FORESIGHT SOLAR FUND LIMITED

UNAUDITED INTERIM REPORT AND FINANCIAL STATEMENTS

For the six months to 30 June 2024

Foresight

FOR A SMARTER FUTURE

ABOUT US

FRONT COVER IMAGE
Shotwick, UK

Foresight Solar is a closed-ended investment company with £1.1 billion deployed in a diversified portfolio of solar PV and battery storage assets.

The sustainability-focused fund contributes to a lower carbon future by investing in and managing approximately 1GW of renewable energy infrastructure and a growing development pipeline.

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

Strategic Report

Highlights	1
Business model	2
Chair's Statement	3
Investment Manager's Report	6
Portfolio Overview	8
Market Context	15
Power Prices	17
Operational Review	20
Movements in Net Asset Value	21
Sustainability	24
Case Study on Nature Recovery	28
Risk and Risk Management	30
Financial Review	31
Alternative Performance Measures	38

Governance

Statement of Directors' Responsibilities	40

Financial Statements

Statement of Profit and Loss and Other Comprehensive Income	41
Statement of Financial Position	42
Statement of Changes in Equity	43
Statement of Cash Flows	44
Notes to the Financial Statements	45
Advisors	74
Glossary of Terms	75

In this report

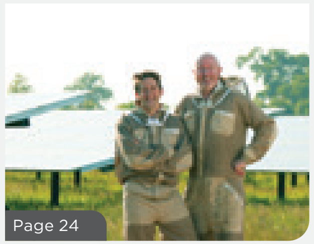
Chair's Statement


Page 3

Investment Manager's Report


Page 6

Sustainability


Page 24

HIGHLIGHTS
AS AT 30 JUNE 2024

Investment objectives:	Key performance indicators (KPIs)[1]	
Preserve and enhance **capital value**	**£656.8m** NET ASSET VALUE (NAV) (31 December 2023: £697.9m)	**114.9p** NAV PER SHARE (31 December 2023: 118.4p)
	5.0% ANNUALISED TOTAL SHAREHOLDER RETURN SINCE IPO (31 December 2023: 6.2%)	**7.6%** ANNUALISED TOTAL NAV RETURN SINCE IPO (31 December 2023: 8.0%)
Deliver sustainable, progressive **quarterly dividends**	**8.00p** DIVIDEND PER SHARE TARGETED FOR FULL YEAR 2024 (Full year to 31 December 2023: 7.55p)	**1.4x** NET DIVIDEND COVER ESTIMATED FOR 2024[2]
Develop further **portfolio diversification**	**969GW** PORTFOLIO CAPACITY (As at 30 June 2024)	**867MWp** PROPRIETARY DEVELOPMENT PIPELINE (As at 30 June 2024)
Contribute to global **decarbonisation** goals	**531.1GWh** RENEWABLE ELECTRICITY GENERATED[3] (30 June 2023: 621.1GWh)	**0.13 tCO_2e/£m invested** CARBON FOOTPRINT (30 June 2023: 0.40 tCO_2e/£m invested)

Despite poor weather across markets affecting electricity generation, operating revenue remained resilient at £74.5 million in the first half of 2024, only 6.6% below budget.

Paid the first installment of the 8.00p target dividend for the year. The Company is on track for the full payout, with forecast net cover of 1.4x for 2024.

Continued the disciplined capital allocation approach based on returning capital to Shareholders and reducing the cost of debt, whilst investing modest sums to grow the proprietary development pipeline.

Increased the share buyback programme to up to £50 million. In the six months to 30 June 2024, Foresight Solar distributed £38.6 million via buybacks and dividends.

Commenced the process to sell the Australian portfolio. Closing is expected in the first half of 2025 and the current intention is that proceeds will be used to reduce leverage.

Doubled the development pipeline to 867MWp with the announcement of a framework agreement for early-stage BESS in Spain that required no upfront cash.

1. Refer to the Alternative Performance Measures (APMs) shown on pages 38 to 39 for more details.
2. Net dividend cover calculated solely from operating cash flow generated in the period.
3. Generation figures have been adjusted, where relevant, for events in which compensation has been, or will be, received.

BUSINESS MODEL

What we do

Foresight Solar is a sustainability-focused investment company that aims to deliver progressive returns with an element of NAV growth by owning and operating utility-scale solar and battery assets.

How we create value

1. Identify, acquire	2. Develop, build	3. Operate, enhance	4. Hold, exit/recycle
The Investment Manager leverages its global footprint and local networks to source solar PV and battery storage opportunities at different stages of development. These are screened for suitability and potential targets are subject to due diligence to assess risks, to confirm valuation assumptions and to review sustainability considerations. Investment approval is multi-level and culminates with Board sign-off for all material decisions.	There is a strong focus on opportunity assessments and risk identification and mitigation to deliver assets in line with their investment case. The Company actively manages projects, employing a strategic approach to development, construction and maintenance. To minimise risks, Foresight Solar partners with credible and experienced counterparties to secure future pipeline, build out projects and manage them efficiently. Regular communication with the Board ensures effective asset management.	The Company seeks to maximise operational availability and revenue potential. The portfolio is frequently assessed for opportunities to improve performance, both operational and financial, and to better meet sustainability objectives. The Investment Manager regularly seeks to capture the value identified for the benefit of Shareholders.	Foresight Solar's strategy is to hold assets for cash yield to support its progressive dividend. Alongside this, there is the opportunity to create long-term NAV growth by bringing projects from development to construction and then into operation. In certain instances, the Company will generate additional value by divesting assets at favourable prices. The Investment Manager and the Board evaluate these opportunities against diversification goals and an asset's potential to generate stable financial returns over time.

Sustainability considerations

Environmental, social and governance criteria are integral to the investment process. The Investment Manager undertakes a thorough analysis against pre-determined minimum thresholds for any asset.	Third-party service providers, sometimes with the assistance of technical advisors, monitor and manage day-to-day performance, including sustainability KPIs, of each asset in the portfolio.	Measurement of sustainability KPIs from the due diligence phase through investment, and later to operation, allows the Asset Manager to continually seek and execute improvements across the portfolio.	Sales proceeds will typically be used to repay debt, repurchase shares or to invest in new assets that provide attractive risk-adjusted returns, including development-stage options that provide more upside potential.

Company structure

Foresight Solar Fund Limited is a closed-ended listed fund regulated by the Jersey Financial Services Commission. It was incorporated in Jersey under the Companies (Jersey) Law 1991, as amended on 13 August 2013, with registration number 113721.

FSFL'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 2024, there were 571,566,814 Ordinary Shares in issue.

Significant Shareholders

FSFL's Shareholders include a mix of institutional and retail investors. Those with more than a 5% holding as at 30 June 2024 were:

Investor	% shareholding in fund
BlackRock	11.31%
Gravis Capital Management	6.32%
CCLA Investment Management	5.13%
Charles Stanley	5.01%
Total	**27.77%**

CHAIR'S STATEMENT

These results demonstrate the resilience of solar as an asset class during a sustained period of low irradiation, and the balanced assumptions underpinning Foresight Solar's cash flow projections and valuation.

Alexander Ohlsson
Chair

On behalf of the Board of Directors, it is my pleasure to present Foresight Solar Fund Limited's Unaudited Interim Report and Financial Statements for the six months to 30 June 2024.

Solar's contribution to the global energy mix has consistently grown over the last decade, and the technology's advancement and relatively low running costs prove it is a reliable investment proposition for those with a long-term view. FSFL's portfolio performance during the first half of the year supports this, demonstrating resilience in a period of historically low irradiation.

Despite one of the wettest first quarters ever recorded by the UK's Met Office and poor weather in Spain and Australia, Foresight Solar closed the period only moderately behind its generation budget. Combined with the Company's active power price hedging, it meant FSFL continued to deliver strong cash flows despite spells of reduced electricity production.

Higher irradiance and good availability in the second quarter led to global production only 7.1% below expectations in the six-month period.

This operational solidity means Foresight Solar remains well on track to deliver its 8.00 pence per share target dividend for the year with a forecast net cover of 1.4x.

On the macroeconomic front, interest rate cuts in the UK and the EU during the summer offered tentative signs that the fiscal outlook may be easing as inflation softens. Globally, the picture is more mixed, and fears over other large markets, such as the US, can have an outsized impact on equities, including London-listed investment trusts.

Capital allocation

The supply and demand for renewable investment trust shares have not yet re-balanced, with investor appetite remaining dampened. Many funds have now taken action to return capital to shareholders, and we are proud to have been one of the first to do so.

Amid the challenging backdrop of persistently high base rates and an enduring share price discount to NAV, the Board's priority is to protect Shareholders' interests. The Directors moved quickly to implement initiatives to that effect, and we continue to oversee a disciplined capital allocation approach focused on returning cash, reducing the cost of variable-rate debt, and limiting new investments to opportunities that require only modest initial expenditure whilst laying the foundations for future growth.

A key pillar of this strategy has been the divestment programme. Following the sale of a 50% stake in the Lorca portfolio last year, the Investment Manager has been working on the next phase: the divestment of the Australian assets. Foresight Solar has now commenced a process to sell 170MW of operational solar and 122MWp of development-stage battery energy storage systems (BESS) that have been advanced internally by the Investment Manager.

Launching the process at the right time and with the appropriate market conditions has been imperative to protect Shareholder value. With closing expected in the first half of 2025, this is a strategic priority to re-focus the Company on the UK and Europe. The current intention is that proceeds will be predominantly used to repay the revolving credit facility (RCF) and overall gearing as a percentage of GAV should fall by several percentage points when the assets and their associated long-term debt are removed from FSFL's balance sheet. (Refer to pages 33 and 34 for the full debt structure.)

CHAIR'S STATEMENT CONTINUED

Capital allocation continued

Another pillar of our capital allocation policy is the buyback programme. In August, the Directors extended the repurchases by up to £10 million. At £50 million, the Company's consistent, almost daily buyback is proportionately the largest in the renewable investment trust sector. Since May 2023, when the programme started, to 30 June 2024, FSFL repurchased more than £35 million of stock at an average price of 93.5 pence, adding 1.9 pence per share of NAV upside.

The third aspect of the policy is centred on modest investments into development-stage or pre-construction pipelines to ensure continued long-term growth. In May we announced a transaction demonstrating the potential for this type of arrangement The framework agreement to develop 400MWp of BESS in Spain needed no upfront cost and is expected to require less than €2 million of investment to the end of 2026. The transaction nearly doubled FSFL's proprietary development pipeline.

Whilst the Company continues to assess early-stage opportunities, and targets a proprietary development pipeline of between 2GW and 3GW, for the time being all new major capital expenditure plans have been paused. This leaves only limited, contractually agreed payments for the Sandridge BESS project once it is complete.

For a new investment to be considered, it must have a realistic prospect of offering risk-adjusted returns superior to those achievable by buying back FSFL's shares at the prevailing discount to NAV or to the benefits of repaying debt. Given the current discount, the Directors believe that, realistically, only development-stage or pre-construction assets can meet that hurdle.

Annual General Meeting

For the first time, in accordance with its articles of association, Foresight Solar put forward a resolution for discontinuation after its shares traded at an average discount of more than 10% to NAV during a financial year. Most Shareholders (76% of votes cast) followed the Board's recommendation and voted against discontinuation at the AGM in June.

The Directors acknowledge that a sizeable minority, including certain large investors, opted for change, and we have consulted with them to fully understand the reasons for their vote.

The Board shares Shareholders' frustration with the sustained period that FSFL's shares have traded at a discount to NAV. Whilst this is a challenge for the entire market, we continue to push ourselves and the Investment Manager to consider all potential options to reduce the discount.

We are, however, confident that the proactive approach the Board is taking will address certain concerns. The second phase of the divestment programme is aimed at lowering the Company's cost of debt, accelerating the return of cash, and providing a clear path into the future.

Foresight Solar is returning significant amounts of capital via its buyback programme and is focused on delivering a high-quality yield along with long-term capital growth in a new macroeconomic environment. In the 12 months to 13 September 2024, FSFL's total shareholder return was 10.1% and, looking over the previous three years, it was 17.1%.

Key financials

For the period, the NAV per Ordinary Share decreased to 114.9 pence (31 December 2023: 118.4 pence), principally driven by a fall in power price forecasts, lower-than-budgeted generation due to poor weather, and a reduction in the value of the pre-construction UK BESS assets.

Lower power prices and generation also had a direct impact on global revenue, which was 6.6% behind budget at £74.5 million.

Discount rates for the UK portfolio were unchanged at 8.0%, despite the Bank of England's (BoE) move to lower its benchmark interest rate by 25 basis points to 5.0%. The Board takes a balanced approach to valuations and will wait for evidence that changes have translated through to asset pricing before looking to alter its assumptions.

From an operational perspective, robust availability resulted in good cash generation. Distributions from underlying assets of £28.4 million were only £1.7 million less than forecast, and dividend cover for the year was adjusted accordingly to 1.4x from 1.5x. Foresight Solar is on target to deliver its 8.00 pence per share dividend target for 2024 and expects the 2025 dividend to be at least 1.3x covered based on current forecasts.

The Company continues to forward-fix its price exposure in the short and medium term to provide greater revenue visibility and is now able to secure pricing out to 2029. The strategy has proved advantageous, with the average realised price across the UK portfolio, including fixed price arrangements and merchant sales, 37.5% higher than the N2EX average in the period. Looking ahead, Foresight Solar's contracted revenue, as a percentage of total expected revenue, is 89% for the remainder of 2024, 83% for 2025 and 63% for 2026.

For a new investment to be considered, it must have a realistic prospect of offering superior returns to those possible through buying back FSFL's shares at the prevailing discount to NAV or to the benefits of repaying debt.

CHAIR'S STATEMENT CONTINUED

Debt facilities

As at 30 June 2024, total outstanding debt was £428.4 million, representing 39.5% of GAV (31 December 2023: £442.6 million and 38.8%). The marginal relative increase was a consequence of the reduction in NAV.

Long-term gearing totalled £354.0 million or 32.6% of GAV (31 December 2023: £367.6 million and 32.2%) – well within the Board's 40% target and representing a low-leverage, capital-efficient strategy compared to the wider sector.

All of Foresight Solar's long-term debt is fully hedged against interest rate movements, leaving the RCF as the only variable rate element in the portfolio. At the mid-year, Foresight Solar had drawn £74.5 million of its £150 million credit facility (31 December 2023: £75 million).

Sustainability

Shareholders strongly supported the Board's proposal to incorporate sustainability targets into the Company's investment objective at the AGM in June. The endorsement allowed us to proceed with plans to present equivalence to the Sustainability Focus label outlined in the Financial Conduct Authority's (FCA) Sustainability Disclosure Requirements (SDR).

In this report, we present an enhanced Sustainability section. In addition to the usual performance indicators, we publish new metrics that allow stakeholders to track our progress in developing and operating renewable infrastructure, alongside key data on the environmental and social benefits the Company delivers – including on a per share basis.

These moves, once more, demonstrate our commitment to sustainability and our readiness to comply with the regulations even though FSFL is not in scope of the SDR.

Governance

The Nomination Committee continued its succession review for the Board and is in advanced discussions with a select number of candidates.

The Directors are focusing on individuals with complementary skills to those already on the Board to ensure balance and effectiveness as current members stand down. The Directors have been exploring appointments from Jersey and other jurisdictions, as well as seeking individuals from diverse social and ethnic backgrounds.

Outlook

The July election in the UK confirmed what polls had been indicating: a Labour government with the majority to push forward its agenda. Prime Minister Keir Starmer has set out an ambitious goal to grow the economy whilst making Britain a clean energy superpower. There are strong signs that renewables will play an important role, with a target to triple solar capacity by 2030.

Within the first month of the administration, the government granted consent for three nationally significant solar projects, revised the budget for this year's contract for difference (CfD) auction, and proposed changes to the planning regime. Investors have welcomed the apparent political stability and praised the support for the build-out of renewable generation.

As we publish this report, ten-year UK gilt yields hover around 3.8%. Foresight Solar, meanwhile, offers an approximate 8.5% dividend yield on a 94 pence share price.

Foresight Solar TSR to 13 September 2024

12 months	3 years	5 years
10.1%	17.1%	9.0%

With the goal of exiting Australia in the first half of 2025, we will re-focus on the UK and Europe. The Investment Manager is actively pursuing development and pre-construction opportunities in the UK whilst Spain, where the Company has built a solar and BESS proprietary development pipeline of approximately 1GWp, remains a core market.

The improved economic outlook in British and European markets offers reasons for cautious optimism. Higher benchmark rates appear to be bringing inflation under control and that should, in turn, allow for an easing of monetary policy.

Whilst we do not expect central bank rates to return to the lows of the last decade, moderation from the recent highs, coupled with initiatives to recycle and return capital across the sector, should support a re-rating of listed renewable energy investment trusts.

The journey through this evolving macroeconomic environment may continue to be challenging, but there are plenty of reasons to stay positive. The transition to a lower carbon economy is one of the largest investment opportunities for a generation, and we are confident Foresight Solar is well positioned to capitalise on it.

Alexander Ohlsson
Chair

18 September 2024

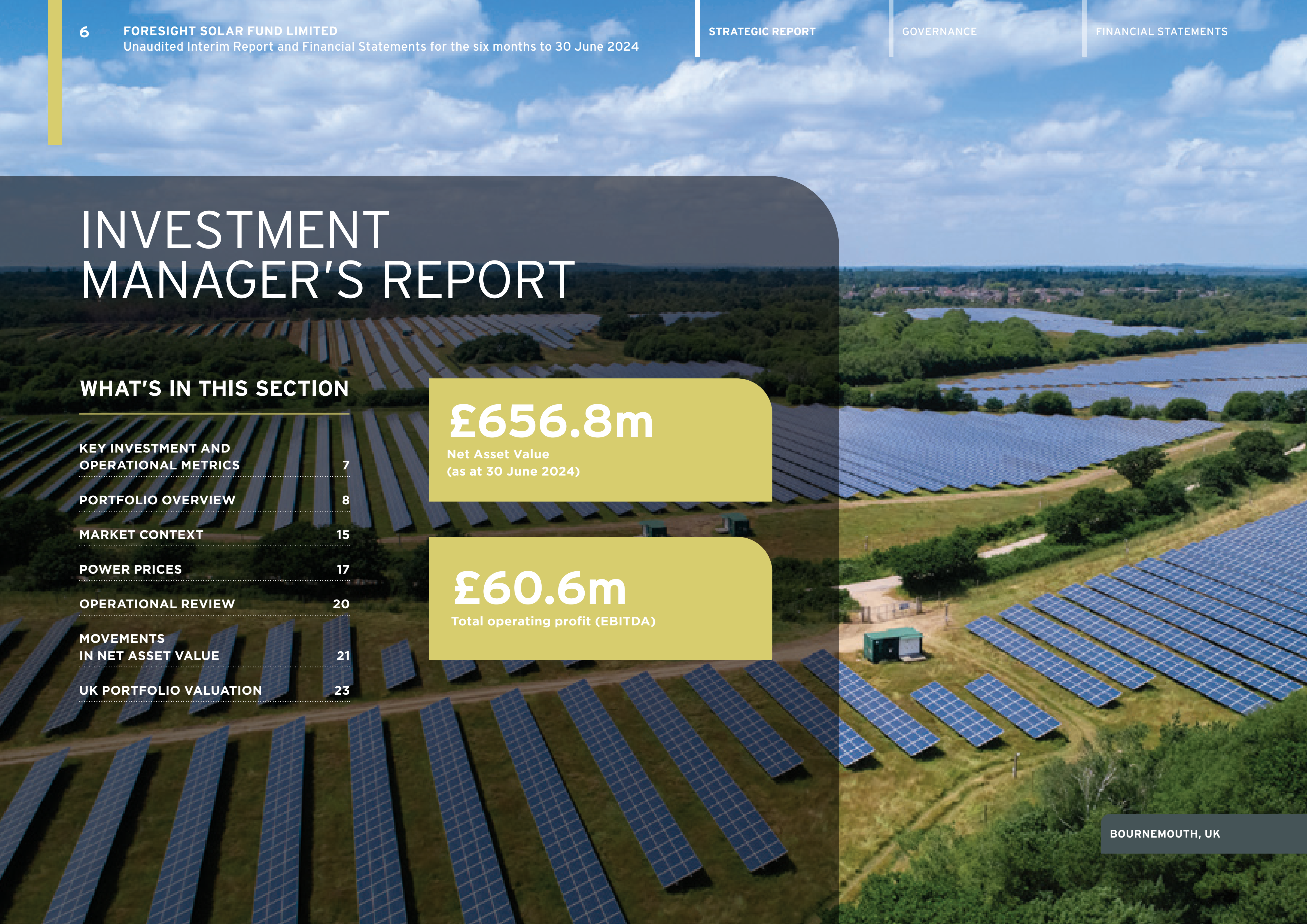
INVESTMENT MANAGER'S REPORT

WHAT'S IN THIS SECTION

KEY INVESTMENT AND OPERATIONAL METRICS 7
PORTFOLIO OVERVIEW 8
MARKET CONTEXT 15
POWER PRICES 17
OPERATIONAL REVIEW 20
MOVEMENTS IN NET ASSET VALUE 21
UK PORTFOLIO VALUATION 23

£656.8m
Net Asset Value
(as at 30 June 2024)

£60.6m
Total operating profit (EBITDA)



BOURNEMOUTH, UK

INVESTMENT MANAGER'S REPORT

KEY INVESTMENT AND OPERATIONAL METRICS

Key investment metrics[1]

	Six months to 30 June 2024	Six months to 30 June 2023	Year to 31 December 2023
Net Asset Value (NAV)	**£656.8m**	£726.6m	£697.9m
NAV per share	**114.9p**	119.1p	118.4p
Dividend per share declared for the period	**4.00p**	3.775p	7.55p
Annualised total NAV return since IPO	**7.6%**	8.3%	8.0%
Gross Asset Value (GAV)	**£1,085.2m**	£1,237.2m	£1,140.5m
Share price	**90.1p**	98.0p	102.2p
Ordinary Shares in issue[2]	**571,566,814**	605,906,889	589,239,345
Market capitalisation	**£515.0m**	£593.8m	£602.2m
Annualised total shareholder return since IPO	**5.0%**	5.6%	6.2%
UK portfolio valuation	**£1.16m/MW**	£1.25m/MW	£1.17m/MW
Operating revenue	**£74.5m**	£92.2m	£162.2m
Operating expenses	**£(13.9)m**	£(13.1)m	£(26.1)m
Total operating profit (EBITDA)	**£60.6m**	£79.1m	£136.1m

1. The purpose and calculation methodology of the key APMs are shown on pages 38 and 39.
2. During the period, 17,672,531 shares were repurchased and are held in treasury. Further details on page 36.

