Holdco during the period.

For the period ended 30 June 2024:
There were no transactions between UK Hold Co and FS Holdco during the period.

For the year ended 31 December 2024:
There were no transactions between UK Hold Co and FS Holdco during the year.

Transactions with FS Topco 2

For the period ended 30 June 2025:
There were no transactions between UK Hold Co and FS Topco 2 during the period.

For the period ended 30 June 2024:
There were no transactions between UK Hold Co and FS Topco 2 during the period.

For the year ended 31 December 2024:
There were no transactions between UK Hold Co and FS Topco 2 during the year.

Transactions with FS Debtco

For the period ended 30 June 2025:
There were no transactions between UK Hold Co and FS Debtco during the period.

For the period ended 30 June 2024:
There were no transactions between UK Hold Co and FS Debtco during the period.

For the year ended 31 December 2024:
There were no transactions between UK Hold Co and FS Debtco during the year.

Transactions with FS Holdco 3

For the period ended 30 June 2025:
There were no transactions between UK Hold Co and FS Holdco 3 during the period.

For the period ended 30 June 2024:
There were no transactions between UK Hold Co and FS Holdco 3 during the period.

For the year ended 31 December 2024:
There were no transactions between UK Hold Co and FS Holdco 3 during the year.

Notes to the Financial Statements continued

For the period 1 January 2025 to 30 June 2025 (Unaudited)

22. Related party disclosures continued

Transactions with FS Holdco 4

For the period ended 30 June 2025:

	Opening balance as at 1 January 2025 £'000	Movements during the year £'000	Closing balance as at 30 June 2025 £'000
Interest-bearing loans and outstanding interest	**123,755**	**(1,935)**	**121,820**
Non-interest-bearing loan	**23,232**	**(6,202)**	**17,030**

For the period ended 30 June 2024:

	Opening balance as at 1 January 2024 £'000	Movements during the year £'000	Closing balance as at 30 June 2024 £'000
Interest-bearing loans and outstanding interest	147,778	(32,461)	115,317
Non-interest-bearing loan	(15,152)	(2,819)	(17,791)

For the year ended 31 December 2024:

	Opening balance as at 1 January 2024 £'000	Movements during the year £'000	Closing balance as at 31 December 2024 £'000
Interest-bearing loans and outstanding interest	147,778	(24,023)	123,755
Non-interest-bearing loan	(15,152)	38,384	(23,232)

Transactions with FBSHL

For the period ended 30 June 2025:

	Opening balance as at 1 January 2025 £'000	Movements during the year £'000	Closing balance as at 30 June 2025 £'000
Interest-bearing loans and outstanding interest	**15,670**	**(735)**	**14,935**

For the period ended 30 June 2024:

	Opening balance as at 1 January 2024 £'000	Movements during the year £'000	Closing balance as at 30 June 2024 £'000
Interest-bearing loans and outstanding interest	8,040	1,447	9,487

For the year ended 31 December 2024:

	Opening balance as at 1 January 2024 £'000	Movements during the year £'000	Closing balance as at 31 December 2024 £'000
Interest-bearing loans and outstanding interest	8,040	7,630	15,670

Transactions between FS Holdco, FS Debtco, FS Holdco 3, FS Holdco 4 and their SPVs

All of the SPVs are cash-generating solar farms (except for the non-operational Spanish investments). On occasion, revenues are received and expenses are paid on their behalf by FS Holdco, FS Holdco 2, FS Debtco, FS Holdco 3 and FS Holdco 4. All of these transactions are related party transactions.

Notes to the Financial Statements continued

For the period 1 January 2025 to 30 June 2025 (Unaudited)

22. Related party disclosures continued

Transactions between FS Holdco, FS Debtco, FS Holdco 3, FS Holdco 4 and their SPVs continued

For the period ended 30 June 2025:

	Opening balance receivable/(payable) as at 1 January 2025 £'000	Amounts paid on behalf of SPV 2025 £'000	Amounts received from SPV 2025 £'000	Net amount (payable)/receivable as at 30 June 2025 £'000
FS Holdco and its SPVs	(116,925)	12	(15,536)	(132,449)
FS Debtco and its SPVs	(128,723)	32	(11,618)	(140,309)

For the period ended 30 June 2024:

	Opening balance receivable/(payable) as at 1 January 2024 £'000	Amounts paid on behalf of SPV 2024 £'000	Amounts received from SPV 2024 £'000	Net amount (payable)/receivable as at 30 June 2024 £'000
FS Holdco and its SPVs	(68,508)	5,635	(7,041)	(69,914)
FS Debtco and its SPVs	(80,776)	57,030	(2,607)	(26,353)

For the year ended 31 December 2024:

	Opening balance receivable/(payable) as at 1 January 2024 £'000	Amounts paid on behalf of SPV 2024 £'000	Amounts received from SPV 2024 £'000	Net amount (payable)/receivable as at 31 December 2024 £'000
FS Holdco and its SPVs	(68,508)	11	(48,428)	(116,925)
FS Debtco and its SPVs	(80,776)	26	(47,973)	(128,723)

Transactions with the Investment Manager

The Investment Manager of Foresight Solar is Foresight Group LLP.

