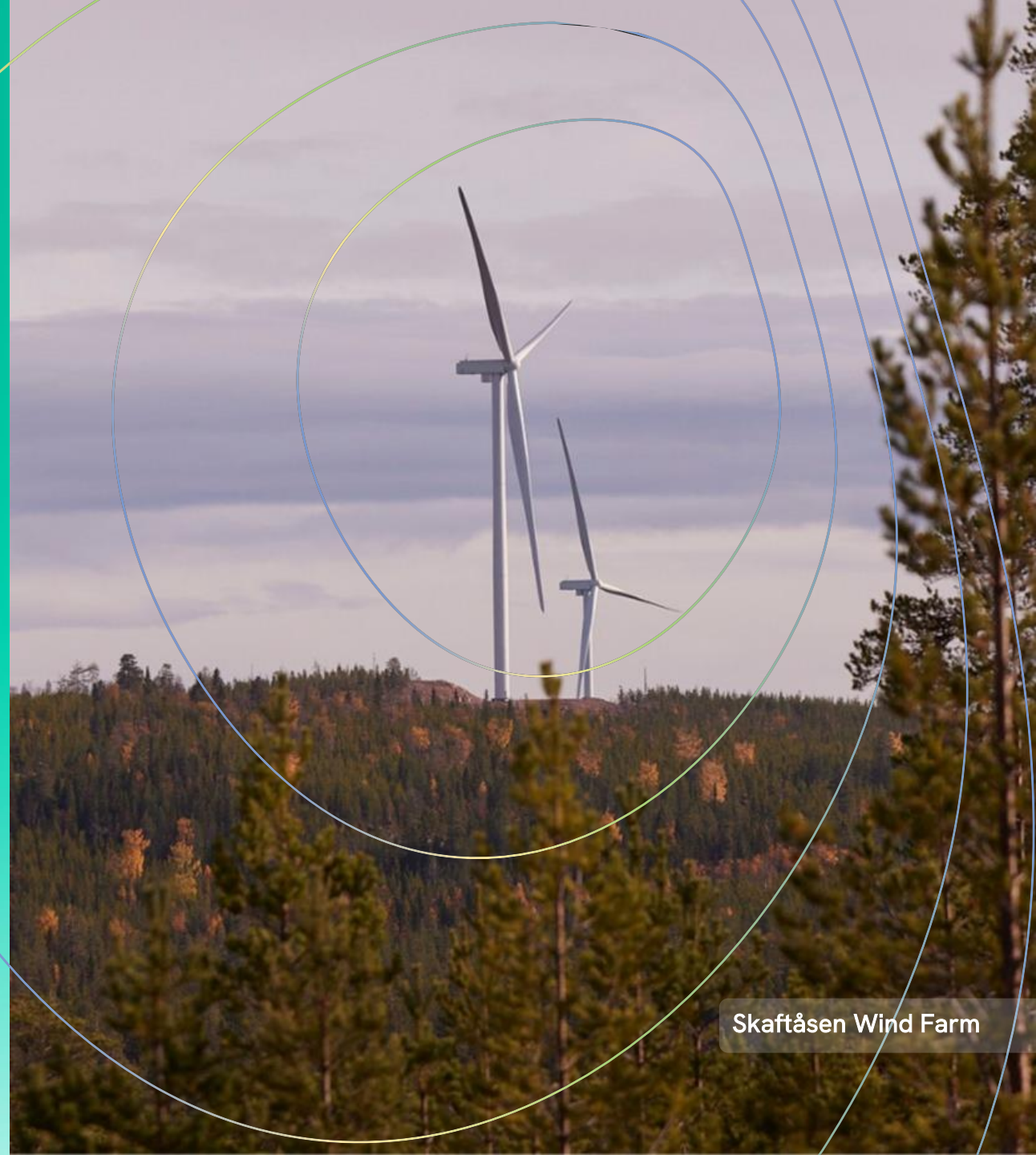


# Results Presentation

For the half year ended  
30 September 2023

Foresight



Skaftåsen Wind Farm

# Agenda

Performance Overview 03

Financial Results 08

Outlook 14

Q&A 21

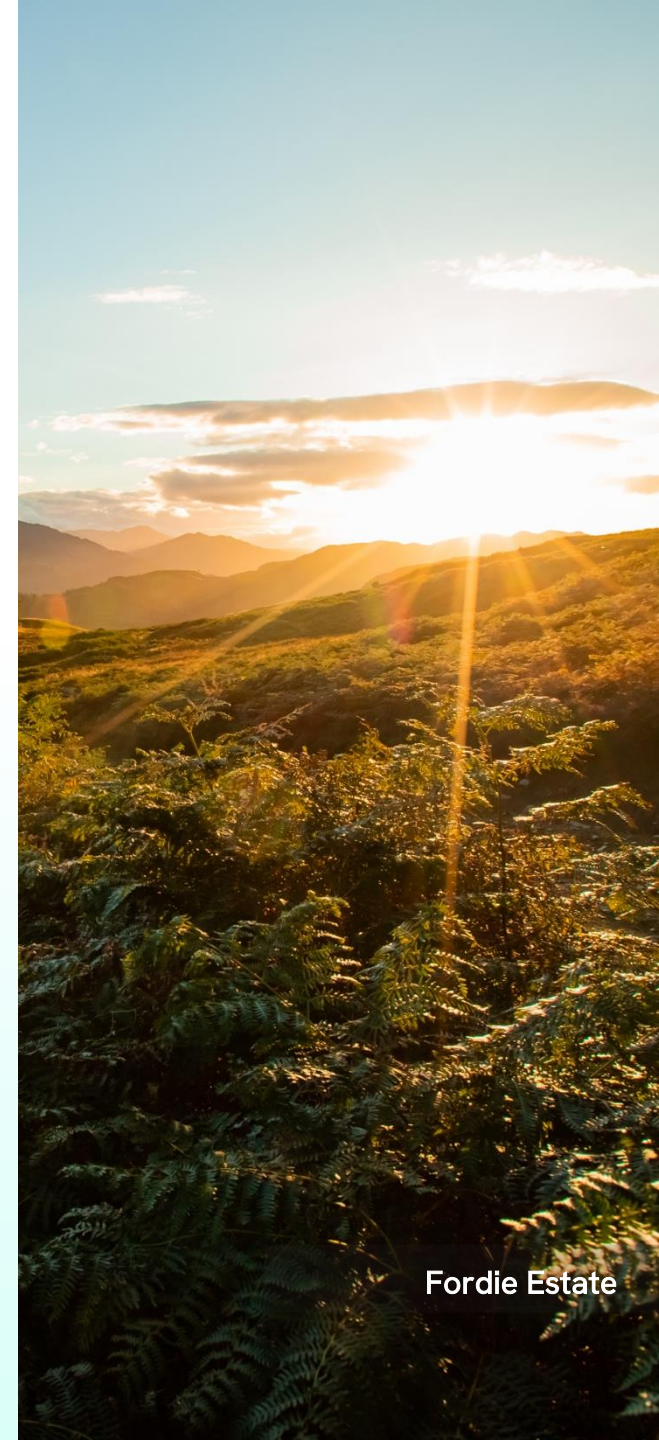


**Bernard Fairman**  
Executive Chairman &  
Co-Founder



**Gary Fraser**  
Chief Financial Officer

**Foresight**



Fordie Estate



# Performance Overview

Bernard Fairman  
Executive Chairman & Co-Founder

Foresight

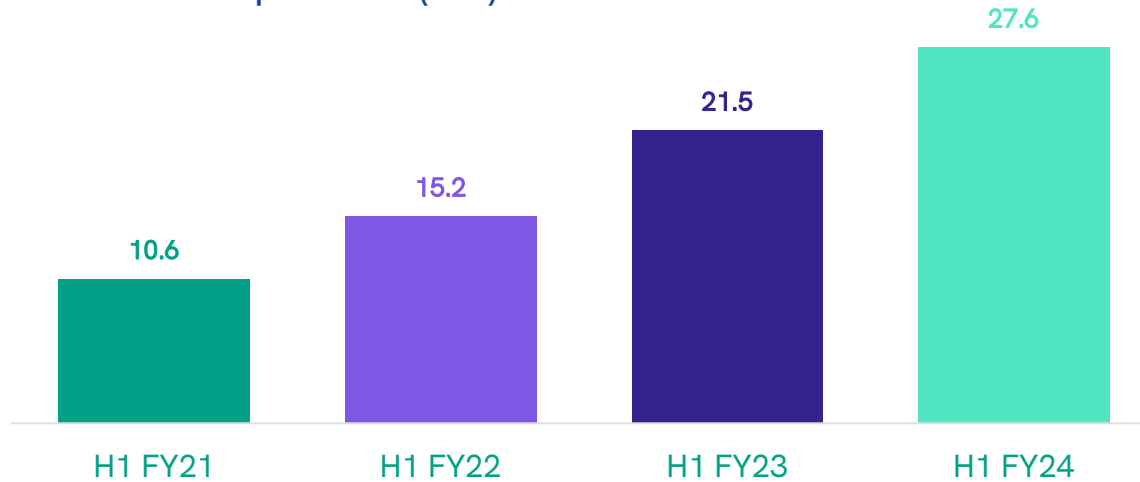
Kölvallen Wind Farm

# Highlights

- Performance in current markets demonstrates success of our diversified model
  - Strong Core EBITDA pre-SBP growth generating £27.6 million (+28%)
  - Resilient AUM, marginally up at £12.2 billion (+1%)
- Benefit from high quality revenue
  - 87% recurring revenue streams
  - Over 90% long duration capital
  - Experiencing no management fee pressures
- Investment opportunity within key markets continues to grow
  - Pipeline of total future deployment rights in international infrastructure above £5 billion
  - First close of £50 million Investment Fund for Wales and £10 million Foresight Northern Ireland Fund

# Extended track record of profitable growth

Core EBITDA pre-SBP (£m)



- Strong Core EBITDA pre-SBP growth
  - 28% year-on-year growth
  - 38% three-year CAGR
- Full year margin expected to be above H1 FY24

Core EBITDA pre-SBP margin (%)