Key operational metrics

	30 June 2024				30 June 2023			
	Operational capacity (MW)	**Total generation (GWh)[1]**	**Generation variance in relation to base case[2]**	**Irradiation variance in relation to base case**	Operational capacity (MW)	Total generation (GWh)[1]	Generation variance in relation to base case[2]	Irradiation variance in relation to base case
United Kingdom	**723**	**348**	**-4.3%**	**-2.7%**	723	381	4.3%	6.2%
Spain	**76**	**65**	**-7.9%**	**-3.7%**	125	114	-2.2%	-0.8%
Australia	**170**	**118**	**-14.0%**	**-4.5%**	170	127	3.0%	6.0%
Global portfolio	**969**	**531**	**-7.1%**	**-3.3%**	1,018	621	2.8%	4.9%

1. Generation numbers include distribution network operator (DNO) outages outside Foresight Solar's control. Removing DNOs' unforeseen stoppages, total generation for the global portfolio to 30 June 2024 would have been 0.3% higher at 532GWh.
2. Generation figures have been adjusted, where relevant, for events in which compensation has been, or will be, received.

INVESTMENT MANAGER'S REPORT CONTINUED

PORTFOLIO OVERVIEW

As at 30 June 2024, Foresight Solar's portfolio comprised 61 assets with a total net peak capacity of 1,044MW and a growing proprietary development pipeline of solar and battery storage projects totalling 867MWp.

In the UK, the Company has 50 operational solar assets representing a total installed capacity of 723MW. In addition to that, FSFL holds 50% stakes in three battery storage projects, equivalent to 75MW, that are currently under construction or in pre-construction. Foresight Solar also owns four operational solar assets in Australia, totalling 170MW of installed capacity, and another four operational sites in Spain, with installed capacity of 76MW. (For more information, see the full portfolio composition from page 11.)

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 (representing less than 1% of the portfolio in the country). The battery storage assets will predominantly trade on a merchant basis, although they will 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 has been successful in sourcing those types of contracts, with Virgen del Carmen establishing a ten-year offtake agreement with Shell in September 2020, and the Lorca portfolio signing a decade-long agreement with Statkraft in December 2021.

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

PADDOCK WOOD, UK

INVESTMENT MANAGER'S REPORT CONTINUED

PORTFOLIO OVERVIEW CONTINUED

BESS construction update

Sandridge (construction)

Onsite activity to finalise construction of the 50MW, one-hour lithium-ion battery has concluded, and the project is now awaiting connection.

The Investment Manager's construction oversight team has been in regular contact with the local distribution network operator (DNO) to ensure it finishes the necessary infrastructure works to facilitate the grid connection and the commencement of operations.

Energisation is expected by the end of the first quarter of 2025, after which the site will begin final commissioning and testing.

Clayfords and Lunanhead (pre-construction)

Customary pre-construction works to meet planning milestones on the two projects and ensure their position in the grid queue continued.

The Investment Manager has already agreed terms for a framework engineering, procurement and construction (EPC) contract that could cover both sites, potentially facilitating the start of their build-out.

Whilst revenue forecasts for BESS in the UK have fallen significantly over the last two years, there are signs the market is starting to improve and National Grid is addressing the issues that led to batteries being overlooked, or "skipped", in the Balancing Mechanism.

The Board and the Investment Manager are scrutinising every investment decision in line with the Company's capital allocation policy – based on returning cash to Shareholders and paying down debt. This means they are carefully considering the best possible options to take Clayfords and Lunanhead forward.

Acquisitions and divestments

Development pipeline: Chelion portfolio

In May, Foresight Solar agreed a framework with Chelion Iberia, a battery engineering, financing and integration firm, to jointly invest in up to 400MWp of development-stage battery storage projects in Spain.

The venture nearly doubled the Company's proprietary pipeline, whilst demanding no upfront investment, and is forecast to require less than €2 million to the end of 2026.

Under the arrangement, FSFL will commit development funding to projects that it selects for the joint venture. Once assets reach the ready-to-build stage, the Company has the option to either construct them or sell the rights. If it opts to build them, Foresight Solar will have another opportunity to sell the plants once they become operational, or it can manage and run them for cash yield.

Australian portfolio

The Company commenced the process to sell its interests in the four operational solar plants totalling 170MW and the two development-stage BESS projects co-located on the Oakey and Bannerton sites with total equivalent capacity of 122MWp.

Before launching this divestment process, the Investment Manager was focused on resolving specific outstanding commercial issues and monitoring the secondary market for improved conditions. The wait provided the time to progress the development of the co-located BESS projects using internal resources. All these factors are important in maximising the potential value of the portfolio.

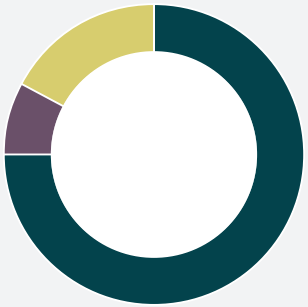
The process is expected to close in the first half of 2025 and, in line with Foresight Solar's capital allocation strategy, the current intention is that proceeds will be predominantly used to reduce debt.

BOURNEMOUTH, UK

INVESTMENT MANAGER'S REPORT CONTINUED

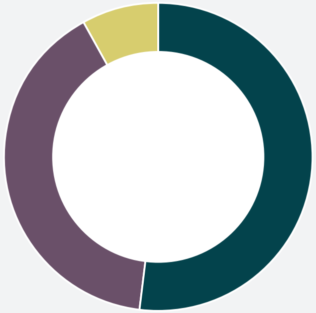
PORTFOLIO OVERVIEW CONTINUED

Countries by installed capacity



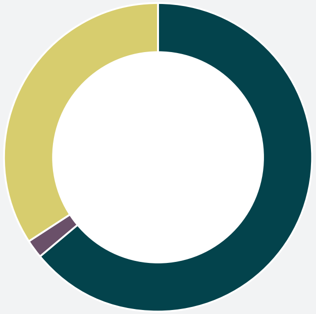
Key:
- UK – **75%**
- Spain – **8%**
- Australia – **17%**

Global portfolio revenue by NPV



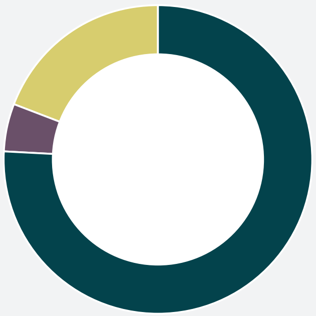
Key:
- Electricity sales – Merchant – **52%**
- Subsidy – **40%**
- Electricity sales – Contracted – **8%**

Global portfolio by peak capacity



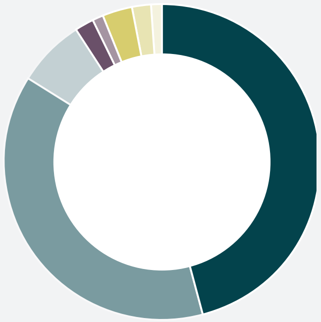
Key:
- Operational – **64%**
- Construction – **2%**
- Development – **34%**

Countries by production



Key:
- UK – **76%**
- Spain – **5%**
- Australia – **19%**

Country portfolio revenue



Key:
- UK subsidy income – **46%**
- UK electricity sales – Fixed – **38%**
- UK electricity sales – Merchant – **7%**
- Spain electricity sales – Fixed – **2%**
- Spain electricity sales – Merchant – **1%**
- AUS electricity sales – Fixed – **3%**
- AUS electricity sales – Merchant – **2%**
- AUS subsidy – Merchant – **1%**

INVESTMENT MANAGER'S REPORT CONTINUED

PORTFOLIO OVERVIEW CONTINUED

Current portfolio

Type	Asset	Installed peak capacity (MW)	Operational/under construction	Connection date	Acquisition cost[1] (£m)	Revenue type
UK						
1	Wymeswold	34	Operational	March 2013	45.0	ROC/Electricity sales
2	Castle Eaton	18	Operational	March 2014	22.6	ROC/Electricity sales
3	Highfields	12	Operational	March 2014	15.4	ROC/Electricity sales
4	High Penn	10	Operational	March 2014	12.7	ROC/Electricity sales
5	Pitworthy	16	Operational	March 2014	19.3	ROC/Electricity sales
6	Hunters Race	10	Operational	July 2014	13.3	ROC/Electricity sales
7	Spriggs Farm	12	Operational	March 2014	14.6	ROC/Electricity sales
8	Bournemouth	37	Operational	September 2014	47.9	ROC/Electricity sales
9	Landmead	46	Operational	December 2014	52.4	ROC/Electricity sales
10	Kencot Hill	37	Operational	September 2014	49.5	ROC/Electricity sales
11	Copley	30	Operational	December 2015	32.7	ROC/Electricity sales
12	Atherstone	15	Operational	March 2015	16.2	ROC/Electricity sales
13	Paddock Wood	9	Operational	March 2015	10.7	ROC/Electricity sales
14	Southam	10	Operational	March 2015	11.1	ROC/Electricity sales
15	Port Farm	35	Operational	March 2015	44.5	ROC/Electricity sales
16	Membury	16	Operational	March 2015	22.2	ROC/Electricity sales
17	Shotwick	72	Operational	March 2016	75.5	ROC/Electricity sales
18	Sandridge	50	Operational	March 2016	57.3	ROC/Electricity sales
19	Wally Corner	5	Operational	March 2017	5.7	ROC/Electricity sales
20	Coombeshead	10	Operational	December 2014	36.6 (Acquired as portfolio)	ROC/Electricity sales
21	Park Farm	13	Operational	March 2015		
22	Sawmills	7	Operational	March 2015		
23	Verwood	21	Operational	February 2015		
24	Yardwall	3	Operational	June 2015		FiT/Electricity sales
25	Abergelli	8	Operational	March 2015	3.7	ROC/Electricity sales
26	Crow Trees	5	Operational	February 2016	1.8	ROC/Electricity sales
27	Cuckoo Grove	6	Operational	March 2015	2.5	ROC/Electricity sales
28	Field House	6	Operational	March 2016	3.1	ROC/Electricity sales
29	Fields Farm	5	Operational	March 2016	1.7	ROC/Electricity sales
30	Gedling	6	Operational	March 2015	1.9	ROC/Electricity sales
31	Homeland	13	Operational	March 2014	5.2	ROC/Electricity sales
32	Marsh Farm	9	Operational	March 2015	4.0	ROC/Electricity sales


WYMESWOLD, UK

INVESTMENT MANAGER'S REPORT CONTINUED

PORTFOLIO OVERVIEW CONTINUED

Current portfolio continued

Type		Asset	Installed peak capacity (MW)	Operational/under construction	Connection date	Acquisition cost[1] (£m)	Revenue type
UK							
33		Sheepbridge	5	Operational	December 2015	1.9	ROC/Electricity sales
34		Steventon	10	Operational	June 2014	4.2	ROC/Electricity sales
35		Tengore	4	Operational	February 2015	1.3	ROC/Electricity sales
36		Trehawke	11	Operational	March 2014	4.7	ROC/Electricity sales
37		Upper Huntingford	8	Operational	October 2015	3.1	ROC/Electricity sales
38		Welbeck	11	Operational	July 2014	4.4	ROC/Electricity sales
39		Yarburgh	8	Operational	November 2015	3.4	ROC/Electricity sales
40		Abbey Fields	5	Operational	March 2016	1.5	ROC/Electricity sales
41		SV Ash	8	Operational	March 2015	3.4	ROC/Electricity sales
42		Bilsthorpe	6	Operational	November 2014	1.9	ROC/Electricity sales
43		Bulls Head	6	Operational	September 2014	2.2	ROC/Electricity sales
44		Lindridge	5	Operational	January 2016	1.7	ROC/Electricity sales
45		Manor Farm	14	Operational	October 2015	6.1	ROC/Electricity sales
46		Misson	5	Operational	March 2016	2.0	ROC/Electricity sales
47		Nowhere	8	Operational	March 2015	3.7	ROC/Electricity sales
48		Pen Y Cae	7	Operational	March 2015	2.9	ROC/Electricity sales
49		Playters	9	Operational	October 2015	4.0	ROC/Electricity sales
50		Roskrow	9	Operational	March 2015	3.7	ROC/Electricity sales
51		Sandridge	25[2]	Construction	–	12.7	Merchant
52		Clayfords	25[3]	Pre-construction	–	14.1	Merchant
53		Lunanhead	25[4]	Pre-construction	–	16.4	Merchant
		UK sub-total	**798**			**728.4**	

SHOTWICK, UK

1. Original equity cost at time of acquisition, including transaction costs. For assets under construction, this includes estimated construction costs to start of operations. International acquisition costs converted to GBP including transaction costs at the applicable rate at the time of acquisition.
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. Accounts for the 50% stake the Company holds of Lunanhead (50MW).

INVESTMENT MANAGER'S REPORT CONTINUED

PORTFOLIO OVERVIEW CONTINUED

Current portfolio continued

Type		Asset	Installed peak capacity (MW)	Operational/under construction	Connection date	Acquisition cost[1] (£m)	Revenue type
Spain							
1		Virgen del Carmen	26	Operational	November 2022	18.0	Long-term PPA/Electricity sales
2		Los Llanos	25[3]	Operational	August 2022	64.2[4] (Acquire as portfolio)	Long-term PPA/Electricity sales
3		Las Salinas	15[3]	Operational	August 2022		Long-term PPA/Electricity sales
4		Los Picos	10[3]	Operational	August 2022		Long-term PPA/Electricity sales
		Spain sub-total	76			82.2	

Type		Asset	Installed peak capacity (MW)	Operational/under construction	Connection date	Acquisition cost[1] (£m)	Revenue type
Australia							
1		Bannerton	53[2]	Operational	July 2018	22.9	LGC/Long-term PPA
2		Longreach	17	Operational	March 2018	5.7	Long-term PPA/Electricity sales
3		Oakey 1	30	Operational	February 2019	9.2	Long-term PPA/Electricity sales
4		Oakey 2	70	Operational	May 2019	34.0	LGC/Electricity sales
		Australia sub-total	170			71.8	

Total	1,044	882.4

BANNERTON, AUSTRALIA

1. Original equity cost at time of acquisition, including transaction costs. For assets under construction, this includes estimated construction costs to start of operations. International acquisition costs converted to GBP including transaction costs at the applicable rate at the time of acquisition.
2. Accounts for the 48.5% stake the Company holds of Bannerton (110MW).
3. Accounts for the 50% stake the Company holds in the Lorca portfolio (100MW).
4. Original equity cost at time of acquisition of 100%, does not include the 50% divestment in 2023.

INVESTMENT MANAGER'S REPORT CONTINUED

PORTFOLIO OVERVIEW CONTINUED

Revenue analysis

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

The Company defines "contracted revenues" as those that are hedged under fixed price arrangements, and therefore have a high degree of payment certainty. Revenue from both subsidies and power purchase agreement fixes are considered contracted, whereas day-ahead electricity sales are considered merchant revenue or uncontracted.

During the first half of 2024, approximately 47% of total revenue was derived from subsidies, with the remaining 53% coming from the sale of electricity. With fixed price contracts mainly secured through PPAs, 89% of revenue in the period was considered contracted, with the remaining 11% merchant.

Contracted revenue for the portfolio, as a percentage of the total expected revenue, is now forecast to be 89% for the remainder of 2024, 83% for 2025 and 63% for 2026.

On a net present value basis, as at 30 June 2024, contracted revenue over the entire investment period represents 49% of the total forecast revenue.

The Company will continue to minimise the impact of power price volatility on future cash flows by entering fixed price arrangements for the sale of electricity. The goal is to achieve a high percentage of annual fixed revenue, targeting around 70%, in the short and medium term by actively managing the power price exposure of forecast production.

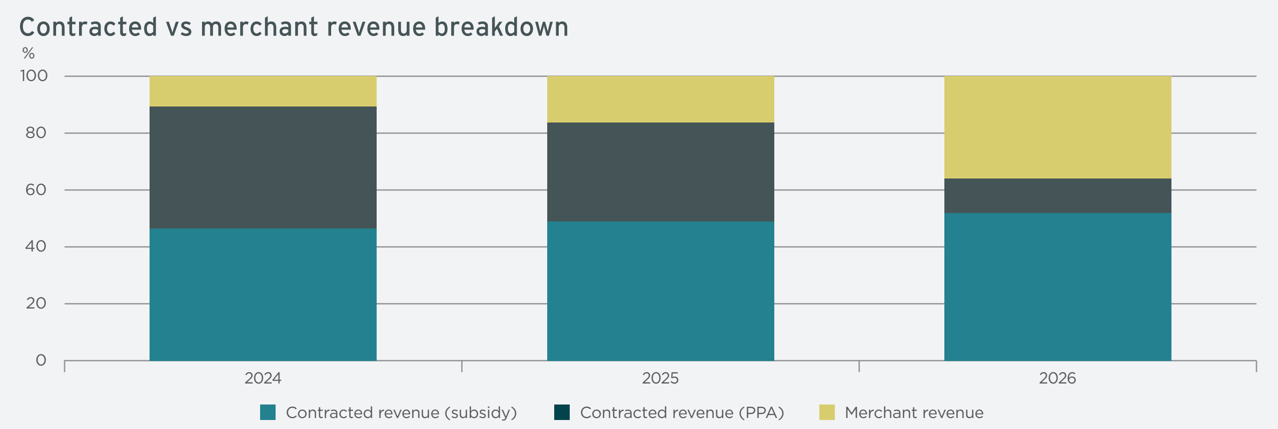
By way of example, the Company can fix an amount of electricity sales in the summer, due to solar's seasonal production profile, to support the dividend policy, while leaving some exposure to market rates that allow it to capture potential upside from power price volatility.

Status of contracted revenues

The Investment Manager continually monitors opportunities to enter new fixed price arrangements for Foresight Solar assets up to five years ahead. The goal of this active power price hedging strategy is to provide greater certainty over future revenue and ensure cover for the dividend target.