During the year, the Investment Manager charged marketing service fees of £7,500 to the Company (30 June 2024: £nil, 31 December 2024: £15,000). The Investment Manager, through its asset management subsidiary, Foresight Asset Management Limited, charged asset management fees to the underlying projects of £1,467,000 during the period (30 June 2024: £1,435,000, 31 December 2024: £2,923,000). The Investment Manager also charged asset management fees of €111,000 through its Spanish subsidiary, Foresight Group Iberia, S.L (30 June 2024: €79,000, 31 December 2024: €167,400).

23. Commitments and contingent liabilities

There are no commitments or contingent liabilities (30 June 2024: £nil, 31 December 2024: £nil).

24. Controlling party

In the opinion of the Directors, there is no controlling party as no one party has the ability to direct the financial and operating policies of the Company with a view to gaining economic benefits from its direction.

25. Post balance sheet events

On 16 July 2025, the Company announced that the Board had increased the allocation of available cash for the buyback programme to a potential £60 million. In August 2025, Foresight Solar announced it had exchanged contracts for the sale of its 50% stake in Lunanhead Energy Storage Limited, an SPV holding an investment in a 50MW battery storage asset. The sale is expected to complete in September 2025.

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Glossary of terms

AGM	Annual General Meeting
APM	Alternative Performance Measure
Asset Manager	The Company's underlying investments have appointed Foresight Group LLP, a subsidiary of Foresight Group CI, to act as Asset Manager
AUM	assets under management
BBSY	Bank Bill Swap Bid Rate
BESS	Battery energy storage system
CEFC	The Clean Energy Finance Corporation
CfD	Contracts for Difference
COD	commercial operations date
Company	Foresight Solar Fund Limited
Contracted revenues	Revenue with a high degree of certainty, both from subsidies or from electricity sales hedged under fixed price arrangements
DCF	Discounted cash flow
DESNZ	Department for Energy Security and Net Zero
DNO	Distribution network operator
DSCR	Debt service cover ratio
DTR	Disclosure Guidance and Transparency Rules
EBITDA	Earnings before interest, taxes, depreciation and amortisation
Euribor	The Euro Interbank Offered Rate is based on the average interest rates at which a panel of European banks borrow funds from one another
EV	Enterprise value
FCA	Financial Conduct Authority
FiT	Feed-in Tariff. The Feed-in Tariff scheme is the financial mechanism introduced on 1 April 2010 by which the UK government incentivises the deployment of renewable and low-carbon electricity generation of up to 5MW of installed capacity
FPC	Fixed Price Certificates
FSFL	Foresight Solar Fund Limited
FVOCI	Fair Value through Other Comprehensive Income
GAV	Gross Asset Value on investment basis including debt held at SPV level
Group borrowing	Group borrowing refers to all third-party debt by the Company and its subsidiaries
GWh	Gigawatt hour
IAS	International Accounting Standard
ICR	Interest cover ratio
IFRS	International Financial Reporting Standards as adopted by the EU
Investment Manager	Foresight Group LLP
IPEV Valuation Guidelines	International Private Equity and Venture Capital Valuation Guidelines

Glossary of terms continued

IPO	Initial Public Offering
KPMG LLP	KPMG is the Company's auditor
LGC	Large-scale Generation Certificate
LTM	Last twelve months
LtV	Loan to Value
Main Market	The main securities market of the London Stock Exchange
MIDIS	Macquarie Infrastructure Debt Investment Solutions
MWh	Megawatt hour
N2EX	Power market in London
NAV	Net Asset Value
NEM	National Electricity Market
NESO	National Energy System Operator
Net zero	A target of completely negating the amount of greenhouse gases produced by human activity, to be achieved by reducing emissions and implementing methods of absorbing carbon dioxide from the atmosphere
Ofgem	Office of Gas and Electricity Markets (UK government regulator)
O&M	Operation and maintenance contractors
PPA	Power Purchase Agreements
pps	Pence per share
RCF	Revolving credit facility
REGO	Renewable Energy Guarantees of Origin
REMA	Review of Electricity Market Arrangements
RO Scheme	The financial mechanism by which the UK government incentivises the deployment of large-scale renewable electricity generation by placing a mandatory requirement on licensed UK electricity suppliers to source a specified and annually increasing proportion of electricity they supply to customers from eligible renewable sources or pay a penalty
ROC	Renewables Obligation Certificates
RPI	Retail Prices Index
RTB	Ready-to-build
SDG	United Nations Sustainable Development Goal
SONIA	Sterling Overnight Index Average
SPVs	The special purpose vehicles which hold the Company's investment portfolio of underlying operating assets
UEL	Useful economic life
UK	The United Kingdom of Great Britain and Northern Ireland

Foresight Solar

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