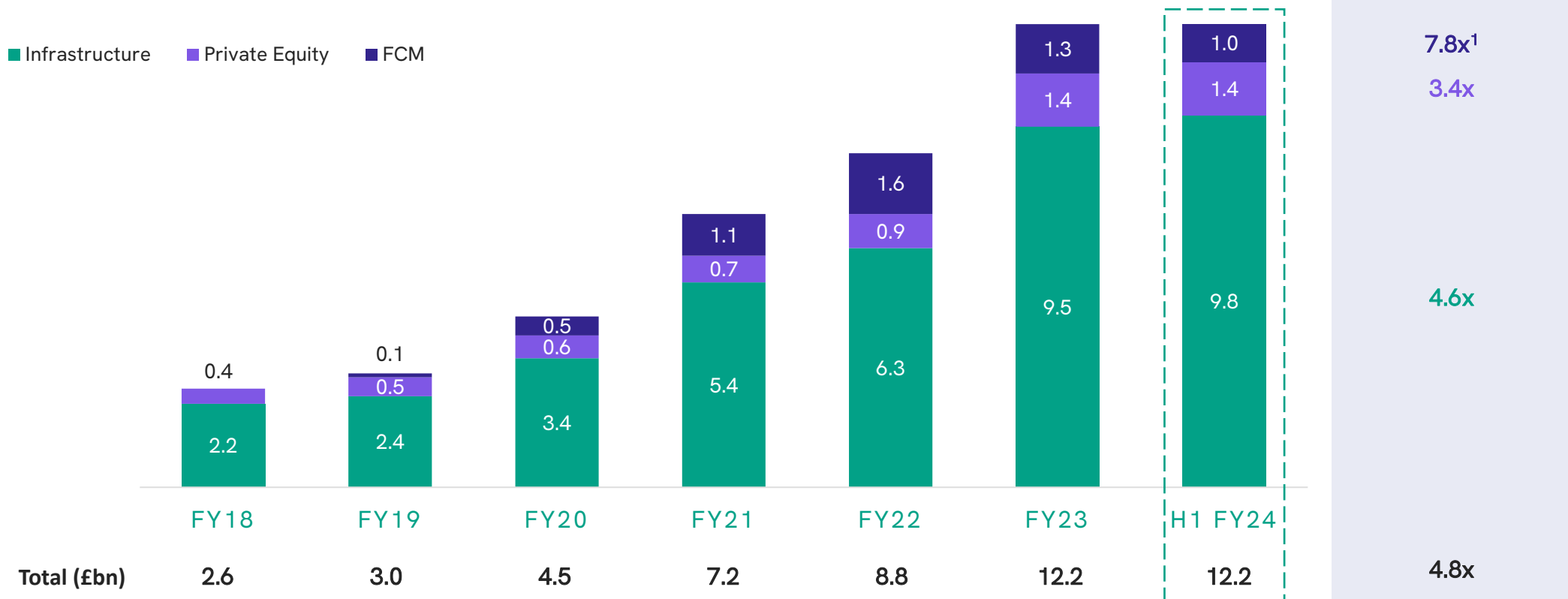
32.8%      38.3%      42.4%      40.7%

Foresight

# AUM resilience driven by long duration capital

AUM growth history (£bn)

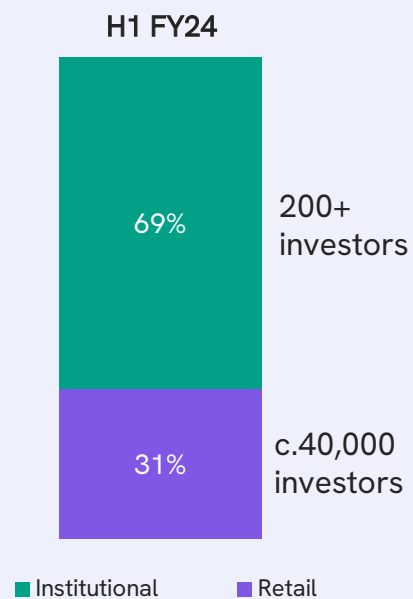
■ Infrastructure ■ Private Equity ■ FCM