The table and graph below set out the average PPA fixed price achieved for the UK portfolio in each calendar year so far, and the proportion of generation that has been hedged at the end of the period.

As at 30 June 2024	2024	2025	2026
Average fixed price for UK portfolio (£/MWh)	£96.48	£86.29	£92.98
Proportion of contracted revenue for the global portfolio	**89%**	**83%**	**63%**



INVESTMENT MANAGER'S REPORT CONTINUED

MARKET CONTEXT

United Kingdom

Whilst the first six months of 2024 were dominated by "higher for longer" rhetoric that weighed heavily on investor sentiment, there are reasons to be cautiously optimistic as we move to the second half of the year.

In August, the Bank of England cut its base rate to 5.00%, marking the first drop since March 2020. The BoE had held rates at a 16-year high of 5.25% to address rising prices. Looking forward, with inflation falling to levels closer to the central bank's long-term target, market expectations are for more rate cuts to follow.

The expectation of further reductions should act as a tailwind for the listed renewable energy investment trust sector, which is seeing a gradual re-rating as gilt yields track downwards.

Another source of optimism comes from perceived political stability following Labour's win in the UK general election. The new government has been proactive in their first months in power, with significant focus on the energy sector, including displays of support for renewables.

A natural consequence of the nation going to the polls, however, was a slowdown in regulatory initiatives.

Key amongst the live consultations is the Review of Electricity Market Arrangements (REMA), with its second round taking place in the period. Positively, the Department for Energy Security and Net Zero (DESNZ) has moved away from some of the more disruptive proposals, such as nodal pricing, and focused on more moderate reforms.

Whilst updating the electricity market is important to accommodate the growing share of renewable energy generation, radical reform would likely take up to a decade to implement and would lead to considerable uncertainty for investors who are ready to fund the energy transition.

Having started in 2022, it is essential that REMA reaches a timely conclusion to reduce uncertainty over investment in electricity generation.

The feedback from the consultation on the transition of the Renewables Obligation Scheme to Fixed Price Certificates, on the other hand, is delayed.

Solar has once again performed well in the latest CfD auction round. Announced in early September, AR6 accredited a record 93 projects, totalling 3.3GW of capacity, with a strike price of £70.10/MWh in 2024 numbers (£50.07/MWh in real 2012 figures).

Success in these auctions supports a buoyant solar development market, with approximately 32GW currently in planning in the UK, according to the Renewable Energy Planning Database.

The country now has more than 16GW of installed solar capacity, with 1.2GW added in the 12 months to May 2024. A significant proportion of this recent deployment is domestic rooftop arrays, with households aiming to reduce energy bills with their own generation. It will be crucial for utility-scale solar capacity to continue growing if the UK is to meet the new government's pledge to triple solar capacity by 2030.

BESS pipeline numbers also continue to grow. With around 60GW currently in planning – and as much as 400GW in the queue for connection to the grid – there is significantly more capacity looking to come online than the 50GW targeted by National Grid by 2050.

A revised revenue outlook for the UK BESS market means the economics of developing, constructing and operating projects do not currently justify a build-out of this magnitude. Assets that are already consented and which have attractive grid connection costs remain best placed to deliver attractive risk-adjusted returns for investors.

PARK FARM, UK

INVESTMENT MANAGER'S REPORT CONTINUED

MARKET CONTEXT CONTINUED

Spain

Last year, the Spanish government revised its renewable energy targets in an updated version of its Plan Nacional Integrado de Energía y Clima (PNIEC), the local implementation of the EU-wide National Energy and Climate Plan.

Some of the most notable changes came in the form of more aggressive objectives for utility-scale solar roll-out, which was revised up by 81GW, and the deployment of energy storage systems, which were increased to 22GW.

Such adjustments are logical given Spain's high solar irradiation and growing deployment of intermittent renewable generation, requiring mechanisms to stabilise its electricity grid.

Across the PNIEC, Spanish authorities expect €117.6 billion in investment, with 85% of the capital coming from the private sector.

Another decision that emphasised the national government's commitment to renewable energy was the Recovery and Resilience Plan. Through targeted subsidies for technologies such as energy storage and hydrogen production, the plan aims to accelerate the green transition whilst increasing resilience and sustainable growth.

The market welcomed the support for more energy storage mechanisms. Red Electrica, Spain's national grid operator, backed the plans noting that BESS will be the technology to stabilise transmission and distribution networks, minimising curtailment.

Excess production from renewables at peak times already represents losses of 1.2% of the total energy generated in the country. More energy storage will allow the deployment of an additional 100GW of renewable capacity currently in the permitting stages.

Australia

The country's federal and local governments continue to support renewable power. Solar and wind technologies are seen as reliable methods to build resilience towards energy independence and the various administrations aim to play important roles in projects' viability.

In the second quarter of 2024, the Australian Energy Market Operator (AEMO) released its latest Integrated System Plan (ISP), outlining a comprehensive roadmap for a transition to Net Zero by 2050. The plan emphasises the need for significant investment in generation, storage and transmission infrastructure to ensure reliable and cost-effective energy supply.

Although the network operator estimates a certain amount of curtailment into the future because of the growing participation of renewables on the grid, it factors a surge in electricity demand of almost 2.3x by mid-century – jumping to 410TWh from last year's 180TWh. The increased electrification of the Australian market is one of the factors expected to drive up energy prices over time.

The most recent ISP also set a date for the retirement of coal plants in 2037 – earlier than previously expected. Fossil-fuelled energy production currently accounts for 57% of Australian generation and these plants' closures will grow the need for renewable capacity and storage solutions.

The positive outlook for solar and wind has resulted in a growing number of transactions coming to market, with at least 25 live and upcoming deals demonstrating appetite for operating platforms from financial and strategic investors, both domestic and international.

LOS LLANOS, SPAIN

INVESTMENT MANAGER'S REPORT CONTINUED

POWER PRICES

Subsidy revenue

Buy-out prices for Renewables Obligation Certificates (ROCs), the United Kingdom's main support mechanism for large-scale renewable electricity projects, in the 2024/25 annual compliance period increased to £64.73 (2023/24: £59.01). The change reflected the mean monthly percentage move in the Retail Prices Index (RPI), a common measure of inflation, during 2023. On average, the Company received 1.41 ROC/MWh across the portfolio. Meanwhile, the 2024/25 Feed-in Tariff rate for Yardwall, the only UK asset to which the RO scheme does not apply, is £95.30/MWh (2023/24: £90.60/MWh).

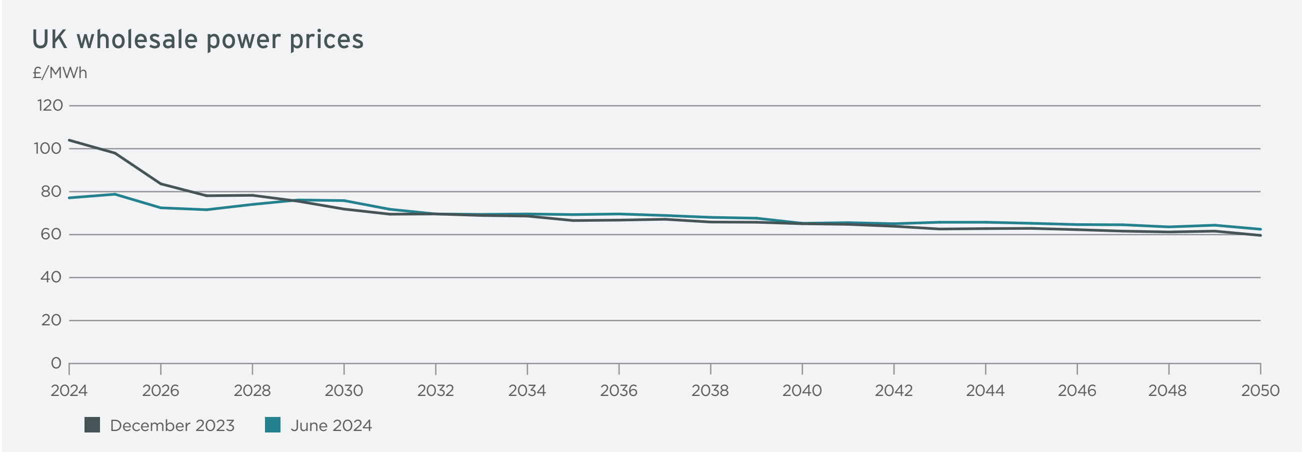
In Australia, the portfolio secured an average Large-Scale Generation Certificate price of A$19.06 per certificate, roughly A$3.00 less than in the six months of 2023. The drop was a consequence of the step down in price for the Oakey 2 contract, which took the remuneration per LGC to A$4.50 from A$10.00.

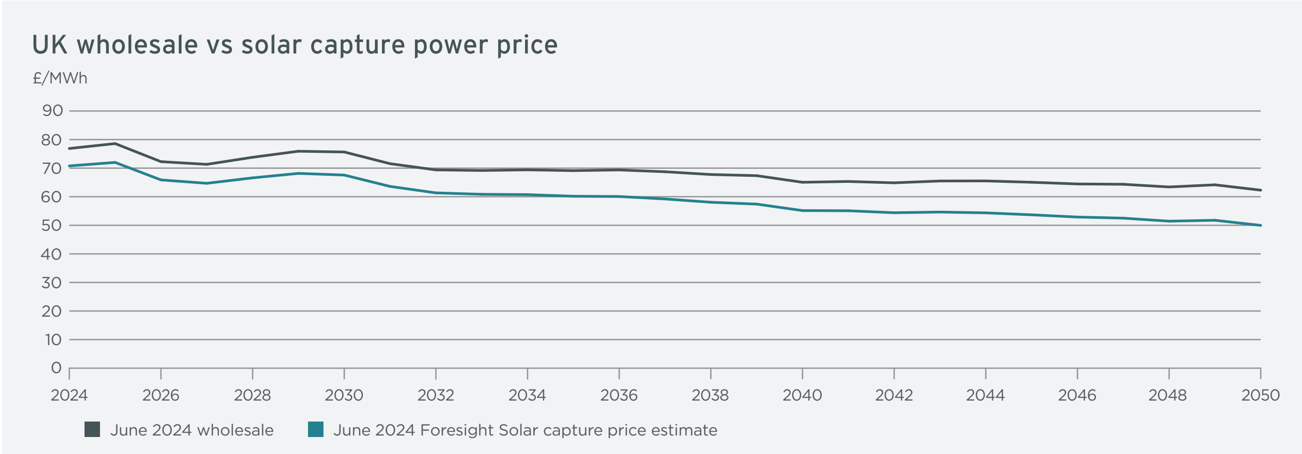
United Kingdom

Wholesale power prices fell in comparison to 2023, with N2EX Day Ahead prices averaging £65/MWh across the first six months of the year.

Foresight Solar benefited from its active price hedging strategy, locking in attractive power prices and securing income to underpin its progressive dividend. Arrangements signed during 2022 with fixed prices at higher rates than the current wholesale prices guarantee advantageous conditions into 2026 for some assets. As a result, the average realised price across the UK portfolio, including fixed price arrangements and merchant exposure, was £89.57/MWh – 37.5% above the N2EX average for the period from January to June.

The Investment Manager continually monitors opportunities to enter new fixed price arrangements up to five years ahead to provide more certainty over future revenue and ensure cover for the dividend target.





INVESTMENT MANAGER'S REPORT CONTINUED

POWER PRICES CONTINUED

United Kingdom continued

Price forecasts

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

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

For assets with subsidy arrangements in place for a period shorter than their 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 materially in the short to mid term in comparison to December 2023, whilst long-term power forecasts rose slightly. The most significant falls happened in the period between 2024 and 2026, which corresponds to the window in which the Company has already fixed high levels of energy sales, limiting the exposure to falls in merchant prices.

Overall, the average annual decrease in the longer term (post-2026) was 1.1%, reflecting Foresight Solar's view on capture price discounts.

A relatively small source of revenue for Foresight Solar, Renewable Energy Guarantees of Origin (REGOs) are certificates used to assure the green source of electricity sold into the grid. Brexit had a direct impact in the electricity market, driving up the prices for these documents because of the UK regulator's stricter eligibility criteria.

Some of the Company's PPAs include REGOs as part of the agreements. FSFL also sells the certificates independently, via bilateral arrangements. Foresight Solar takes a balanced approach to their valuation, applying to its models the figures it has agreed with buyers for the period contracted. Only after securing higher prices for its REGOs did the Company update its forecasts – and in line with the views of third-party advisors.

Spain

Renewable electricity generation was particularly strong in the first six months of 2024, contributing more than 60% of the energy produced in the country. Hydro and solar made significant contributions, with production from the two technologies up 58% and 16% in relation to the first half of 2023, respectively.

The national government's goal is to reach 80% of electricity produced from renewables by 2030. The target has contributed to the fast roll-out of utility-scale solar and wind projects and, in turn, has pushed power prices down.

During the first half of 2024, however, electricity prices remained above historical averages at €89/MWh.

Price forecasts

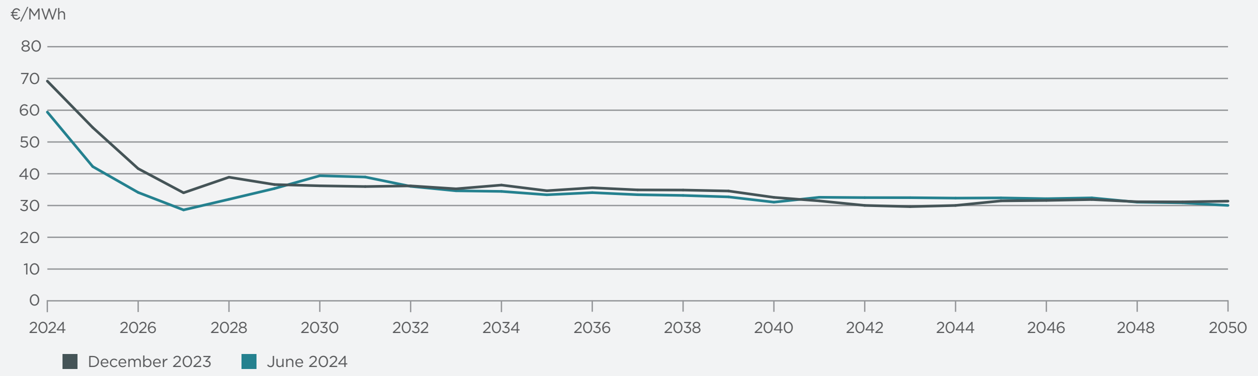
Although power price forecasts have improved over the course of 2024, the latest curves are below December 2023 estimates, especially in the near term. The view is more mixed from 2030.

As renewable energy capacity continues to increase in Spain, power price consultants have focused more on capture price discounts. Though estimates vary according to expected rates of installation, the consensus is that discounts are likely to grow over time – and this is reflected in the forecasts. In the two years Foresight Solar's Spanish portfolio has been operational, realised capture discounts have progressively increased – although much of the jump registered in 2024 is credited to exceptional hydroelectric production.

The Investment Manager will continue to use consultants' forecasts as appropriate. Once enough data from the projects has been gathered, the Company will factor in the market's capture discounts.

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.

Spain wholesale power prices



INVESTMENT MANAGER'S REPORT CONTINUED

POWER PRICES CONTINUED

Australia

During the first half of 2024, the time-weighted average power price across the National Electricity Market (NEM) was A$115/MWh, 13% higher than the A$102/MWh registered in the same period of 2023.

In January, higher operational demand and interconnector issues caused volatility in Queensland's electricity supply, pushing prices to almost A$120/MWh for most of the first quarter.

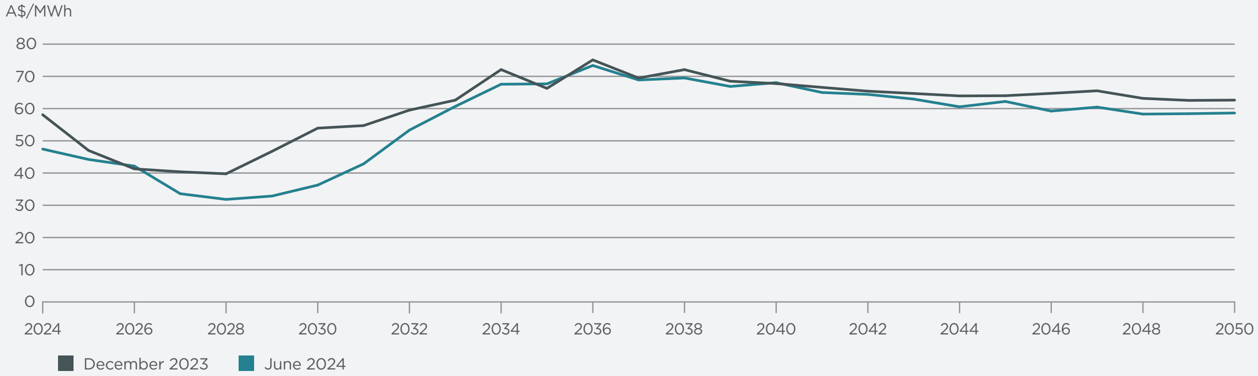
Meanwhile, in Victoria, the lack of wind resulted in significant price volatility across peak hours in the three months to June. Despite an additional 2.5GW of wind capacity since 2021, the aggregated yield from wind farms so far this year is the lowest in at least half a decade, contributing to drive power prices higher. The constrained supply ended up having an effect across all NEM regions and leading to prices reaching A$300/MWh in several instances.

Price forecasts

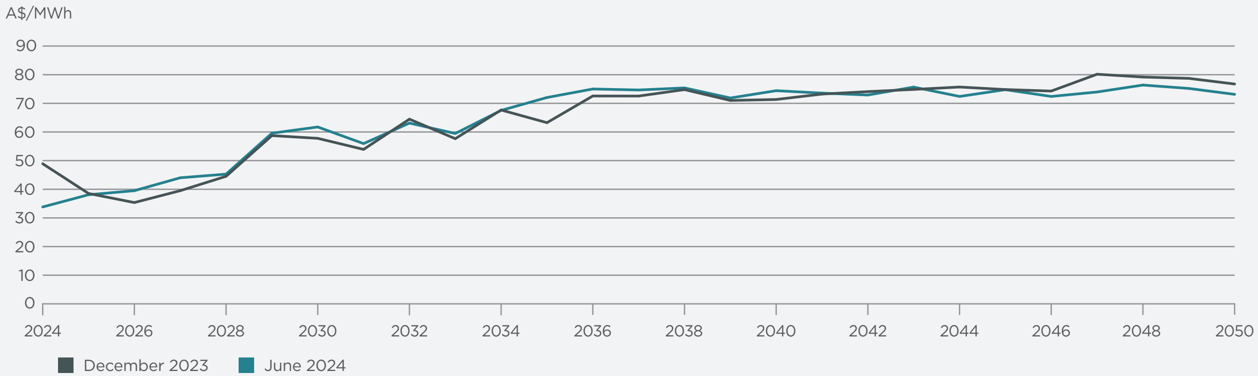
Power price forecasts for Victoria, where Bannerton is located, have not materially changed in comparison to the 31 December 2023 curves. The estimates for Queensland, however, where Foresight Solar's other three projects operate, have fallen materially. The biggest impact is in the short and medium term, out to the early 2030s.

Whilst coal power stations continue to provide the core of Australia's baseload power and battery storage builds up capacity in the country, curtailment will remain an issue for renewable energy generators. The challenge has gained prominence in recent years as solar, both utility-scale and rooftop, and wind capacity have grown.

Queensland wholesale power prices



Victoria wholesale power prices



INVESTMENT MANAGER'S REPORT CONTINUED

OPERATIONAL REVIEW

Global portfolio performance

Across Foresight Solar's global portfolio, poor irradiation – 3.3% below base case – contributed to electricity generation being 7.1% lower than expected. There were challenges with poor weather in the UK, difficult environmental conditions in Spain, and curtailment and negative power prices in Australia.

United Kingdom portfolio performance

Operational performance in the six months to 30 June 2024 was below budget, with electricity generation 4.3% behind base case after adjusting for minor compensation payments received from operation and maintenance (O&M) counterparties and project insurance receipts. This was predominantly caused by irradiation 2.7% below budget, directly affecting production, alongside the impact from unplanned network outages and inverter issues on certain sites.