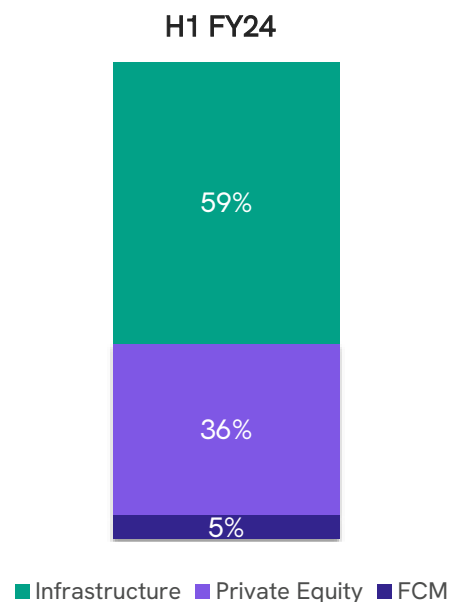
Foresight

# Diversified model delivers success through economic cycles

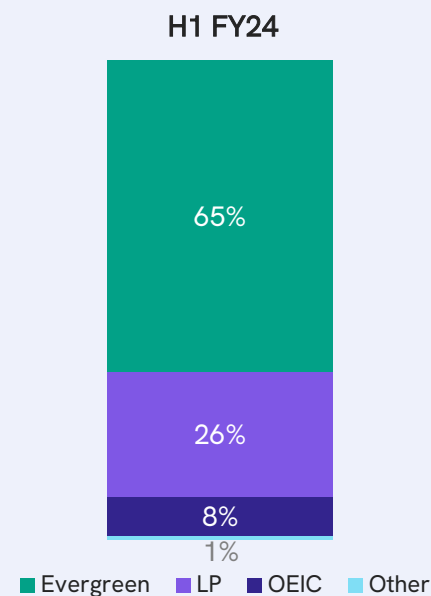
**Distribution**  
by AUM



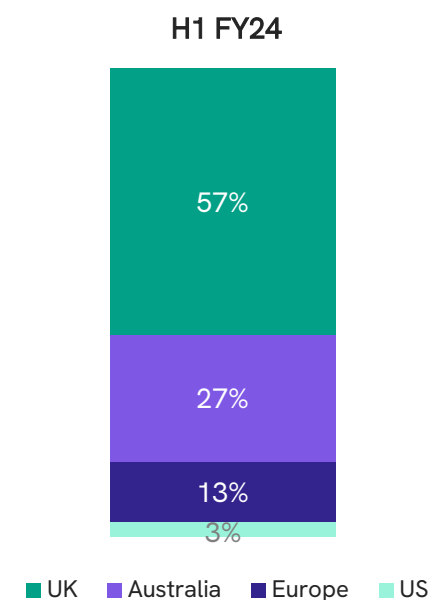
**Investment divisions**  
by Core EBITDA pre-SBP



**Vehicles**  
by AUM



**Geography**  
by AUM



- Proven ability to successfully raise institutional and retail capital

- Leveraging specialised but complementary skill sets

- Over 90% in evergreen or LP vehicles – with long duration capital

- Investment assets held across 3 continents

## Foresight

1. Evergreen funds include listed investment trusts and are defined as having no pre-determined end of life and therefore have the capability to raise future capital. 7



# Financial Results

Gary Fraser  
Chief Financial Officer

Foresight

Energy to Waste Plant in Manfredonia



# Key Financial Metrics

Profitable growth continuing to deliver shareholder value

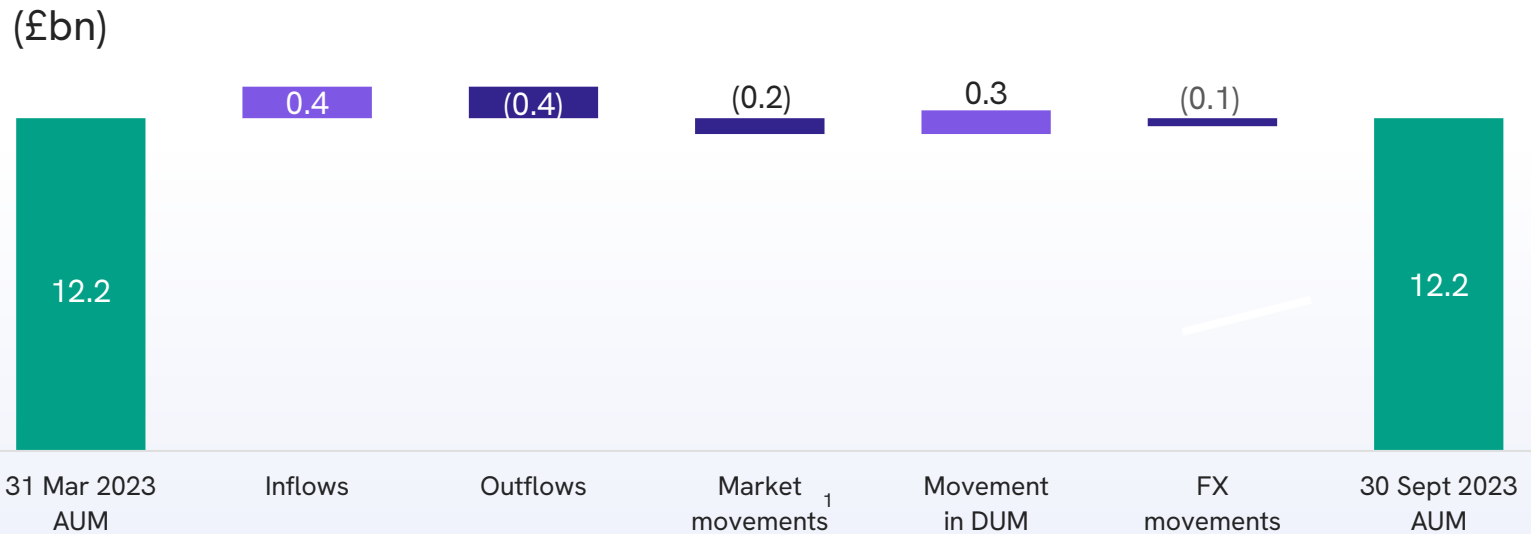
	Actuals			Constant currency basis	
	30 September 2023	31 March 2023	Period Change	30 September 2023	Period Change
<b>Assets/Funds</b>					
Period-end AUM (£m)	12,245	12,167	+1%	12,352	+2%
Period-end FUM (£m)	8,830	9,022	-2%	8,899	-1%
<b>Revenue</b>					
			30 September 2023	30 September 2022	YoY Change
Total Revenue (£m)			67.8	50.7	+34%
Recurring Revenue (% of Total)			87.3%	89.4%	-2.1 pts
<b>Profitability</b>					
Core EBITDA pre-SBP <sup>1</sup> (£m)			27.6	21.5	+28%
Core EBITDA pre-SBP <sup>1</sup> margin (%)			40.7%	42.4%	-1.7 pts
<b>Shareholder returns</b>					
Basic Earnings per Share (p)			16.0p	14.4p <sup>2</sup>	+11%
Interim dividend per Share (p)			6.7p	4.6p	+46%