UK irradiation and portfolio production against budget

	HY2014	HY2015	HY2016	HY2017	HY2018	HY2019	HY2020	HY2021	HY2022	HY2023	**HY2024**
Irradiation	-2.2%	+7.7%	-2.0%	-1.4%	+3.2%	+3.1%	+17.1%	+2.6%	+8.9%	+6.2%	**-2.7%**
Production	+2.4%	+7.4%	-9.8%	-1.9%	+0.9%	+2.9%	+15.9%	+3.4%	+8.0%	+4.3%	**-4.3%**

Notwithstanding one of the wettest first quarters on record in the UK, improved weather and good availability resulted in strong generation from April to June. Add to that Foresight Solar's active power price hedging strategy and FSFL had another period of steady cash flow from operations, with distributions modestly down. (Full details of the Company's cash flows are available from page 36.)

The Asset Manager continues to foster good relationships with local DNOs and has regularly negotiated to reduce the number of days required for planned outages or to move them to periods of lower irradiation.

This proactive approach to reduce the length of stoppages is reflected in the portfolio's performance. Excluding network outages, UK production during the period would have been better at 3.9% below base case.

As assets pass the ten-year mark, dedicated initiatives to ensure performance become more important. As a preventative measure, for example, the Asset Manager has opted to upgrade inverters at several of the Company's sites.

Following a successful first phase of works last year, 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.

Separately, efforts continued to extend leases and optimise the value of sites. More than 40MW of capacity are currently in advanced discussions with landlords. Overall, the Investment Manager is prioritising extensions of projects with a total installed capacity of 311MW, roughly a third of the current operational portfolio.

Spain portfolio performance

Operational performance across the four Spanish sites was impacted by bad weather in the first six months of the year, with electricity generation 7.9% below budget as recorded irradiation was 3.7% lower than expected. The Lorca portfolio was impacted by rain carrying dust and sand from the Sahara in the second quarter, resulting in soiling of the panels and requiring cleaning more often than usual.

The Asset Manager has already engaged the EPC to find a solution to minimise the potential impact of these storms. The grid also faced several unplanned outages.

Australia portfolio performance

The four Australian assets were, in total, 14.0% below budget in the first half of 2024. This was mostly due to operational challenges and AEMO curtailment affecting two plants.

In Queensland, Oakey 2 had to operate at reduced capacity during the second quarter because of transformer issues with long repair lead times. The parts were fixed in August, ensuring the plant was back in full operation by the end of the month. Meanwhile, Bannerton suffered higher-than-expected curtailment imposed by the Australian Energy Market Operator.

Excluding network outages, UK production during the period would have been better at 3.9% below base case.

INVESTMENT MANAGER'S REPORT CONTINUED

MOVEMENTS IN NET ASSET VALUE

Valuation methodology

The Investment Manager is responsible for providing fair market valuations of the Company's underlying assets to the Board of Directors every quarter. A broad range of assumptions is used in the models. These assumptions are based on long-term forecasts and generally are not materially affected by short-term fluctuations, economic cycles, or portfolio technical performance unless they represent a significant movement. Material changes to long-term forecasts typically have a greater impact.

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

The current portfolio consists of non-market-traded investments, and valuations are based on a DCF methodology or are held at cost until the assets reach commissioning, at which point they move to a DCF methodology.

This approach adheres to both IAS 39 and IFRS 13 accounting standards (see page 59 for more detail), as well as the International Private Equity and Venture Capital Valuation Guidelines.

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

Discount rates for valuation

The Investment Manager regularly reviews the discount rates used across the portfolio to ensure they remain in line with any market changes and the Company's risk profile.

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

As a result of yields stabilising in the market, the Company held discount rates for the UK portfolio flat at 8.00%.

The discount rate used for UK asset cash flows which have received lease extensions beyond the initial 25-year investment period is 9.00% for subsequent years, reflecting the merchant risk of the expected cash flows beyond the first two and a half decades.

For the Australian portfolio, assets are valued using a discount rate which is dependent on the level of contracted revenue in place. After a benchmarking and rebalancing exercise for the Australian portfolio, the Board approved a slight adjustment to lower the weighted average discount rate to 8.28% (31 December 2023: 8.37%).

Spanish discount rates were decreased by 100 basis points during the period, now with an unlevered rate of 6.25% for Virgen del Carmen (31 December 2023: 7.25%) and a levered rate of 6.75% for the Lorca portfolio (31 December 2023: 7.75%). This is based on the transactional evidence provided by the sale of Lorca in December 2023, which offered proof points of reduced discount rates applying across the market and the fact that Euribor is significantly lower than SONIA.

Non-UK asset valuations are updated quarterly to reflect movements related to exchange rates.

The weighted average levered discount rate across the portfolio is now 7.89% (31 December 2023: 8.03%).

Other assets under construction, such as the Sandridge BESS project, continue to be held at cost. This is true for all development and construction assets, except for Clayfords and Lunanhead, where valuations were revised down because of a fall in the price of ready-to-build BESS projects.

Asset life

The expected weighted average life of the UK portfolio at 30 June 2024 was 31.1 years (31 December 2023: 31.1 years) from the date of commissioning. This represents a remaining portfolio useful life of 21.9 years when the historical operational periods are taken into consideration.

The average useful economic life across 40 of the 50 operational UK assets goes beyond 25 years, averaging 32.6 years from the date of commissioning. Conservative operational and lifecycle costs are incorporated into the extended useful life period.

The expected useful economic life for Australian assets was 37 years (31 December 2023: 37 years), and 40 years for the projects in Spain (31 December 2023: 40 years).

INVESTMENT MANAGER'S REPORT CONTINUED

MOVEMENTS IN NET ASSET VALUE CONTINUED

Movements in NAV

A breakdown in the movement of Foresight Solar's NAV during the first six months of the year is shown in the graph below.

Dividends paid

The Company paid dividends of £22.0 million during the six-month period to 30 June 2024.

Fund costs

Total costs were £5.2 million, predominantly composed of management fees, financing and corporation tax.

Other adjustments

Working capital adjustments resulted in a £0.1 million inflow.

Share buybacks

Foresight Solar deployed £16.0 million in the first half of the year to repurchase 17,672,531 shares. This was accretive to NAV because the acquisition prices were below the Company's holding Net Asset Value.

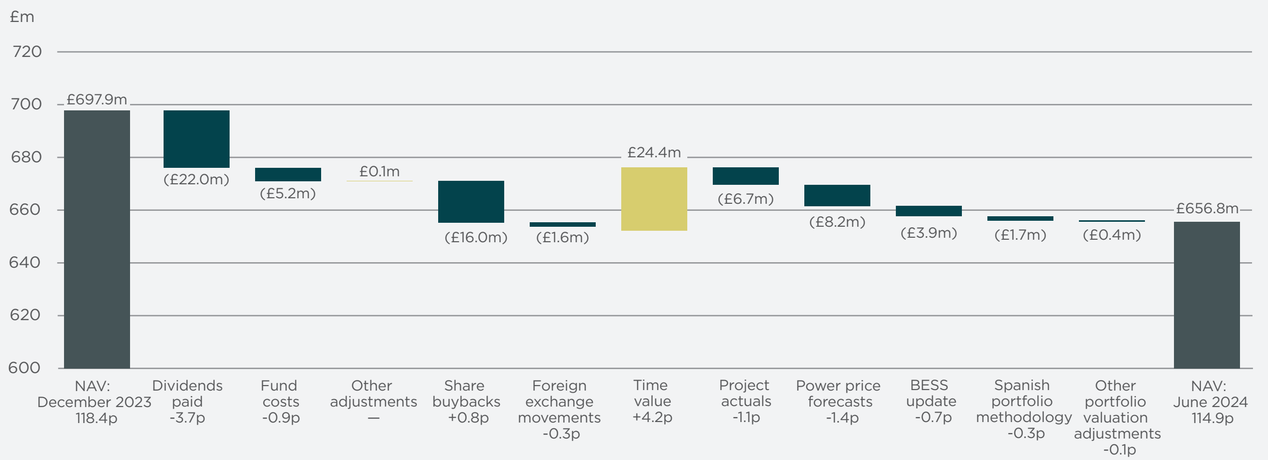
Foreign exchange movements

Fluctuations in the exchange rate over the period reduced the GBP valuation of Australian and Spanish assets by £1.6 million.

Time value

A value uplift of £24.4 million, resulting from moving the valuation date forward and, therefore, bringing future cash flows closer to the present (and discounting them less).

Movements in Net Asset Value



Project actuals

Reflects the cash performance of the portfolio compared with the modelled forecast for the period to 30 June 2024. The reduction of £6.7 million reflects lower-than-expected generation across the portfolio and below-budget merchant power prices.

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 £8.2 million during the period reflects the impact of the UK, Australian and Spanish price forecasts.

BESS update

The Company impaired its two pre-construction BESS assets, Clayfords and Lunanhead, due to a reduction in pricing across the UK battery market. Foresight Solar continues to hold Sandridge BESS at cost since it is expected to become operational next year.

Spanish portfolio methodology

Represents the movement to return the Lorca portfolio to a DCF approach after the sale of a 50% stake in November 2023. The slight downside reflects prudence against the value secured in the sale.

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 value reduction of £0.4 million.

INVESTMENT MANAGER'S REPORT CONTINUED

MOVEMENTS IN NET ASSET VALUE CONTINUED

Movements in NAV 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 prudent approach.

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

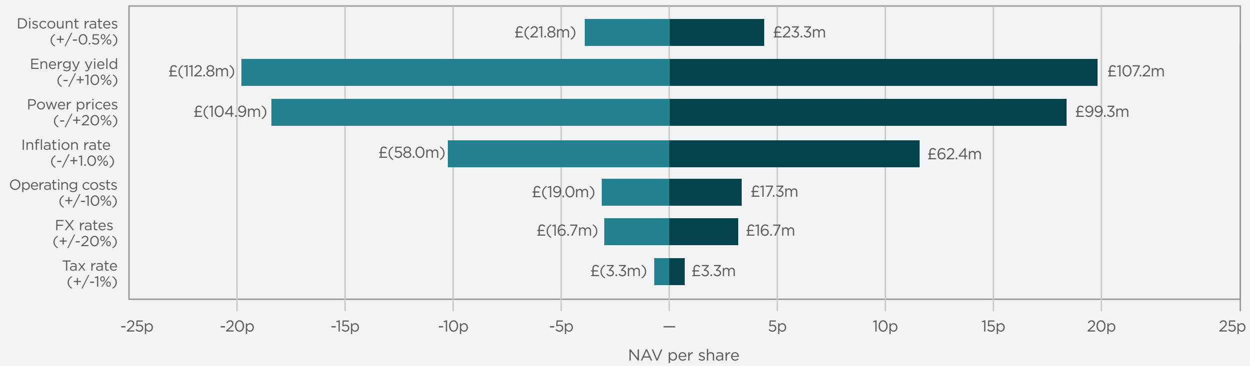
The Investment Manager has set out the inputs which it has ascertained would have a material effect on the NAV in note 16 of the Financial Statements. All sensitivities are calculated independently of each other.

United Kingdom portfolio valuation

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

The reduction in the first half of 2024 was driven by debt repayments that lowered the total enterprise value of the assets.

Impact on NAV per share



United Kingdom portfolio valuation

All amounts presented in £million (except as noted)	**30 June 2024**	31 December 2023	30 June 2023
Portfolio value	**£584.2**	£584.1	£620.2
Cash held	**£25.4**	£25.4	£14.8
Portfolio equity valuation	**£558.8**	£558.8	£605.4
Debt	**£283.1**	£290.7	£301.7
Enterprise valuation	**£841.9**	£849.5	£907.1
Capacity (MW)	**723.1**	723.1	723.1
£m/MW	**1.16**	1.17	1.25

SUSTAINABILITY

WHAT'S IN THIS SECTION

APPROACH TO SUSTAINABILITY 25
SUSTAINABLE IMPACT REPORTING 26
KEY SUSTAINABILITY METRICS 27
CASE STUDY: BIODIVERSITY NET GAIN POTENTIAL UPSIDE 28

530.0GWh
of clean electricity generated

196,332
UK homes powered

185,289tCO_2e
avoided compared to country-specific grid

£112,383
contributed to local communities

0.13
carbon footprint (tCO_2e/£m invested)

WYMESWOLD, 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 make a significant contribution to mitigating climate change – 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 the Company's operations.

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

- Establishing investment strategies informed by sustainable investment principles and considering climate risks and nature-related opportunities
- Incorporating sustainability into investment processes using proprietary systems for assessing and enhancing sustainability performance throughout the investment lifecycle
- Ongoing monitoring and management of sustainability performance through the collection and analysis of portfolio sustainability metrics, driving optimisation
- Reporting transparently to all relevant stakeholders

Tracking performance

The nature of Foresight Solar's operations means it is well positioned to deliver attractive financial returns alongside positive environmental and social outcomes. The inherent sustainability features, alongside FSFL's London listing and the characteristics of its Shareholder base, led the Board to seek equivalency to the Sustainability Focus label even though the regulation and its investment labels currently apply only to UK-domiciled funds.

The FCA has, however, confirmed its intention to consult on how the regime can be extended to overseas-registered investment trusts later this year.

In any case, FSFL is voluntarily seeking to demonstrate alignment with a Sustainability Focus label as a matter of best practice, and will make available pre-contractual and consumer-facing disclosures in accordance with the regulation's requirements and timeframes.

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

Foresight Solar invests only in solar PV and battery storage, both of which are eligible under the EU Taxonomy for sustainable activities. The Company's level of 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, to demonstrate that sites can be considered aligned.

At the portfolio level, the reported 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 benefit, 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 and the following page demonstrate FSFL's performance against the KPIs of its investment objective and the Company's contribution to the relevant SDGs and their underlying targets.

Investment objective

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

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

SUSTAINABILITY CONTINUED

APPROACH TO SUSTAINABILITY CONTINUED

Sustainable impact reporting

Foresight Solar's contributions to the SDGs are correlated to the Company's portfolio and its renewable energy generation. Variations in those factors and inputs will have a direct effect on the KPIs presented.

3 Good health and well-being

Target: Substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination.

Contribution: Achieved through the reduction of pollution and emissions by the installation and management of clean energy generation assets.

286,254kg

NOx (nitrous oxide) avoided vs energy generated from gas

(HY2023: 354,248kg)

4,982kg

PM10 (µm10 particulate matter) avoided

(HY2023: 6,167kg)

209,920kg

SOx (sulphur dioxide) avoided

(HY2023: 259,782kg)

2,279kg

PM2.5 (µm2.5 particulate matter) avoided

(HY2023: 2,821kg)

7 Affordable and clean energy

Target: Increase the share of renewable energy in the global energy mix.

Contribution: Achieved by reducing reliance on fossil fuels by investment in utility-scale, renewable energy generation.

530GWh

Renewable energy generated

(HY2023: 656GWh)

196,332

UK homes powered for a year

(HY2023: 226,212)

9 Industry, innovation and infrastructure

Target: Develop quality, reliable, sustainable and resilient infrastructure to support economic development and human well-being, with a focus on affordable and equitable access for all.

Contribution: Achieved by future-proofing energy systems through investment in generation assets, using the latest technologies to maximise electrical output.

969MW

Renewable generation capacity connected to the electricity grid

(HY2023: 1,018MW)

13 Climate action

Target: Improve education, awareness and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning.

Contribution: Achieved by raising awareness and improving institutional capacity on climate change mitigation.

185,290tCO_2e

Emissions avoided compared to grid

(HY2023: 235,744tCO_2e)

15 Life on land

Target: Take urgent and significant action to reduce the degradation of natural habitats, halt the loss of biodiversity and protect and prevent the extinction of threatened species.

Contribution: Achieved by preserving the integrity of land through investment in low-polluting technologies and introducing environmental initiatives that through active asset management support biodiversity.

45,580 TOE avoided

(Tonnes of oil equivalent) Contributing to the avoidance of fossil fuel use

(HY2023: 56,407 TOE avoided)

SUSTAINABILITY CONTINUED

APPROACH TO SUSTAINABILITY CONTINUED

Emissions reporting

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

To minimise its direct carbon footprint, the Company has continued efforts to limit Scope 1 and Scope 2 emissions, those over which it has direct control.

Part of that work involves the shift to green sources for the few assets not already on renewables tariffs. This push has led the vast majority of the portfolio to draw from green electricity for on-site consumption, resulting in a reduction in emissions of approximately 87% since Foresight Solar started tracking Scope 2 in 2021.

Not having any issues in its operations in the first half of 2024, FSFL's Scope 1 emissions fell to close to their historical average. The jump in Scope 3, meanwhile, is explained by last year's increase in the PCAF emissions factors used in the calculations: the figures went up as much as four-fold in some cases.

Key sustainability metrics

GHG emissions

4.6

(HY2023: 109.4)
Scope 1 GHG emissions (tCO_2e)

78.7

(HY2023: 178.4)
Scope 2 GHG emissions (tCO_2e)

55,847.2

(HY2023: 8,647.6)
Scope 3 GHG emissions (tCO_2e)[1]

Carbon footprint

0.13

(HY2023: 0.40)
Carbon footprint (tCO_2e/£m invested)

Weighted Average Carbon Intensity (WACI) of investee companies

0.88

(HY2023: 2.55)
WACI of investee companies (tCO_2e/£m revenue)

Share of non-renewable energy consumption and production

93%

(HY2023: 97%)
% share of assets with a renewables tariff for on-site consumption

92%

(HY2023: 88%)
% of overall portfolio consumption from renewable sources

100%

(HY2023: 100%)
% of energy generated from renewable sources

Sustainability metrics per outstanding share

0.93kWh/share

(HY2023: 1.02kWh/share)
% of energy generated from renewable sources

324.2gCO_2e avoided/share

(HY2023: 389.1gCO_2e avoided/share)
Emissions avoided compared to country-specific grid intensity

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

CASE STUDY:

BIODIVERSITY NET GAIN POTENTIAL UPSIDE

Opportunity

In 2021, the government passed into law the Environment Act in England, establishing a strategy to develop land and contribute to the recovery of nature.

The legislation mandates new infrastructure projects granted planning permission to deliver a minimum 10% biodiversity net gain. Those that are not able to do so have to buy credits to compensate, creating a mechanism like the already established carbon credit market.

These biodiversity credits may open a new source of revenue for FSFL. The Company's sites have the potential to generate additional income as a result of the positive environmental impact of, for example, planting and growing wildflowers, hedges and other typical habitats.

To formalise a benchmark, the Department for Environment, Food & Rural Affairs set out the prices for statutory biodiversity credits. The numbers are based on the cost to create, maintain and monitor different habitat types with an added mark-up to prevent them from undercutting the tradeable market.

Approach

The Company started a baselining assessment to gauge the scale of the opportunity. By the end of it, technical advisors will have conducted thorough analysis of Foresight Solar's 50 UK solar plants to measure their current ecological status, calculate the equivalent potential biodiversity gain and establish a roadmap for manageable enhancements.

The analysis consists of two main stages:

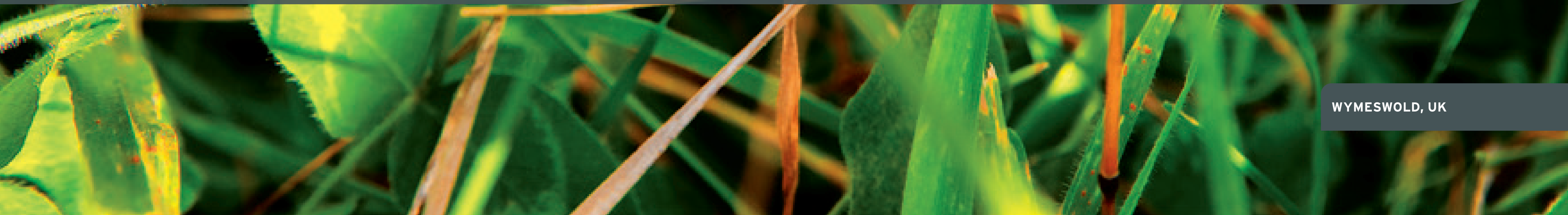
1. Desktop studies to identify the sites with the most potential across the portfolio.
2. On-site surveys for priority locations to scope and implement enhancements with the highest environmental and financial upside.

Progress

Results from phase one have been mapped across the entire portfolio, and careful analysis indicated a selection of 13 locations highly suitable for phase two.

A key criteria for their inclusion in the next step was the number of estimated biodiversity units that could be generated – most of them in areas of heathland and shrub, grassland and hedgerow. The site visits, however, will determine the ultimate biodiversity net gain potential for each project.

The Asset Manager expects the full analysis to be completed by the end of 2024, at which point the Company will have a clearer understanding of the potential environmental and financial upside of the initiative.

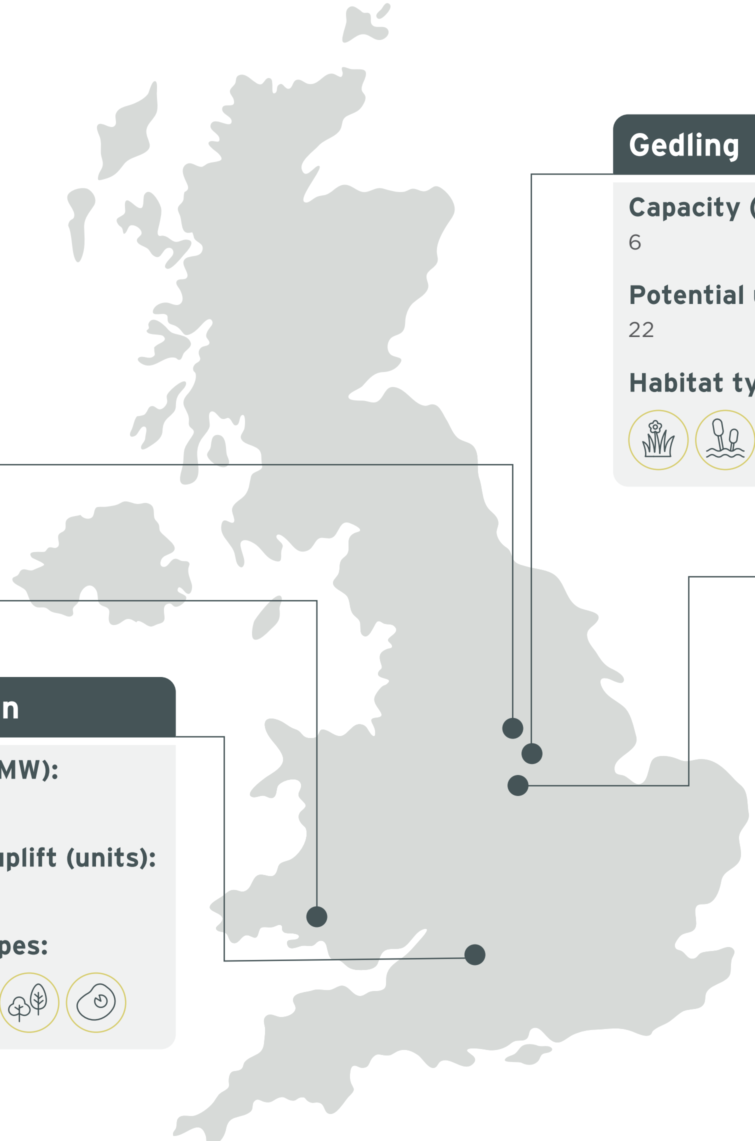


WYMESWOLD, UK

SUSTAINABILITY CONTINUED

CASE STUDY:

BIODIVERSITY NET GAIN POTENTIAL UPSIDE CONTINUED



Welbeck

Capacity (MW):
11

Potential uplift (units):
12

Habitat types:

Pen y Cae

Capacity (MW):
7

Potential uplift (units):
8

Habitat types:

High Penn

Capacity (MW):
10

Potential uplift (units):
24

Habitat types:

Gedling

Capacity (MW):
6

Potential uplift (units):
22

Habitat types:

Wymeswold

Capacity (MW):
34

Potential uplift (units):
60

Habitat types:

Grassland Wetland Scrub Hedgerows Trees Pond Woodland

RISK AND RISK MANAGEMENT

Risks are identified according to the Company's investment objectives and existing policies, with the levels of risk tolerance ultimately defined by the Board.

Foresight Solar is exposed to multiple risks that have the potential to materially affect its valuation, reputation and financial or operational performance. The nature and levels of risk are identified according to the Company's investment objectives and existing policies, with the levels of risk tolerance ultimately defined by the Board.

The principal risks and uncertainties affecting the Company are considered broadly similar to those reported from page 56 of the audited Annual Report and Financial Statements for the year ended 31 December 2023, albeit with some changes to emphasis given current market conditions. Read more about risks in the full year document, which can be found at: **fsfl.foresightgroup.eu/shareholder-centre**.

Changes to the level of the risks that can have a short to medium-term impact as assessed by the Board during the period are identified in the table below.

1	–	Regulatory change, including changes to subsidies
2	–	Access to capital
3	–	Near-term and long-term energy prices
4	–	Fund performance
5	–	Portfolio performance
6	–	Financial gearing
7	–	Counterparty risk
8	–	Supply chain
9	▲	Development-stage investments
10	–	Changing climate patterns

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

Risks related to 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 having established reasonable viability to secure the necessary development rights.

There is, therefore, a risk that these investments may not progress to construction, ultimately becoming an irrecoverable sunk cost.

The capital requirements involved in development-stage opportunities predominantly cover the costs of materials, 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 costs.

At this early stage, more significant investment can also be deferred to when there is greater certainty projects will receive planning permission. Deal structuring is key to improve 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.

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 Hold Co) 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 FSFL's investment activities on behalf of the parent which are incidental to the management of the portfolio.

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

For the Company's detailed Financial Statements, including the profit and loss and the cash flow statements, refer to the section from page 41 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 45.

Net assets

Net assets on 30 June 2024 decreased 6.9% to £656.8 million from £697.9 million at 31 December 2023. This was primarily due to the reduction in cash through the share buyback programme, reducing the NAV by £16.6 million during the period, in addition to reduced power price forecasts and actual generation below budget for the period. The NAV movements are detailed in the Investment Manager's report from page 22.

The net assets of £656.8 million comprise the £1,041.5 million portfolio of UK, Australian and Spanish solar and UK battery storage investments and the Group's cash balance of £47.6 million, offset by £354.0 million long-term debt, £74.5 million of outstanding RCF debt and other net liabilities of £3.8 million.

Analysis of the Group's net assets at 30 June 2024

All amounts presented in £million (except as noted)	**At 30 June 2024**	At 30 June 2023	At 31 December 2023
Gross portfolio value[1]	**1,041.5**	1,136.7	1,061.9
Intermediate holding companies' cash	**46.9**	102.3	79.2
Intermediate holding companies' long-term debt	**(354.0)**	(395.6)	(367.6)
Intermediate holding companies' revolving credit facility	**(74.5)**	(115.0)	(75.0)
Intermediate holding companies' other liabilities	**(3.4)**	(2.7)	(1.7)
Fair value of the Company's investment in portfolio[2]	**656.5**	725.7	696.8
Company's cash	**0.7**	1.2	2.0
Company's other liabilities	**(0.4)**	(0.3)	(0.9)
Net Asset Value	**656.8**	726.6	697.9
Number of Ordinary Shares	**571,566,814**	605,906,889	589,239,345
Net Asset Value per share	**114.9p**	119.9p	118.4p

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 42.

FINANCIAL REVIEW CONTINUED

Third-party debt arrangements and gearing position

Total outstanding debt including the RCF was £428.4 million, representing 39.5% of GAV (31 December 2023: £442.6 million or 38.8%, 30 June 2023: £510.6 million or 41.3%).

The Company's net debt position, after deducting existing cash balances, was £380.9 million, representing 35.1% of GAV (31 December 2023: £361.4 million or 31.7%, 30 June 2023: £407.1 million or 32.9%).

Long-term facilities

As at 30 June 2024, outstanding long-term debt was £354.0 million, representing 32.6% of GAV (31 December 2023: £367.6 million or 32.2%, 30 June 2023: £395.6 million or 32.0%). Of that total, £87.3 million was linked to inflation (31 December 2023: £88.1 million, 30 June 2023: £90.9 million).

At the six-month mark, the average cost of long-term debt was 3.98% per annum, including the inflationary increase of the nominal balances of the indexed-linked facilities (31 December 2023: 4.15%, 30 June 2023: 4.96%). The cost of these facilities is expected to increase over time according to the Company's long-term annual Retail Prices Index (RPI) expectations of 3% in the medium term and 2.25% post-2030.

Following the final repayment of the variable-rate loan for FS Holdco in March 2024, the Company's long-term debt is fully hedged against interest rate exposure through interest rate swaps.

Revolving credit facilities

As at 30 June 2024, the Company had used £74.5 million of its RCF, with £75.5 million remaining undrawn. Of the undrawn balance, £1.4 million was allocated to letters of credit.

During the period, £43.2 million of the RCF facility was repaid and, on the same day, redrawn as €50.3 million. This was completed to reduce the exposure to SONIA and save interest expenditure on the spread between SONIA charged on the GBP tranche of the loan and Euribor charged on the EUR tranche of the loan. The EUR tranche was sized to align with the valuation of the Spanish operational portfolio, and in doing so, a natural hedge was created to offset the currency exposure.

This treasury management initiative lowered the weighted expected cost of the interest payable on the revolving credit facility by 80 basis points and, based on current rates, has the potential to save at least £360,000 in interest payments until the end of the year.

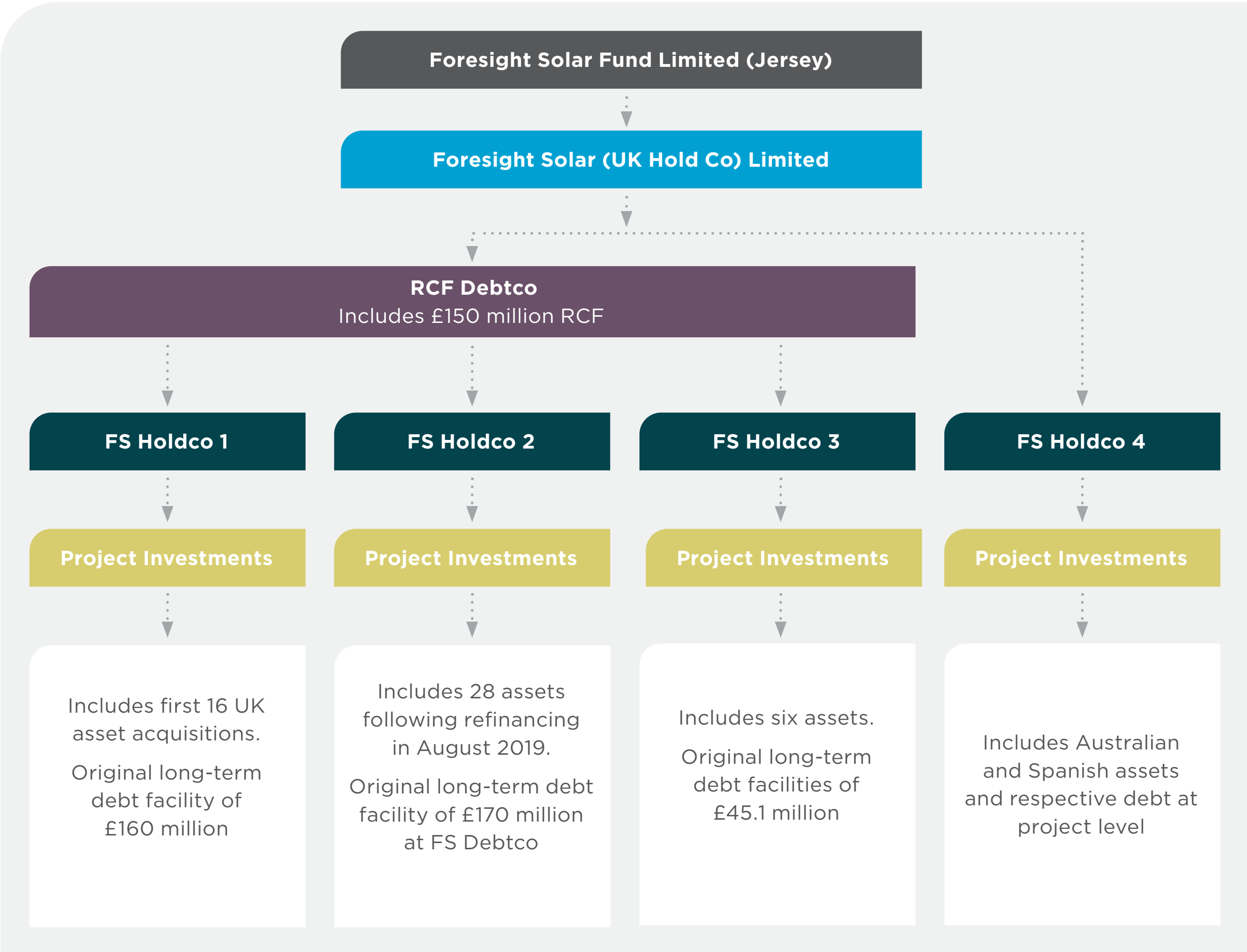
No RCF balance was repaid during the period. Favourable movements in currency exchange rates, however, led to a £0.5 million reduction in the outstanding amount in comparison to 31 December 2023.

At the half-year, the weighted average cost of the RCF was 7.17% per annum (31 December 2023: 6.62%, 30 June 2023: 4.13%), including one month of savings from the change to drawing in EUR instead of GBP.

WYMESWOLD, UK

FINANCIAL REVIEW CONTINUED

Debt structure[1]



1. Simplified for illustrative purposes. For outstanding debt balances please refer to the table on page 34.

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 £354.0 million of long-term debt. The short-term £74.5 million RCF, equivalent to 17.4% 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.

FINANCIAL REVIEW CONTINUED

Debt structure continued

The following table summarises the Company's debt position as at 30 June 2024.

Borrower	Holding vehicle	Provider	Facility type	Outstanding (m)	Maturity	Interest rate hedge	Applicable rate
FS Holdco	FS Intermediate Holdco	MIDIS	Fixed rate, fully amortising	£53.9	Mar-34	100%	3.78%
		MIDIS	Inflation linked, fully amortising	£62.2[1]	Mar-34	N/A	RPI Index + 1.08%
Total				**£116.1**			
FS Debtco	FS Holdco 2	SMBC/LBBW	Term loan, fully amortising	£138.9	Mar-36	100%	SONIA + 1.30% (margin step to 1.35% in 2029)
Total				**£138.9**[2]			
Second Generation Portfolio 1	FS Holdco 3	MIDIS	Fixed rate, fully amortising	£2.9	Aug-34	100%	4.40%
			Inflation linked, fully amortising	£25.2[1]	Aug-34	N/A	RPI Index + 1.70%
Total				**£28.1**[3]			
Global Solar Energy 27 SL (Lorca)	FS Holdco 4	BayernLB	Senior loan	€12.2[6]	Dec-31	100%	Double tranche: €20m at 1.61% fixed rate, €8m at Euribor + 210bps
Total				**€12.2**[3]			
Foresight Solar Australia Pty Ltd	FS Holdco 4	CEFC	Term loan	A$35.8[4]	Jun-26	100%	Base rate (0.96375%) + margin (2.00%)
Longreach		ANZ/ Deutsche	Term loan	A$18.4	Apr-27	100%	BBSY Base rate + margin (1.20%)
Oakey 1		ANZ/ Deutsche	Term loan	A$29.8	Apr-27	100%	BBSY Base rate + margin (1.20%)
Oakey 2 Finco Pty Ltd		CEFC	Term loan	A$30.7	Dec-24	100%	Base rate (4.79%) + 2.25%
Total				**A$114.7**[5]			
Total long-term debt				**£354.0**[5]			
RCF Debtco	UK Hold Co	AIB/Barclays/ Lloyds/ NatWest	Revolving credit	£31.8	Feb-26	0%	SONIA + 1.9%
RCF Debtco	UK Hold Co	AIB/Barclays/ Lloyds/ NatWest	Revolving credit	€50.3	Feb-26	0%	Euribor + 1.9%
Total revolving debt				**£74.5**			
Total debt				**£428.4**			

1. Nominal loan balance as at 30 June 2024 with the applicable RPI applied.
2. Interest rate swap for 100% of the outstanding debt during the initial five years, 75% from years six to ten and 50% thereafter.
3. EUR/GBP exchange rate of 0.8477 as at 30 June 2024.
4. Bannerton project debt prorated for Company's share of asset ownership.
5. AUD/GBP exchange rate of 0.5283 as at 30 June 2024.
6. Lorca portfolio debt prorated for Company's share of asset ownership.

FINANCIAL REVIEW CONTINUED

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 £60.6 million to 30 June 2024. Falling merchant power prices in all markets, combined with below-budget global production, resulted in revenue 6.6% below expectations for the six months and total operating profit 6.8% under forecasts. (Refer to page 41 for the Company's full profit and loss statement.)

Foreign exchange

The Company is exposed to foreign exchange movements in respect of its investments in Australia and Spain. As such, the Company 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 EUR tranche of the RCF, mitigating FX exposure.

For the Australian assets, the Company 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 EUR cash flows being available to service EUR RCF interest.

The Company reviews its foreign exchange strategy on a regular basis 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.

Combined profit and loss of the underlying investments for the period to 30 June 2024

For the period ended 30 June 2024	UK £m	Australia A$m[1]	Spain €m[2]	Combined £m
Revenue				
Wholesale revenue	31.9	6.6	2.0	37.1
Subsidised revenue[3]	35.1	1.0	–	35.6
Other income	1.7	0.2	–	1.8
Total revenue	68.7	7.8	2.0	74.5
Operating expenditure				
O&M quarterly	(2.9)	(0.6)	(0.1)	(3.3)
O&M variable	(0.6)	(0.2)	–	(0.7)
Other operating costs	(7.6)	(3.3)	(0.6)	(9.9)
Total expenditure	(11.1)	(4.1)	(0.7)	(13.9)
Total operating profit (EBITDA)	57.6	3.7	1.3	60.6

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 0.5235.
2. The profit and loss accounts of the Spanish assets are combined using an average EUR/GBP exchange rate of 0.8581.
3. Subsidised revenue consists of ROCs, ROC recycle, Feed-in Tariff, embedded benefits and LGCs.

FINANCIAL REVIEW CONTINUED

Cash flows of the Company and intermediate holding companies

During the six months to 30 June 2024, the underlying solar assets paid £28.4 million of ordinary distributions to the intermediate holding companies. Distributions were received from entities in the UK and Spain. (Refer to page 44 for the Company's cash flow statement.)

Cash received from underlying solar 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 £1.5 million acquisition costs relate to the investments in Sandridge Battery Storage Limited and Clayfords Energy Storage Limited.

A total of £4.1 million was paid to reduce the loan principal for Oakey 1 and Longreach in Australia. The payment was needed to support compliance with lender covenants. Record levels of economic curtailment and grid outages in the second half of 2023 put pressure on the projects' near-term revenues, requiring the pre-payment.

In the first half of the year, Foresight Solar also repurchased 17.7 million of its shares through its £50 million buyback programme. As expected, the process proved to be in Shareholders' interests, delivering NAV accretion to the tune of 0.8 pence per share. FSFL has deployed more than £35 million of its initial allocation, resulting in a cumulative 1.9 pence per share NAV uplift since the Company began repurchasing its shares in May 2023.

Cash flows of the Company and intermediate holding companies for the six-month period to 30 June 2024

All amounts presented in £million	**Six-month period ended 30 June 2024**	Six-month period ended 30 June 2023	12-month period ended 31 December 2023
Cash distributions from underlying investments	**28.4**	52.3	120.4
Electricity Generator Levy	**—**	—	(7.8)
Administrative expenses	**(1.3)**	(1.1)	(2.3)
Directors' fees and expenses	**(0.2)**	(0.2)	(0.3)
Investment management fees	**(3.2)**	(3.7)	(7.0)
Financing costs (net of interest income)	**(5.8)**	(6.1)	(13.5)
Repayment of long-term debt facilities	**(8.3)**	(7.8)	(18.2)
Cash flow from operations	**9.6**	33.5	71.3
Acquisition of new assets	**(1.5)**	(4.3)	(10.8)
Divestments	**—**	—	24.0
Net drawings and repayments of RCF	**—**	—	(40.0)
Debt resizing, equity cures and arrangement fees	**(4.1)**	—	(0.5)
Share buyback	**(16.6)**	(4.2)	(19.2)
Other	**1.0**	(1.0)	(0.4)
Dividends paid in cash to Shareholders	**(22.0)**	(21.7)	(44.4)
Cash movement in the period	**(33.6)**	2.3	(20.0)
Opening cash balance	**81.2**	101.2	101.2
Group cash balance	**47.6**	103.5	81.2

FINANCIAL REVIEW CONTINUED

Dividends

The Company is targeting full-year dividends in respect of the year ending 31 December 2024 of 8.00 pence. It has, so far, paid the first interim dividend of 2.00 pence per share, totalling £22.0 million.