## Foresight

1. Share-based payments (SBP) equal to £8.8 million in the period ended 30 September 2023 (H1 FY23: £1.5 million).
2. Restated to reflect finalised IFRS 3 accounting.

# AUM Bridge

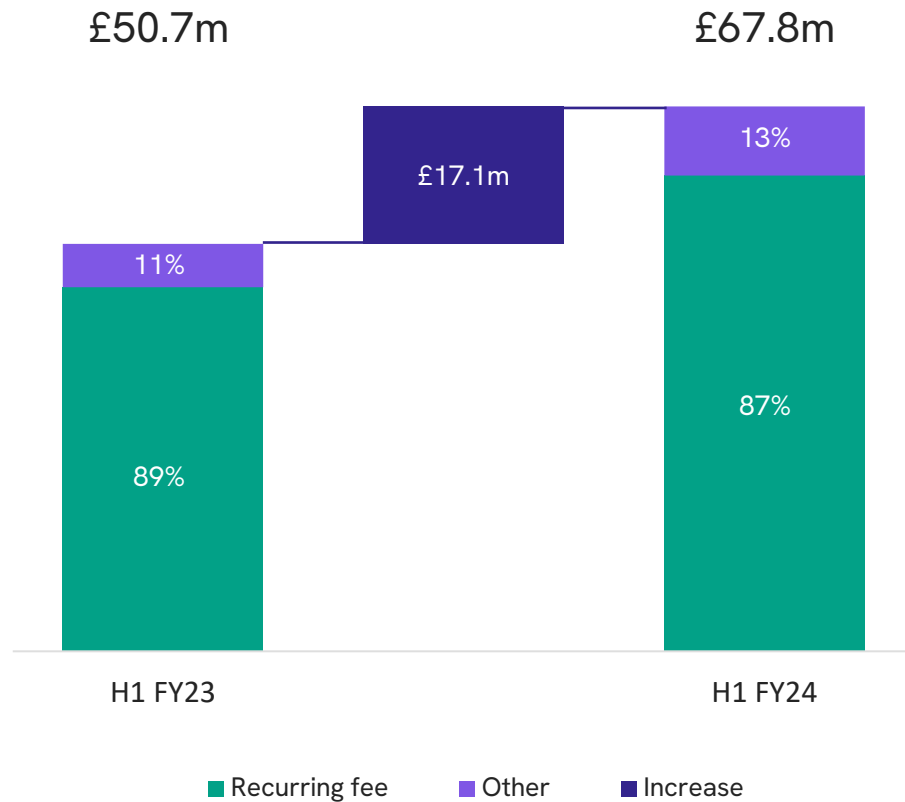
Fundraising into higher margin vehicles offset outflows in FCM division



- Strong inflows of £247 million into higher margin retail products, driven by in-house sales team
- Private Equity institutional fundraising continued
- £207 million net outflows in lower margin OEIC products driven by challenging market conditions