Foresight Solar has met all target dividends since IPO and adopts a progressive dividend policy, aiming to grow its payouts sustainably over time. With the distribution made so far this year, FSFL has paid out £317 million to Shareholders since listing on the London Stock Exchange in 2013.

Dividend cover

One of the wettest first quarters in UK recorded history, poor weather in Spain and Australia, and falling power prices across all markets resulted in lower cash distributions from the Company's underlying investments.

Based on the continuation of good operational availability and estimated fund level costs, the Investment Manager expects a target net dividend cover of 1.4x for the 12 months to 31 December 2024.

Ongoing charges

The ongoing charges ratio for the period to 30 June 2024 was 1.15% (31 December 2023: 1.15%). This has been calculated using methodology as 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.

Dividend timetable for FY2024

	Amount	Status	Payment date
Interim 1	2.00p	Paid	23 August 2024
Interim 2	2.00p	Declared	22 November 2024
Interim 3	2.00p	Targeted	First quarter 2025
Interim 4	2.00p	Targeted	Second quarter 2025
Total	**8.00p**		

On 4 September 2024, the Board approved the second interim dividend relating to 2024 of 2.00 pence per share.

Dividend timetable – Interim 2	Date
Ex-dividend date	24 October 2024
Record date	25 October 2024
Payment date	22 November 2024

The Directors will continue to assess the possibility of offering scrip dividends with respect to future quarterly payments where the scrip reference price is above NAV per Ordinary Share.

ALTERNATIVE PERFORMANCE MEASURES

APM	Purpose	Calculation	APM value	Reconciliation to IFRS
Annualised total NAV return since IPO	Annualised measure of financial performance, indicating the movement of the value of the Company since IPO and expressed as a percentage	Closing NAV per Ordinary Share as at 30 June 2024 plus all dividends since IPO assumed reinvested, divided by the NAV at IPO, to the power of 1 over the number of years since IPO, expressed as a percentage	7.6%	The calculation uses the closing NAV per Ordinary Share as per the Statement of Financial Position on page 42
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 2024 plus all dividends since IPO assumed reinvested, divided by the share price at IPO, to the power of 1 over the number of years since IPO, expressed as a percentage	5.0%	The calculation uses the closing share price as per key investment metric table on page 7
Cash distributions from solar investments	A measure of performance from the underlying portfolio	Total cash received from investments in the period	£28.4 million	As per cash flows of the Company and intermediate holding companies on page 36
Cash 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	1.4x	The calculation uses the net cash flows from operations as per cash flows of the Company and intermediate holding companies on page 36 and the cash dividends paid as per the Statement of Cash Flows on page 44
Earnings before interest, taxes, depreciation, and amortisation (EBITDA)	A common 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 of EBITDA	£60.6 million	The calculation uses total revenue and subtracts total expenditure, as per the combined profit and loss of the underlying investments on page 35
Gearing	A measure of financial risk on the balance sheet of the Company	Total debt of the Company and underlying investments as shown on page 32 as a percentage of GAV	39.5%	The calculation uses the total debt on page 32 and the Net Asset Value as per the Statement of Financial Position on page 42
Gross Asset Value (GAV)	A measure of the value of the Company's total assets	The sum of total assets of the Company as shown on the Statement of Financial Position and the total debt of the Group and underlying investments as shown on page 34	£1,085.2 million	The calculation uses the total debt on page 32 and the Net Asset Value as per the Statement of Financial Position on page 42
Market capitalisation	Provides an indication of the size of the Company	Closing share price as at 30 June 2024 multiplied by the closing number of Ordinary Shares in issuance	£515.0 million	The calculation uses the closing share price as per key investment metric table on page 7 and closing number of Ordinary Shares as per note 17 of the Financial Statements on page 62

ALTERNATIVE PERFORMANCE MEASURES CONTINUED

APM	Purpose	Calculation	APM value	Reconciliation to IFRS
NAV per Ordinary Share	A measure of the value of one Ordinary Share	The net assets divided by the number of Ordinary Shares	114.9p	As per the closing NAV per Ordinary Share and as per the Statement of Financial Position on page 42
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 shown on page 31	1.15%	Detailed calculation in 2023 Annual Report and Financial Statements on page 90
Total shareholder return	A 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 2024 plus all dividends since IPO assumed reinvested, divided by the share price at 24 October 2013, expressed as a percentage	69.1%	The calculation uses the closing share price as per key investment metric table on page 7 and the cash dividends paid as per the Statement of Cash Flows on page 44


LONGREACH, AUSTRALIA

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 for the six months ended 30 June 2024.

The Directors confirm that to the best of their knowledge:

a. The condensed set of Financial Statements included with the 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 management 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 management report includes, where required, a fair review of the information required on related party transactions

Alexander Ohlsson
Chair

For and on behalf of Foresight Solar Fund Limited

18 September 2024

LOS PICOS, SPAIN

STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE PERIOD 1 JANUARY 2024 TO 30 JUNE 2024 (UNAUDITED)

	Note	**Unaudited period 1 January 2024 to 30 June 2024 £'000**	Unaudited period 1 January 2023 to 30 June 2023 £'000	Audited year 1 January 2023 to 31 December 2023 £'000
Revenue				
Interest earned on cash in bank		**44**	26	54
Interest income	4	**13,639**	16,442	31,820
Losses on investments at fair value through profit or loss	14	**(12,878)**	(31,027)	(32,838)
		805	(14,559)	(964)
Expenditure				
Administration fees	6	**(117)**	(100)	(208)
Directors' fees	7	**(155)**	(149)	(284)
Management fees	5	**(3,230)**	(3,667)	(7,037)
Other expenses	8	**(474)**	(379)	(791)
Total expenditure		**(3,976)**	(4,295)	(8,320)
Loss before tax for the period/year		**(3,171)**	(18,854)	(9,284)
Taxation		**—**	—	—
Loss for the period/year		**(3,171)**	(18,854)	(9,284)
Other comprehensive income		**—**	—	—
Loss and total comprehensive income for the period/year		**(3,171)**	(18,854)	(9,284)
Loss per Ordinary Share (pence per share)	9	**(0.55)**	(3.09)	(1.54)

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

The accompanying notes on pages 45 to 73 form an integral part of these Financial Statements.

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2024 (UNAUDITED)

	Note	**Unaudited 30 June 2024 £'000**	Unaudited 30 June 2023 £'000	Audited 31 December 2023 £'000
Assets				
Non-current assets				
Investments held at fair value through profit or loss	14	**656,160**	684,915	683,104
Total non-current assets		**656,160**	684,915	683,104
Current assets				
Interest receivable	10	**360**	40,773	13,651
Trade and other receivables	11	**304**	280	290
Cash and cash equivalents	12	**664**	1,248	2,041
Total current assets		**1,328**	42,301	15,982
Total assets		**657,488**	727,216	699,086
Equity				
Retained earnings		**26,876**	96,720	67,997
Stated capital and treasury shares[1]	17	**629,892**	629,892	629,892
Total equity		**656,768**	726,612	697,889
Liabilities				
Current liabilities				
Trade and other payables	13	**720**	604	1,197
Total current liabilities		**720**	604	1,197
Total liabilities		**720**	604	1,197
Total equity and liabilities		**657,488**	727,216	699,086
Net Asset Value per Ordinary Share	18	**114.91**	119.92	118.4

1. This figure represents the cash payments made to Jefferies International Limited by 30 June 2024. The total differs to the figure presented in the Statement of Cash Flows by £0.2 million because of the share value purchased yet to be paid to Jefferies. As such, this difference is within the change in trade and other payables line of the Statement of Cash Flows.

The Financial Statements on pages 41 to 44 were approved by the Board of Directors and signed on its behalf on 18 September 2024 by:

Alexander Ohlsson
Chair

The accompanying notes on pages 45 to 73 form an integral part of these Financial Statements.

STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD 1 JANUARY 2024 TO 30 JUNE 2024 (UNAUDITED)

	Notes	Issued Ordinary Shares[1] £'000	Treasury shares[2] £'000	Retained earnings £'000	Total £'000
Balance as at 1 January 2024 (unaudited)		**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 PERIOD 1 JANUARY 2023 TO 30 JUNE 2023 (UNAUDITED)

	Notes	Issued Ordinary Shares[1] £'000	Treasury shares[2] £'000	Retained earnings £'000	Total £'000
Balance as at 1 January 2023 (unaudited)		629,892	–	141,575	771,467
Total comprehensive loss for the period:					
Loss for the period		–	–	(18,854)	(18,854)
Transactions with owners, recognised directly in equity:					
Dividends paid in the period	21	–	–	(21,715)	(21,715)
Purchase of treasury shares[2]	17	(4,286)	4,286	(4,286)	(4,286)
Balance as at 30 June 2023		625,606	4,286	96,720	726,612

FOR THE PERIOD 1 JANUARY 2023 TO 31 DECEMBER 2023 (AUDITED)

	Notes	Issued Ordinary Shares[1] £'000	Treasury shares[2] £'000	Retained earnings £'000	Total £'000
Balance as at 1 January 2023		629,892	–	141,575	771,467
Total comprehensive loss for the period:					
Loss for the period		–	–	(9,284)	(9,284)
Transactions with owners, recognised directly in equity:					
Dividends paid in the period	21	–	–	(44,385)	(44,385)
Purchase of treasury shares[2]	17	(19,909)	19,909	(19,909)	(19,909)
Balance as at 30 June 2023		609,983	19,909	67,997	697,889

1. The stated capital of the Company comprises of issued Ordinary Shares, share premium and treasury shares.
2. Represents the cash payments made to Jefferies International Limited at period end. The total differs to the figure presented in the Statement of Cash Flows by £0.2 million (30 June 2023: £0.1 million, 31 December 2023: £0.7 million) because of the share value purchased yet to be paid to Jefferies. As such, this difference is within the change in trade and other payables line of the Statement of Cash Flows.

The accompanying notes on pages 45 to 73 form an integral part of these Financial Statements.

STATEMENT OF CASH FLOWS

FOR THE PERIOD 1 JANUARY 2024 TO 30 JUNE 2024 (UNAUDITED)

	Unaudited period 1 January 2024 to 30 June 2024 £'000	Unaudited period 1 January 2023 to 30 June 2023 £'000	Audited year 1 January 2023 to 31 December 2023 £'000
Loss for the period/year after tax from continuing operations	**(3,171)**	(18,854)	(9,284)
Adjustments for:			
Unrealised loss on investments	**12,878**	31,027	32,838
Operating cash flows before changes in working capital	**9,707**	12,173	23,554
Decrease in interest receivables	**13,291**	3,958	31,080
(Increase)/decrease in trade and other receivables	**(13)**	67	(11)
(Decrease)/increase in trade and other payables	**(478)**	(1)	660
Net cash inflow from operating activities	**22,507**	16,197	55,283
Financing activities			
Purchase of treasury shares[1]	**(15,981)**	(4,286)	(19,909)
Dividends paid	**(21,969)**	(21,715)	(44,385)
Repayment of Shareholder loan	**14,066**	—	—
Net outflow from financing activities	**(23,884)**	(26,001)	(64,294)
Net decrease in cash and cash equivalents	**(1,377)**	(9,804)	(9,011)
Cash and cash equivalents at the beginning of the period/year	**2,041**	11,052	11,052
Cash and cash equivalents at the end of the period/year	**664**	1,248	2,041

1. Represents the cash payments made to Jefferies International Limited by 30 June 2024. The total differs to the figure presented in the Statement of Financial Position by £0.2 million (30 June 2023: £0.1 million, 31 December 2023: 0.7 million) because of the share value purchased yet to be paid to Jefferies. As such, this difference is within the change in trade and other payables line of the Statement of Financial Position.

The accompanying notes on pages 45 to 73 form an integral part of these Financial Statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD 1 JANUARY 2024 TO 30 JUNE 2024 (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").

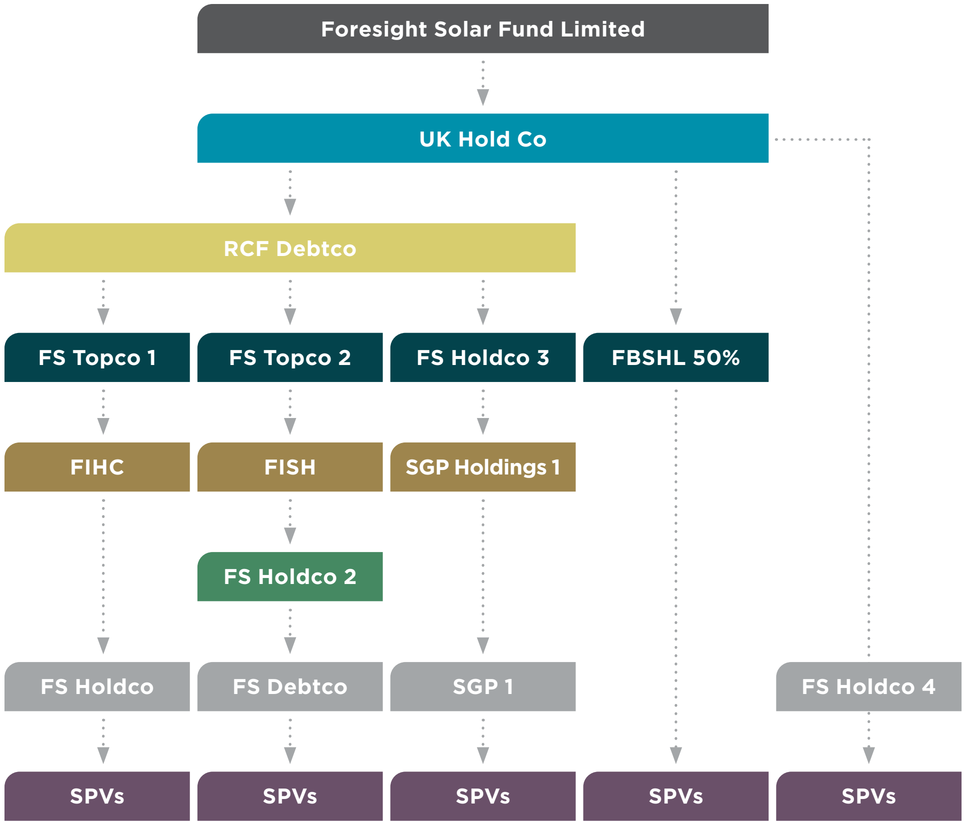
FS Topco 2 has one investment in Foresight Intermediate Solar Holdings Limited ("FISH"). In turn FISH has one investment in FS Holdco 2 Limited ("FS Holdco 2") which has one investment in FS Debtco Limited ("FS Debtco").

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.

1.1 Structure chart

The following chart shows the Group structure as at 30 June 2024:



NOTES TO THE FINANCIAL STATEMENTS CONTINUED

FOR THE PERIOD 1 JANUARY 2024 TO 30 JUNE 2024 (UNAUDITED) CONTINUED

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 2024 to 30 June 2024 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 2023.

These are not statutory accounts in accordance with Article 105 of the Companies Law (Jersey) 1991, as amended and the financial information for the periods ended 30 June 2024 and 30 June 2023 have been neither audited nor formally reviewed. Statutory accounts in respect of the period to 31 December 2023 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 2023 have been reported on by the Company's auditors or delivered to the Registrar of Companies.

2.2 Going concern

An evaluation of the going concern was prepared by the Company's Investment Manager, then approved by the Audit and Risk Committee and subsequently by the Board. This included cash flow workings for the going concern assessment period clearly demonstrating that the Company can continue operations for the going concern assessment period, even when five separate downside economic sensitivities and two "severe but plausible" downside economic scenarios were applied.

Based on the analysis outlined in the following paragraphs, the Board is confident that the cash flows have been appropriately challenged and the Company will have sufficient funds to continue to meet its liabilities as they fall due for the going concern assessment period. The Directors have, therefore, prepared the Financial Statements on a going concern basis.

Cash flow analysis was completed to consider the following downside scenarios. These scenarios were completed individually as well as in combination. In each of the scenarios, the forecasts display a significant level of headroom, above minimum cash and debt covenant requirements, throughout the going concern assessment period.

1. All investments consistently generate a P90 level (90% probability of exceeding expected production over a ten-year period) of electricity output. The Directors deem this an appropriate, market standard stress test with a relevant example being the La Niña weather pattern that brought cool temperatures and record-breaking rain to Australia's east coast, leading to lower-than-budgeted irradiation and generation.
2. Power prices were reduced by 20% across the portfolio. This downside scenario simulates ongoing military conflicts, which have the potential to cause oil price volatility that could lead to a fall in power prices.
3. The PPA provider that the Group is most exposed to fails to settle merchant 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.

If any of these sensitivities or scenarios were to materialise, the Company could still pay a progressive dividend per share for the going concern assessment period. However, 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, without affecting the ability to pay dividends.

The Board is also pleased to confirm that there were no instances of non-compliance of debt covenants throughout the period or during the scenarios, as well as a combination of scenarios tested in the going concern assessment period, except for in a "severe but plausible" scenario tested. In this case, challenges can be effectively managed to avoid a breach of covenants.

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.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

FOR THE PERIOD 1 JANUARY 2024 TO 30 JUNE 2024 (UNAUDITED) CONTINUED

2. Summary of significant accounting policies continued

2.2 Going concern continued

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.

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:

1. The base case SONIA interest rate was gradually increased until the increased finance costs caused the ICR threshold to be breached.
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.

In June 2024, in accordance with the Company's Articles of Incorporation, a special resolution was put to Shareholders for the discontinuation of the Company. The vote was triggered by an average share price discount to NAV of more than 10% over the course of the year. In 2023, Foresight Solar's shares traded at a 16% discount to NAV, on average. On 12 June 2024, at its Annual General Meeting, FSFL received 75.6% of votes against discontinuation.

Despite actively addressing the discount to NAV, wider macroeconomic and geopolitical factors have continued to impact the entire renewable infrastructure sector, causing the Company to trade at an average discount of more than 20% during the six months to 30 June 2024. As a result, the Directors acknowledge the likelihood of another discontinuation vote being triggered in 2025.

The Directors have considered the comfortable result against discontinuation in June 2024 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. Recent interactions with Shareholders do not indicate any concerns in respect to a potential discontinuation vote.

The Directors have no reason to believe that such special resolution will be passed by Shareholders in 2025, as the discount to share price is driven by macroeconomic and geopolitical factors which are affecting the entire renewables sector.

As a result, the Directors and the Investment Manager do not consider the discontinuation vote will impact the Company's ability to continue as a going concern.

The Company's business activities, together with the factors likely to affect its future development, performance and position, are set out in this report. The Company's financial position, financial performance, cash flows, liquidity position and borrowing facilities are referred to in the Chair's Statement, Investment Manager's Report and Notes to the Financial Statements. In addition, the Financial Statements include the Company's objectives, policies and procedures for managing its capital, financial risk management objectives and exposures to credit and liquidity risk.

In November 2023, pursuant to responses received from market participants in relation to the REMA consultation, the UK government decided not to take forward a number of options originally proposed in the REMA framework.

Despite more clarity on the REMA initiative, the changes required to the UK wholesale power market are still uncertain in terms of timing and impact on corporate power price agreements. The Investment Manager expects any market changes will take years to implement and will, therefore, fall outside of the going concern assessment period.

The Financial Statements do not include any adjustments that would result from the basis of preparation being inappropriate.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED
FOR THE PERIOD 1 JANUARY 2024 TO 30 JUNE 2024 (UNAUDITED) CONTINUED

2. Summary of significant accounting policies continued
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 2024 and considered none to be applicable to the Company.