# Revenue

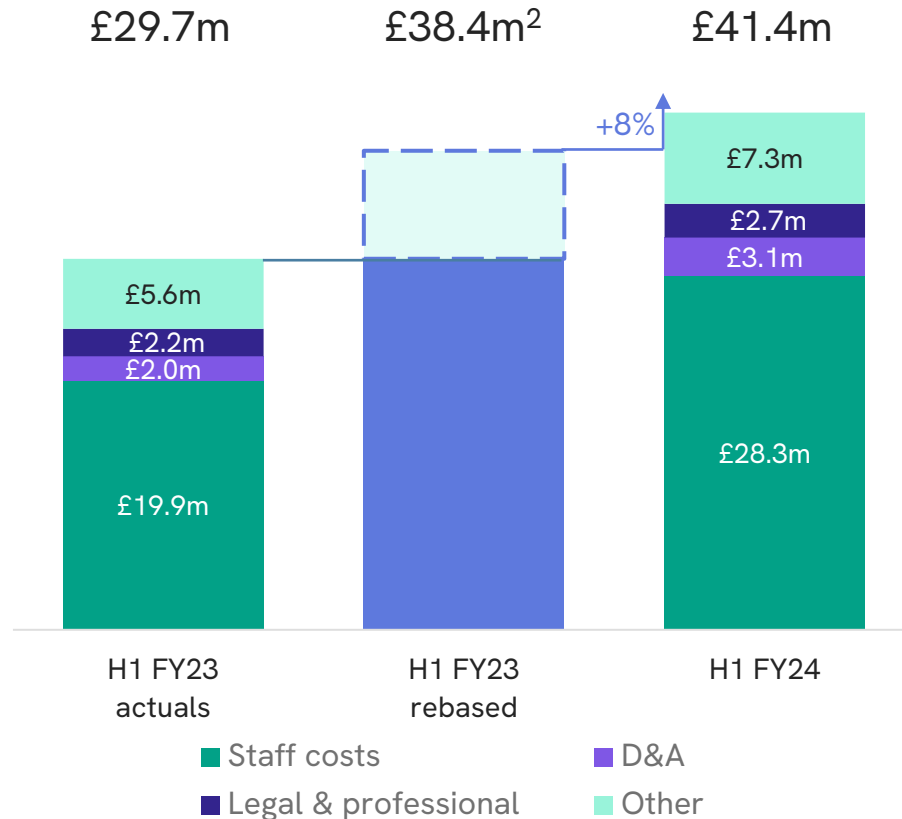
34% year-on-year increase



- 87% recurring revenue remained in target range of 85-90%
- Revenue up 34% or £17.1 million
  - +£7.7 million organic growth
  - +£9.4 million related to acquisition activity<sup>1</sup>
- c.20% non-GBP denominated revenue (H1 FY23: 10%)
- H2 FY24 revenue will benefit from
  - A full six months of management fees relating to higher margin retail and private equity fundraising delivered in H1 FY24
  - Further retail and institutional fundraising; two Private Equity funds launched in November
  - Incremental performance fees; £1.85 million already delivered in H2 FY24

# Costs<sup>1</sup>

Maintenance of firm cost discipline in an inflationary environment



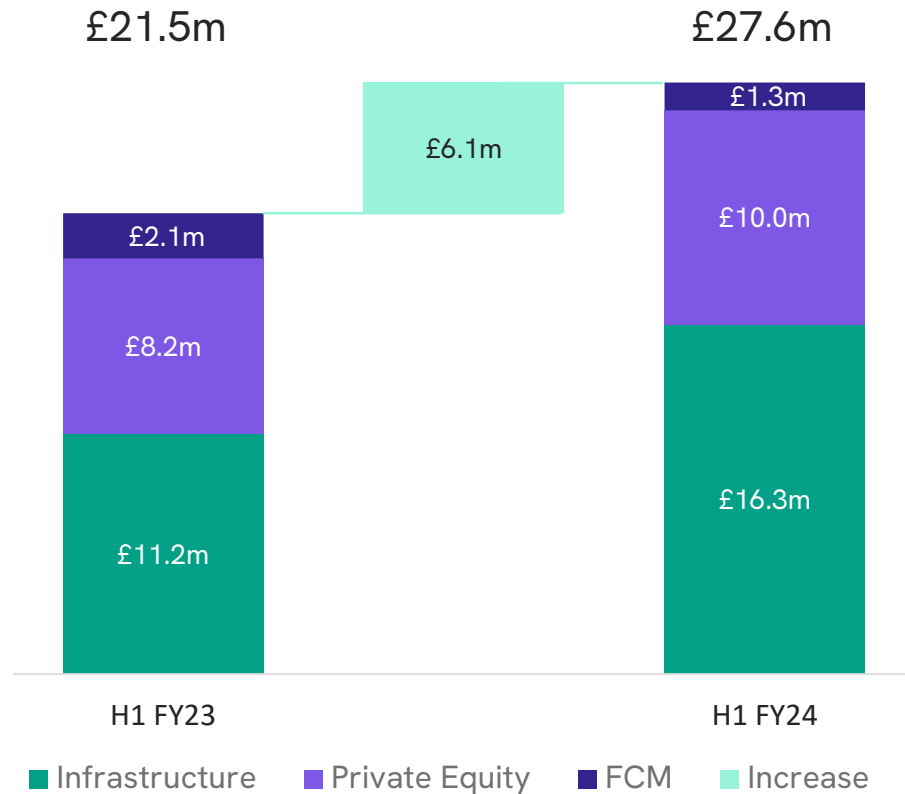
- H1 FY24 8% up on rebased H1 FY23 costs<sup>2</sup>
- Average 7% salary increase for staff, reflecting high inflation environment
- £0.6 million increase following FY23 review of senior staff remuneration
- £0.4 million staff cost relating to £0.7 million performance fees
- Full year increase expected to be c.10% of FY23 rebased costs (£76.7 million)
- H2 FY24 cost saving initiatives estimated to save £1.9 million on an annualised basis
- Effective tax rate unchanged at c.20%