The following standards have been issued and are effective for this accounting period but are not deemed to have a material impact on the Financial Statements:

- **IAS 1 (amended) Non-current liabilities with covenants** – These amendments clarify how conditions with which an entity must comply within 12 months after the reporting period affect the classification of a liability – effective from 1 January 2024
- **IAS 7 and IFRS 7 (amended) Supplier finance** – These amendments require disclosures to enhance the transparency of supplier finance arrangements and their effects on an entity's liabilities, cash flows and exposure to liquidity risk – effective from 1 January 2024

2.4 Consolidation
Subsidiaries

Subsidiaries are entities over which the Company has control. The Company controls an entity when the Company it 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 and 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

NOTES TO THE FINANCIAL STATEMENTS CONTINUED
FOR THE PERIOD 1 JANUARY 2024 TO 30 JUNE 2024 (UNAUDITED) CONTINUED

2. Summary of significant accounting policies continued
2.4 Consolidation continued
Investment entity exemption continued

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.

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.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

FOR THE PERIOD 1 JANUARY 2024 TO 30 JUNE 2024 (UNAUDITED) CONTINUED

3. Critical accounting estimates and judgements continued

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

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 and related market data.

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, 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 (UEL) of assets is 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 expected weighted average life of the UK portfolio as at 30 June 2024 is 31.1 years from the date of commissioning. The UEL of the Australian portfolio is 37.0 years. The UEL of the Spanish portfolio is 40.0 years. The Investment Manager fully expects to be able to renew any lease of the underlying investments.

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

4. Interest income

	30 June 2024 £'000	30 June 2023 £'000	31 December 2023 £'000
Interest on loan notes	**11,375**	13,382	25,649
Interest on Shareholder loans	**2,264**	3,060	6,171
	13,639	16,442	31,820

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). 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 (30 June 2023: £250,000,000, 31 December 2023: £250,000,000). These loans form part of the fair value of the investments as per note 14.

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 in full on demand. The Shareholder loan balance at period end is £290,251,761 (30 June 2023: £304,316,450, 31 December 2023: £304,316,450). 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.

The Investment Manager of the Company receives an annual fee of 1% of the Net Asset Value (NAV) of the Company up to £500 million – NAV in excess of this is charged at 0.9% per annum. This is payable quarterly in arrears and is calculated based on the published quarterly NAV. For the period ended 30 June 2024, the Investment Manager was entitled to a management fee of £3,229,739 (1 January 2023 to 30 June 2023: £3,667,485, 1 January 2023 to 31 December 2023: £7,036,782) of which £nil was outstanding as at 30 June 2024 (30 June 2023: £nil, December 2023: £nil).

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

FOR THE PERIOD 1 JANUARY 2024 TO 30 JUNE 2024 (UNAUDITED) CONTINUED

6. Administration and accountancy fees

Under an Administration Agreement, the Administrator of the Company, JTC (Jersey) Limited, is entitled to receive minimum annual administration and accountancy fees of £200,000 (2023: £182,000) payable quarterly in arrears. For the period ended 30 June 2024, total administration and accountancy fees, including disbursements, were £117,075 (1 January 2023 to 30 June 2023: £100,393, 1 January 2023 to 31 December 2023: £207,526) of which £50,000 was outstanding as at 30 June 2024 (1 January 2023 to 30 June 2023: £91,000, 1 January 2023 to 31 December 2023: £45,000).

7. Directors' fees

No members of staff were employed during the period (period ended 30 June 2023: nil, year ended 31 December 2023: nil).

Total Directors' fees were £154,600 (1 January 2023 to 30 June 2023: £148,575, 1 January 2023 to 31 December 2023: £283,823).

8. Other expenses

	30 June 2024 £'000	30 June 2023 £'000	31 December 2023 £'000
Legal and professional fees	**362**	307	626
Other expenses	**112**	72	165
	474	379	791

Included within legal and professional fees is £113,445 (1 January 2023 to 30 June 2023: £77,277, 1 January 2023 to 31 December 2023: £173,189) relating to the accrual of the 2024 audit fees. Audit fees paid to KPMG LLP for the audit of the Group were £17,320 in relation to the final instalment payment relating to the year ended 31 December 2024. There were no other fees paid to the auditor for non-audit services during the period (1 January 2023 to 30 June 2023: £nil, 1 January 2023 to 31 December 2023: £nil).

9. Earnings per Ordinary Share – basic and diluted

The basic and diluted loss per Ordinary Share for the Company is 0.55 pence per share (period ended 30 June 2023: basic loss of 3.09 pence per share, year ended 31 December 2023: basic loss of 1.54 pence per share).

This is based on the loss for the period of £3,169,234 (1 January 2023 to 30 June 2023: £18,855,039 loss, 1 January 2023 to 31 December 2023: £9,284,495 loss) and on 571,566,814 (1 January 2023 to 30 June 2023: 609,303,939, 1 January 2023 to 31 December 2023: 603,598,450) Ordinary Shares, being the weighted average number of shares in issue during the period excluding treasury shares.

10. Interest receivable

	30 June 2024 £'000	30 June 2023 £'000	31 December 2023 £'000
Interest receivable on loan notes	**185**	1,411	10,937
Interest receivable on Shareholder loans	**175**	39,362	2,678
	360	40,773	13,651

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 2024 £'000	30 June 2023 £'000	31 December 2023 £'000
Prepaid expenses	**47**	24	35
Other receivables	**257**	256	255
	304	280	290

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 2024 £'000	30 June 2023 £'000	31 December 2023 £'000
Cash at bank	**664**	1,248	2,041
	664	1,248	2,041

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

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

FOR THE PERIOD 1 JANUARY 2024 TO 30 JUNE 2024 (UNAUDITED) CONTINUED

13. Trade and other payables

	30 June 2024 £'000	30 June 2023 £'000	31 December 2023 £'000
Accrued expenses	**339**	279	238
Unsettled treasury shares	**194**	138	772
Amounts due to subsidiaries[1]	**187**	187	187
	720	604	1,197

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

14. Investments at fair value through profit or loss

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

	30 June 2024 £'000	30 June 2023 £'000	31 December 2023 £'000
Investment in UK Hold Co – Equity	**–**	–	–
– Loans	**656,160**	684,915	683,104
	656,160	684,915	683,104
Book cost as at 1 January	**554,315**	554,315	554,315
Opening investment holding gains	**128,789**	161,627	161,627
Valuation as at 1 January	**683,104**	715,942	715,942
Movements during the period			
Investment holding losses	**(12,878)**	(31,027)	(32,838)
Repayment of Shareholder loan	**(14,066)**	–	–
Valuation as at 30 June/31 December	**656,160**	684,915	683,104
Book cost as at 30 June/31 December	**540,250**	554,315	554,315
Closing investment holding gains	**115,910**	130,600	128,789
	656,160	684,915	683,104

The Company has one investment in UK Hold Co. This investment consists of both debt and equity (share capital of £100) and is not quoted in an active market. Accordingly, the investment in UK Hold Co has been valued using its net assets.

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 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 year 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.

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 also based on a discounted cash flow methodology, and a Spanish development pipeline which is held at cost.

Foresight Battery Storage Holding Limited is held at cost less impairment to reflect current fair value based on market pricing.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

FOR THE PERIOD 1 JANUARY 2024 TO 30 JUNE 2024 (UNAUDITED) CONTINUED

14. Investments at fair value through profit or loss continued

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 year, categorised between those whose fair value is based on:

As at 30 June 2024:

	Level 1 £'000	**Level 2 £'000**	**Level 3 £'000**	**Total £'000**
Unquoted investment	**—**	**—**	**656,160**	**656,160**
	—	**—**	**656,160**	**656,160**

As at 30 June 2023:

	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Unquoted investment	—	—	684,915	684,915
	—	—	684,915	684,915

As at 31 December 2023:

	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Unquoted investment	—	—	683,104	683,104
	—	—	683,104	683,104

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 2024 TO 30 JUNE 2024 (UNAUDITED) CONTINUED

15. Subsidiaries and associates

Investments in subsidiaries

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%
Foresight Battery Storage Holding Limited (“FBSHL”)	Indirect	UK	Holding Company	50%
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 Hunter’s 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%
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%

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

FOR THE PERIOD 1 JANUARY 2024 TO 30 JUNE 2024 (UNAUDITED) CONTINUED

15. Subsidiaries and associates continued

Investments in subsidiaries continued

Name	Direct or indirect holding	Country of incorporation	Principal activity	Proportion of shares and voting rights held
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%
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 Tengore 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%

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

FOR THE PERIOD 1 JANUARY 2024 TO 30 JUNE 2024 (UNAUDITED) CONTINUED

15. Subsidiaries and associates continued

Investments in subsidiaries continued

Name	Direct or indirect holding	Country of incorporation	Principal activity	Proportion of shares and voting rights held
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%
Second Generation Portfolio 1 Holdings Limited (“SGP 1 Holdings”)	Indirect	UK	SPV Holding Company	100%
Second Generation Portfolio 1 (“SGP 1”)	Indirect	UK	SPV Holding Company	100%
FS Oakey 2 Pty Limited	Indirect	Australia	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 Farm Limited (“Pitworthy”)	Indirect	UK	Investment	100%
Highfields Solar Farm Limited (“Highfields”)	Indirect	UK	Investment	100%
High Penn Solar Farm Limited (“High Penn”)	Indirect	UK	Investment	100%
Hunter’s Race Solar Farm Limited (“Hunter’s Race”)	Indirect	UK	Investment	100%
Spriggs Solar Farm Limited (“Spriggs”)	Indirect	UK	Investment	100%
Bournemouth Solar Farm 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%
Ports Farm Limited (“Port Farm”)	Indirect	UK	Investment	100%
Membury Solar Limited (“Membury”)	Indirect	UK	Investment	100%
Atherstone Solar Farm Ltd (“Atherstone”)	Indirect	UK	Investment	100%
Southam Solar Farm Ltd (“Southam”)	Indirect	UK	Investment	100%

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

FOR THE PERIOD 1 JANUARY 2024 TO 30 JUNE 2024 (UNAUDITED) CONTINUED

15. Subsidiaries and associates continued

Investments in subsidiaries continued

Name	Direct or indirect holding	Country of incorporation	Principal activity	Proportion of shares and voting rights held
Paddock Wood Solar Farm Ltd ("Paddock Wood")	Indirect	UK	Investment	100%
Shotwick Solar Limited ("Shotwick Solar")	Indirect	UK	Investment	100%
Sandridge Solar Power Limited ("Sandridge")	Indirect	UK	Investment	100%
Wally Corner Limited ("Wally")	Indirect	UK	Investment	100%
Foresight Solar Australia Pty Limited	Indirect	Australia	Investment	100%
RE Oakey Pty Limited	Indirect	Australia	Investment	100%
Oakey Network Pty Limited	Indirect	Australia	Investment	100%
Longreach Asset Company Pty Limited	Indirect	Australia	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 Limited ("Welbeck")	Indirect	UK	Investment	100%
Trehawke Limited ("Trehawke")	Indirect	UK	Investment	100%
Homeland Limited ("Homeland")	Indirect	UK	Investment	100%
Marsh Farm Limited ("Marsh Farm")	Indirect	UK	Investment	100%
Steventon Limited ("Steventon")	Indirect	UK	Investment	100%
Fields Farm Limited ("Fields Farm")	Indirect	UK	Investment	100%
Gedling Limited ("Gedling")	Indirect	UK	Investment	100%
Sheepbridge Limited ("Sheepbridge")	Indirect	UK	Investment	100%
Tengore Limited ("Tengore")	Indirect	UK	Investment	100%
Cuckoo Limited ("Cuckoo")	Indirect	UK	Investment	100%
Field House Limited ("Field House")	Indirect	UK	Investment	100%
Upper Huntingford Limited ("Upper Huntingford")	Indirect	UK	Investment	100%
Abergelli Limited ("Abergelli")	Indirect	UK	Investment	100%
Crow Trees Limited ("Crow Trees")	Indirect	UK	Investment	100%

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

FOR THE PERIOD 1 JANUARY 2024 TO 30 JUNE 2024 (UNAUDITED) CONTINUED

15. Subsidiaries and associates continued

Investments in subsidiaries continued

Name	Direct or indirect holding	Country of incorporation	Principal activity	Proportion of shares and voting rights held
Yarburgh Limited ("Yarburgh")	Indirect	UK	Investment	100%
Nowhere Solar Limited ("Nowhere Solar")	Indirect	UK	Investment	100%
Bilsthorpe Solar Limited ("Bilsthorpe Solar")	Indirect	UK	Investment	100%
Bulls Head Solar Limited ("Bulls Head Solar")	Indirect	UK	Investment	100%
Roskrow Solar Limited ("Roskrow Solar")	Indirect	UK	Investment	100%
Lindridge Solar Limited ("Lindridge Solar")	Indirect	UK	Investment	100%
Misson Solar Limited ("Misson Solar")	Indirect	UK	Investment	100%
Playters Solar Limited ("Playters Solar")	Indirect	UK	Investment	100%
PS Manor Farm Solar Limited ("PS Manor Farm Solar")	Indirect	UK	Investment	100%
SV Ash Solar Park Limited ("SV Ash Solar Park")	Indirect	UK	Investment	100%
Pen Y Cae Solar Limited ("Pen Y Cae Solar")	Indirect	UK	Investment	100%
Global Solar Energy Veintisiete, S.L	Indirect	Spain	Investment	100%
Virgen del Carmen Solar S.L ("Virgen")	Indirect	Spain	Investment	100%
Solar Energy Veintisiete S.L ("Lorca")	Indirect	Spain	Investment	100%
Solar de la Contraviesa 5 S.L.U	Indirect	Spain	Investment	100%
Solar de la Contraviesa 6 S.L.U	Indirect	Spain	Investment	100%
Solar de la Contraviesa 7 S.L.U	Indirect	Spain	Investment	100%
Fotovoltaica Puerto Cruz II.SL	Indirect	Spain	Investment	100%
Bailey Solar Limited	Indirect	UK	Investment	100%
True Blue Solar Limited	Indirect	UK	Investment	100%
Abbeyfields Solar Limited ("Abbeyfields Solar")	Indirect	UK	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%

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

FOR THE PERIOD 1 JANUARY 2024 TO 30 JUNE 2024 (UNAUDITED) CONTINUED

15. Subsidiaries and associates continued

Investments in associates

Name	Direct or indirect holding	Country of incorporation	Principal activity	Proportion of shares and voting rights held
Kiamco Hanwha Foresight Bannerton Pty Limited	Indirect	Australia	SPV Holding Company	48.50%
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%

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 less any impairment at 30 June 2024 and have therefore been omitted from the sensitivity analysis on the following pages.

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. On a quarterly basis, the Board reviews 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 £642.2 million represents the levered discounted value of future cash flows of the underlying operational assets with assets under construction held at cost, less the long-term debt held at holding company level. The valuation of the Australian assets is net of debt. The base valuation of £642.2 million is equal to the NAV of £656.8 million less items deemed not subject to the sensitivities applied.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

FOR THE PERIOD 1 JANUARY 2024 TO 30 JUNE 2024 (UNAUDITED) CONTINUED

16. Fair value of the investments in unconsolidated entities continued

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

	30 June 2024 £m
Base case for sensitivities	**642.2**
Items not subject to sensitivities:	
Cash in underlying assets	**30.0**
Assets in construction valued at cost	**16.4**
Company and intermediate holding companies' cash	**47.6**
RCF outstanding	**(74.5)**
Company and intermediate companies' net liabilities	**(3.8)**
Other adjustments	**(1.1)**
Net Asset Value at 30 June 2024	**656.8**

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 7.89% (30 June 2023: 7.55%, 31 December 2023: 8.03%). The Directors do not typically 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 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)	665.5	653.7	642.2	631.2	620.4
Change in portfolio valuation (£m)	23.3	11.5	—	(11.1)	(21.8)
NAV per share change (pence)	4.1	2.0	114.9	(1.9)	(3.8)

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 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)	641.4	641.8	642.2	642.7	643.1
Change in portfolio valuation (£m)	(0.8)	(0.4)	—	0.5	0.9
NAV per share change (pence)	(0.2)	(0.1)	114.9	0.1	0.2

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

FOR THE PERIOD 1 JANUARY 2024 TO 30 JUNE 2024 (UNAUDITED) CONTINUED

16. Fair value of the investments in unconsolidated entities continued

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

Power price

Power price DCF models assume power prices that are consistent with the power purchase agreements (PPAs) 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 leading 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 1.3% (30 June 2023: decrease of 1.9%, 31 December 2023: decrease of 2.1%). During the period, c.46% of the investments' operational revenues came from regulatory support mechanisms. The remaining c.54% 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.49% of total revenues.

	-20.0%	-10.0%	Base	+10.0%	+20.0%
Portfolio valuation (£m)	537.4	591.1	642.2	692.6	741.5
Change in portfolio valuation (£m)	(104.9)	(51.1)	—	50.4	99.3
NAV per share change (pence)	(18.3)	(8.9)	114.9	8.8	17.4

Inflation

A variable of 0.5% to 1.0% is considered reasonable given the long-term inflation rate of 3.00% (30 June 2023: 3.00%, 31 December 2023: 3.50%).

	-1.0%	-0.5%	Base	+0.5%	+1.0%
Portfolio valuation (£m)	584.2	613.1	642.2	672.6	704.6
Change in portfolio valuation (£m)	(58.0)	(29.2)	—	30.3	62.4
NAV per share change (pence)	(10.2)	(5.1)	114.9	5.3	10.9

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)	637.2	642.2	646.5
Change in portfolio valuation (£m)	(5.1)	—	4.2
NAV per share change (pence)	(0.9)	114.9	0.7

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

FOR THE PERIOD 1 JANUARY 2024 TO 30 JUNE 2024 (UNAUDITED) CONTINUED

16. Fair value of the investments in unconsolidated entities continued

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

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 stable levels of irradiation, contractual availability guarantees and understanding of future performance levels of the equipment.

	-10.0%	Base	+10.0%
Portfolio valuation (£m)	529.5	642.2	749.4
Change in portfolio valuation (£m)	(112.8)	–	107.2
NAV per share change (pence)	(19.7)	114.9	18.7

Operating costs (investment level)

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 prudent. 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)	660.0	651.6	642.2	633.6	624.9
Change in portfolio valuation (£m)	17.8	9.4	–	(8.7)	(17.4)
NAV per share change (pence)	3.1	1.6	114.9	(1.5)	(3.0)

Tax rate

On 1 April 2023, the rate of UK corporation tax increased from 19% to 25%. The impact of this change is reflected in the 30 June 2024 valuation. On that basis, a variable of 1.0% is considered reasonable given historic information.

	-1.0%	Base	+1.0%
Portfolio valuation (£m)	645.5	642.2	638.9
Change in portfolio valuation (£m)	3.3	–	(3.3)
NAV per share change (pence)	0.6	114.9	(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 AUD and EUR through the use of forward contracts, the valuations of these assets will be directly impacted. 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)	633.8	638.0	642.2	646.4	650.7
Change in portfolio valuation (£m)	(8.4)	(4.2)	–	4.2	8.4
NAV per share change (pence)	(1.5)	(0.7)	114.9	0.7	1.5

EUR/GBP	-20.0%	-10.0%	Base	+10.0%	+20.0%
Portfolio valuation (£m)	634.0	638.1	642.2	646.4	650.5
Change in portfolio valuation (£m)	(8.3)	(4.1)	–	4.1	8.3
NAV per share change (pence)	(1.4)	(0.7)	114.9	0.7	1.4

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 period end the total number of voting rights in the Company is 571,566,814 which excludes 38,391,906 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 2024 £'000	30 June 2023 £'000	31 December 2023 £'000
Ordinary Shares – nil par value	**Unlimited**	Unlimited	Unlimited

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

FOR THE PERIOD 1 JANUARY 2024 TO 30 JUNE 2024 (UNAUDITED) CONTINUED

17. Stated capital and share premium continued

Issued Ordinary Shares

	30 June 2024 £'000		30 June 2023 £'000		31 December 2023 £'000	
	Ordinary Shares	**Treasury shares**	Ordinary Shares	Treasury shares	Ordinary Shares	Treasury shares
Opening balance	**589,239,345**	**20,719,375**	609,958,720	—	609,958,720	
Purchase of treasury shares	**(17,672,531)**	**17,672,531**	(4,051,831)	4,051,831	(20,719,375)	20,719,375
Closing balance	**571,566,814**	**38,391,906**	605,906,889	4,051,831	589,239,345	20,719,375

Issued Ordinary Share capital and treasury shares

	30 June 2024 £'000		30 June 2023 £'000		31 December 2023 £'000	
	Ordinary Shares	**Treasury shares**	Ordinary Shares	Treasury shares	Ordinary Shares	Treasury shares
Opening balance	**609,893**	**19,909**	629,892	—	629,892	—
Less: Purchase of treasury shares[1]	**(15,981)**	**15,981**	(4,286)	4,286	(19,909)	19,909
Closing balance	**594,002**	**35,890**	625,606	4,286	609,893	19,909

1. This figure represents the cash payments made to Jefferies International Limited by 30 June 2024. The total differs to the figure presented in the Statement of Cash Flows by £0.1 million (30 June 2023: £0.1 million, 31 December 2023: £0.7 million) because of the share value purchased yet to be paid to Jefferies. As such, this difference is within the change in trade and other payables line of the Statement of Cash Flows.

On 4 May 2023, the Company announced a share buyback programme and allocated an initial £20 million from its available cash reserves to the repurchases.
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, Foresight Solar announced that this allocation of available cash would further be increased to a potential £50 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 12 June 2024 which limits purchases of Ordinary Shares by the Company in the market to up to 14.99% of its issued capital.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

FOR THE PERIOD 1 JANUARY 2024 TO 30 JUNE 2024 (UNAUDITED) CONTINUED

18. NAV per Ordinary Share

The Net Asset Value per redeemable Ordinary Share for the Company is 114.9 pence per Ordinary Share (period ended 30 June 2023: 119.9, year ended 31 December 2023: 118.4). This is based on the Net Asset Value at the reporting date of £656,769,171 (30 June 2023: £726,612,397, 31 December 2023: £697,888,983) and on 571,566,814 (30 June 2023: 605,906,889, 31 December 2023: 589,239,345) redeemable Ordinary Shares, being the number of Ordinary Shares in issue at the end of the period 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 risk 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 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 Group mitigates its 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 2024 £'000	30 June 2023 £'000	31 December 2023 £'000
AUD – Investment assets	**45,900**	49,449	47,898
EUR – Investment assets	**44,725**	61,818	46,577
AUD – Cash	**1**	997	44
EUR – Cash	**2,984**	2,093	2,027

The FX rate applied at 30 June 2024 was AUD/GBP 0.5283 (30 June 2023: 0.5235, 31 December 2023: 0.5353) and EUR/GBP 0.8477 (30 June 2023: 0.8581, 31 December 2023: 0.8666).

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.

(b) Price risk

The Company's investments are susceptible to market price risk arising from uncertainties about future values of the instruments. The Company's 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 2024, 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 year would have been £65,616,038 (30 June 2023: £68,491,483, 31 December 2023: £68,310,349). The impact of changes in unobservable inputs to the underlying investments is considered in note 16.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

FOR THE PERIOD 1 JANUARY 2024 TO 30 JUNE 2024 (UNAUDITED) CONTINUED

19. Financial instruments and risk profile continued

19.1 Market risk continued

(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 (1 January 2024 to 30 June 2024: £nil, 1 January 2023 to 31 December 2023: £nil).

	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 30 June 2023 £'000	Weighted average interest rate 30 June 2023 %	Weighted average time for which rate is fixed 30 June 2023 Days
Loan notes	250,000	10.00	2,422
Shareholder loans	304,316	2.00	2,929
Cash	1,248	0.05	–
	555,564		

	Total portfolio 31 December 2023 £'000	Weighted average interest rate 31 December 2023 %	Weighted average time for which rate is fixed 31 December 2023 Days
Loan notes	250,000	10.03	1,872
Shareholder loans	304,315	2.00	3,104
Cash	2,041	0.05	–
	556,356		

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 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[2]**
Investments – FS Holdco 4[1]	**93,401**	**5.64**	**2,963[2]**
Cash and cash equivalents	**6,366**	**0.05**	**–**
	741,872		

	Total indirect exposure 30 June 2023 £'000	Weighted average interest rate 30 June 2023 %	Weighted average time for which rate is fixed 30 June 2023 Days
Investments – RCF Debtco[1]	642,105	7.09	546[2]
Investments – FS Holdco 4[1]	93,401	5.64	2,962[2]
Cash and cash equivalents	49,220	0.05	–
	784,726		

	Total indirect exposure 31 December 2023 £'000	Weighted average interest rate 31 December 2023 %	Weighted average time for which rate is fixed 31 December 2023 Days
Investments – RCF Debtco[1]	642,105	7.09	730[2]
Investments – FS Holdco 4[1]	93,401	5.64	2,781[2]
Cash and cash equivalents	21,584	0.05	–
	757,090		

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.
2. 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.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

FOR THE PERIOD 1 JANUARY 2024 TO 30 JUNE 2024 (UNAUDITED) CONTINUED

19. Financial instruments and risk profile continued

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.

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

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**
Trade and other payables	**720**	**720**	**720**	**–**	**–**
Total financial liabilities	**720**	**720**	**720**	**–**	**–**
Net position	**656,768**	**656,768**	**(56)**	**664**	**656,160**

30 June 2023	Carrying amount £'000	Contractual total £'000	Less than 6 months £'000	6 to 12 months £'000	Greater than 12 months £'000
Financial assets					
Investments	684,915	684,915	–	–	684,915
Trade and other receivables	280	280	–	280	–
Interest receivable	40,773	40,773	–	40,773	–
Cash and cash equivalents	1,248	1,248	1,248	–	–
Total financial assets	727,216	727,216	1,248	41,053	684,915
Trade and other payables	604	604	–	604	–
Total financial liabilities	604	604	–	604	–
Net position	726,612	726,612	1,248	40,449	684,915

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

FOR THE PERIOD 1 JANUARY 2024 TO 30 JUNE 2024 (UNAUDITED) CONTINUED

19. Financial instruments and risk profile continued

19.2 Liquidity risk continued

31 December 2023	Carrying amount £'000	Contractual total £'000	Less than 6 months £'000	6 to 12 months £'000	Greater than 12 months £'000
Financial assets					
Investments	683,104	683,104	—	—	683,104
Trade and other receivables	290	290	—	290	—
Interest receivable	13,651	13,651	—	13,651	—
Cash and cash equivalents	2,041	2,041	2,041	—	—
Total financial assets	699,086	699,086	2,041	13,941	683,104
Trade and other payables	1,197	1,197	1,197	—	—
Total financial liabilities	1,197	1,197	1,197	—	—
Net position	697,889	697,889	844	13,941	683,104

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.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

FOR THE PERIOD 1 JANUARY 2024 TO 30 JUNE 2024 (UNAUDITED) CONTINUED

19. Financial instruments and risk profile continued

19.3 Credit risk continued

a) Exposure to credit risk continued

During the period and at the reporting date, the Company maintained relationships with the following financial institutions:

	Moody's credit rating	30 June 2024 £'000
Cash in hand:		
Royal Bank of Scotland International Limited	**P2**	**664**
Total cash balances held by banks		**664**

	Moody's credit rating	30 June 2023 £'000
Cash in hand:		
Royal Bank of Scotland International Limited	P2	1,248
Total cash balances held by banks		1,248

	Moody's credit rating	31 December 2023 £'000
Cash in hand:		
Royal Bank of Scotland International Limited	P2	2,041
Total cash balances held by banks		2,041

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 £765,269,357 being the portion of UK Hold Co investments that are made up of loans as at 30 June 2024 (30 June 2023: £789,349,001, 31 December 2023: £765,269,357). Included within this are the related party loans as disclosed within note 22 as well as long-term 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. The balance of the external debt facilities as at period end amounted to £309,114,358 (30 June 2023: £367,160,922, 31 December 2023: £317,419,968).

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 3.23:1 and for FS Debtco it was 5.11:1. The loan life cover ratio for FS Holdco was 2.72:1. During the period the debt covenants were not breached.

On the debt calculation date for RCF Debtco, the interest cover ratio was 3.38:1. 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 year end was deemed by management to be not material and therefore no impairment adjustments were accounted for.

19.4 Other risks

Political and economic risk

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 at all levels are actively involved in the promulgation and enforcement of regulations relating to taxation, land use and zoning, and 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.

In recent years, the UK and the Company experienced a surge in power prices partly because of the tightening of the supply of natural gas into the EU, which was exacerbated by the continuing Russian invasion of Ukraine, which caused many countries, including the UK, to place sanctions on the usage of Russian fossil fuels.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED
FOR THE PERIOD 1 JANUARY 2024 TO 30 JUNE 2024 (UNAUDITED) CONTINUED

19. Financial instruments and risk profile continued
19.4 Other risks continued
Political and economic risk continued

Gas prices have fallen as countries have begun to build their reserves and reduce their reliance on Russian gas. This has assisted electricity prices in returning to pre-pandemic levels. Despite this, political unrest could impact power prices and other macroeconomic factors affecting the Company.

Examples of this unrest include attacks by militant groups on US and UK ships, as well as international commercial shipping, in the Red Sea, in addition to the ongoing Israeli-Palestinian conflict.

The Directors continue to monitor and review the geopolitical environment and its wider impact on the Company's business in what has the potential to be a more turbulent period in international relations.

During 2023, the macroeconomic environment has been the key contributing factor to Foresight Solar's shares trading at a discount to the Net Asset Value. The associated risks that have been most closely monitored are those related to direct government market intervention, such as the effects of a higher interest rate environment and volatile power prices.

The Directors continue to monitor and review all risks associated with near and long-term power prices through the risk management framework.

The UK government started a consultation process in 2022 on the future of the electricity market in Great Britain. The results of REMA have been delayed and there is no immediate clarity on when they will be published, although any changes coming into force will only happen from 2030. In November 2023, pursuant to responses received from market participants in relation to the REMA consultation, the UK government has decided to not take forward a number of options originally proposed in the REMA framework.

Despite more clarity on the REMA initiative, the changes required to the UK wholesale power market are still uncertain in terms of timing and impact on corporate power price agreements.

In July 2023, the UK government launched a consultation into the Renewables Obligation Certificate (ROC) scheme in which it seeks views on introducing Fixed Price Certificates (FPCs) as the UK-wide RO programme starts winding down in the next two decades. The move was envisaged in the latter years of the ROC scheme to help provide price stability as the subsidy came to an end. 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.

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 2024 TO 30 JUNE 2024 (UNAUDITED) CONTINUED

21. Dividends

	30 June 2024 £'000	**2023 Pence/ Ordinary Share**	30 June 2023 £'000	2023 Pence/ Ordinary Share	31 December 2023 £'000	2023 Pence/ Ordinary Share
Quarter 1	**11,027**	**1.880**	10,858	1.780	10,857	1.780
Quarter 2	**10,942**	**1.895**	10,857	1.780	10,857	1.780
Quarter 3	**N/A**	**—**	N/A	N/A	11,367	1.880
Quarter 4	**N/A**	**—**	N/A	N/A	11,304	1.895
	21,969		21,715		44,385	

On 24 November 2023, the Company announced the third interim dividend, in respect of the period 1 July 2023 to 30 September 2023, of 1.880 pence per Ordinary Share. The shares went ex-dividend on 25 January 2024 and the dividend was paid on 23 February 2024 to Shareholders on the register as at the close of business on 26 January 2024.

On 1 March 2024, the Company announced the final interim dividend, in respect of the period 1 September 2023 to 31 December 2023, of 1.895 pence per Ordinary Share. The shares went ex-dividend on 25 April 2024 and the dividend was paid on 24 May 2024 to Shareholders on the register as at the close of business on 26 April 2024.

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 2024:

	Opening balance as at 1 January 2024 £'000	**Movement 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 30 June 2023:

	Opening balance as at 1 January 2023 £'000	Movement during the year £'000	Closing balance as at 30 June 2023 £'000
Interest bearing loans and outstanding interest	599,050	3,958	595,092
Non-interest bearing loans	187	—	187

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

FOR THE PERIOD 1 JANUARY 2024 TO 30 JUNE 2024 (UNAUDITED) CONTINUED

22. Related party disclosures continued

Transactions with UK Hold Co continued

For the year ended 31 December 2023:

	Opening balance as at 1 January 2023 £'000	Movement during the year £'000	Closing balance as at 31 December 2023 £'000
Interest bearing loans and outstanding interest	599,050	31,084	567,966
Non-interest bearing loans	187	—	187

Transactions between UK Hold Co and its underlying subsidiaries

Transactions with RCF Debtco

For the period ended 30 June 2024:

	Opening balance as at 1 January 2024 £'000	**Movement 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**

For the period ended 30 June 2023:

	Opening balance as at 1 January 2023 £'000	Movement during the year £'000	Closing balance as at 30 June 2023 £'000
Interest bearing loans and outstanding interest	589,262	35,882	625,144
Non-interest bearing loans	300,459	3,461	303,920

For the year ended 31 December 2023:

	Opening balance as at 1 January 2023 £'000	Movement during the year £'000	Closing balance as at 31 December 2023 £'000
Interest bearing loans and outstanding interest	589,262	49,566	638,828
Non-interest bearing loans	(300,459)	(5,820)	(306,279)

Transactions with FS Holdco 4

For the period ended 30 June 2024:

	Opening balance as at 1 January 2024 £'000	**Movement 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 loans	**(15,152)**	**(2,819)**	**17,791**

For the period ended 30 June 2023:

	Opening balance as at 1 January 2023 £'000	Movement during the year £'000	Closing balance as at 30 June 2023 £'000
Interest bearing loans and outstanding interest	147,725	21,790	169,515
Non-interest bearing loans	(9,665)	(3,203)	(12,868)

For the year ended 31 December 2023:

	Opening balance as at 1 January 2023 £'000	Movement during the year £'000	Closing balance as at 31 December 2023 £'000
Interest bearing loans and outstanding interest	147,725	53	147,778
Non-interest bearing loans	(9,665)	(5,487)	(15,152)

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

FOR THE PERIOD 1 JANUARY 2024 TO 30 JUNE 2024 (UNAUDITED) CONTINUED

22. Related party disclosures continued

Transactions between UK Hold Co and its underlying subsidiaries continued

Transactions with FBSHL

For the period ended 30 June 2024:

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

For the period ended 30 June 2023:

	Opening balance as at 1 January 2023 £'000	Movement during the year £'000	Closing balance as at 30 June 2023 £'000
Interest Bearing loans and outstanding interest	2,699	491	3,190
Non-interest bearing loans	—	—	—

For the year ended 31 December 2023:

	Opening balance as at 1 January 2023 £'000	Movement during the year £'000	Closing balance as at 31 December 2023 £'000
Interest bearing loans and outstanding interest	2,699	5,341	8,040
Non-interest bearing loans			

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 UK battery assets in construction). On occasion, revenues are received and expenses are paid on their behalf by FS Holdco, FS Debtco, FS Holdco 3 and FS Holdco 4. All of these transactions are related party transactions.

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 period ended 30 June 2023:

	Opening balance receivable/ (payable) as at 1 January 2023 £'000	Amounts paid on behalf of SPV 2024 £'000	Amounts received from SPV 2024 £'000	Net amount (payable)/ receivable as at 30 June 2023 £'000
FS Holdco and its SPVs	(50,577)	10,688	(14,199)	(54,088)
FS Debtco and its SPVs	(48,927)	417	(14,688)	(63,198)

For the year ended 31 December 2023:

	Opening balance receivable/ (payable) as at 1 January 2023 £'000	Amounts paid on behalf of SPV 2024	Amounts received from SPV 2024	Net amount (payable)/ receivable as at 31 December 2023 £'000
FS Holdco and its SPVs	(50,577)	10,467	(28,398)	(68,508)
FS Debtco and its SPVs	(48,927)	—	(31,849)	(80,776)

NOTES TO THE FINANCIAL STATEMENTS CONTINUED
FOR THE PERIOD 1 JANUARY 2024 TO 30 JUNE 2024 (UNAUDITED) CONTINUED

22. Related party disclosures continued

Transactions with the Investment Manager

The Investment Manager of Foresight Solar is Foresight Group LLP.

The Investment Manager, through its asset management subsidiary, Foresight Asset Management Limited, charged asset management fees to the underlying projects of £1,435,127 during the period (1 January 2023 to 30 June 2023: £1,109,484, 1 January 2023 to 31 December 2023: £2,312,500). The Investment Manager also charged asset management fees of €79,408 through its Spanish subsidiary Foresight Group Iberia, S.L.

23. Commitments and contingent liabilities

There are no commitments or contingent liabilities (30 June 2023: £nil, 31 December 2023: £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 8 August 2024, the Company announced that the Board had increased the allocation of available cash for the buyback programme to a potential £50 million. There were no further post balance sheet events requiring disclosure.

ADVISORS

Administrator & Company Secretary
JTC (Jersey) Limited
JTC House
28 Esplanade
St. Helier
Jersey JE2 3QA

Corporate Brokers
Jefferies International Limited
100 Bishopsgate
London EC2N 4JL

Singer Capital Markets
1 Bartholomew Lane
London EC2N 2AX

Independent Auditor
KPMG LLP
15 Canada Square
London E14 5GL

Investment Manager
Foresight Group LLP
The Shard
32 London Bridge Street
London SE1 9SG

Legal Advisors to the Company as to the acquisition of solar assets
Osborne Clarke
One London Wall
London EC2Y 5EB

Legal Advisors to the Company as to English Law
Dickson Minto W.S.
Broadgate Tower
20 Primrose Street
London EC2A 2EW

Legal Advisors to the Company as to Jersey Law
Ogier
Ogier House
The Esplanade
St. Helier
Jersey JE4 9WG

Public Relations Advisors
Sodali & Co
The Leadenhall Building
122 Leadenhall Street
London EC3V 4AB

Registrar
Computershare Investor Services (Jersey)
Queensway House
Hilgrove Street
St. Helier
Jersey JE1 1ES

GLOSSARY OF TERMS

AEMO	Australian Energy Market Operator
Asset Manager	The Company's underlying investments have appointed Foresight Group LLP, a subsidiary of Foresight Group CI, to act as Asset Manager
BBSY	Bank Bill Swap Bid Rate
BESS	Battery energy storage systems
BoE	Bank of England
CEFC	The Clean Energy Finance Corporation
CfD	Contract for Difference
Company	Foresight Solar Fund Limited
DESNZ	Department for Energy Security and Net Zero
DCF	Discounted cash flow
DNO	Distribution network operator
EBITDA	Earning before interest, taxes, depreciations, and amortisation. Also a measure of operating profit
EPC	Engineering, procurement and construction
Euribor	Euro Interbank Offered Rate
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
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
IFRS	International Financial Reporting Standards as adopted by the EU
Investment Manager	Foresight Group
IPEV Valuation Guidelines	International Private Equity and Venture Capital Valuation Guidelines
IPO	Initial Public Offering LLP
ISP	Integrated System Plan
KPI	Key performance indicator
KPMG LLP	KPMG is the Company's auditor
LGC	Large-Scale Generation Certificate
Listing Rules	The set of FCA rules which must be followed by all companies listed in the UK
MIDIS	Macquarie Infrastructure Debt Investment Solutions
MW	Megawatt
MWh	Megawatt hour
NAV	Net Asset Value
NEM	National Electricity Market
Ofgem	Office of Gas and Electricity Markets (UK government regulator)
O&M	Operation and maintenance contractors
PNIEC	Plan Nacional Integrado de Energia y Clima
PPA	Power purchase agreement
PRI	Principles for Responsible Investment
PV	Photovoltaic
REGO	Renewable Energy Guarantee of Origin
REMA	Review of Electricity Market Arrangements
RCF	Revolving credit facility
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 Certificate
RPI	Retail Prices Index
SDG	United Nations Sustainable Development Goal
SDR	Sustainability Disclosure Requirements
SONIA	Sterling Overnight Index Average
SPVs	The special purpose vehicles which hold the Company's investment portfolio of underlying operating assets
TSR	Total shareholder return
UK	The United Kingdom of Great Britain and Northern Ireland

Designed and produced by **lyonsbennett.com**

Foresight

FOR A SMARTER FUTURE

Foresight Solar Fund Limited
The Shard
32 London Bridge Street
London SE1 9SG

fsfl.foresightgroup.eu