1. Administrative expenses before non-underlying items.  
 2. Based on 50% of rebased FY23 cost base disclosed at FY23 results of £76.7 million, which allows for the annualisation of operating costs relating to acquisitions.

# Profitability

28% year-on-year increase

## Core EBITDA pre-SBP



- 28% year-on-year growth driven by:
  - Successful prior year and year-to-date fundraising into higher margin and longer tenure vehicles
  - Annualisation of FY23 M&A activity (+£3.8 million)
  - Maintenance of firm cost discipline
- Achieved 40.7% Core EBITDA pre-SBP margin in H1 FY24, expected to increase in H2
- Remain confident in growing this margin as the business scales

# Outlook

Bernard Fairman  
Executive Chairman & Co-Founder



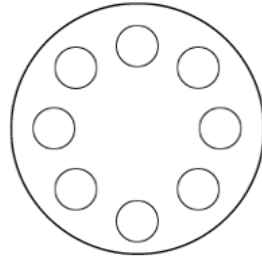
Our Portfolio Team on a Site Visit in Sweden

# Who we are



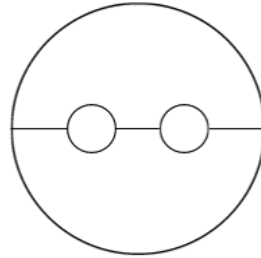
## Sustainable

- 4 article 9 funds under SFDR
- 11 funds dedicated to driving the energy transition
- 14 funds supporting UK&I regional investment<sup>1</sup>



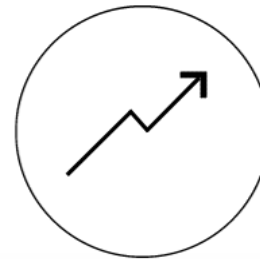
## Diversified

- >200 institutional investors
- c.40k retail investors
- 3 business divisions
- 3 continents



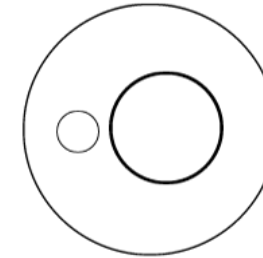
## Predictable

- 87% recurring revenue
- Over 90% in evergreen or LP vehicles - with long duration capital



## Market Growth

- Ideally positioned to capture long-term structural growth trends in our key markets



## Scalable

- +£5.0bn AUM since IPO
- +6.1ppt margin expansion since IPO
- >£5bn deployment pipeline



## Profitable

- +34% revenue growth<sup>2</sup>
- +28% profit growth<sup>2</sup>

All underpinned by our culture and the wealth of knowledge and experience of our people

# In focus: Trends shaping the energy transition

Large and compelling, multi decade opportunity as we target net zero globally

## Key drivers

- Increased demand for electrification
- Technological advancements
- Cost competitiveness of renewables

## Supercharged by

- Multiple regulatory tailwinds, including:
- US Inflation Reduction Act
  - EU Net Zero Industry Act

## Accelerated by

Strengthening focus on energy security following recent global conflicts

Leading to...

Significant levels of *incremental investment*

In low carbon *energy generation, storage & grid infrastructure*

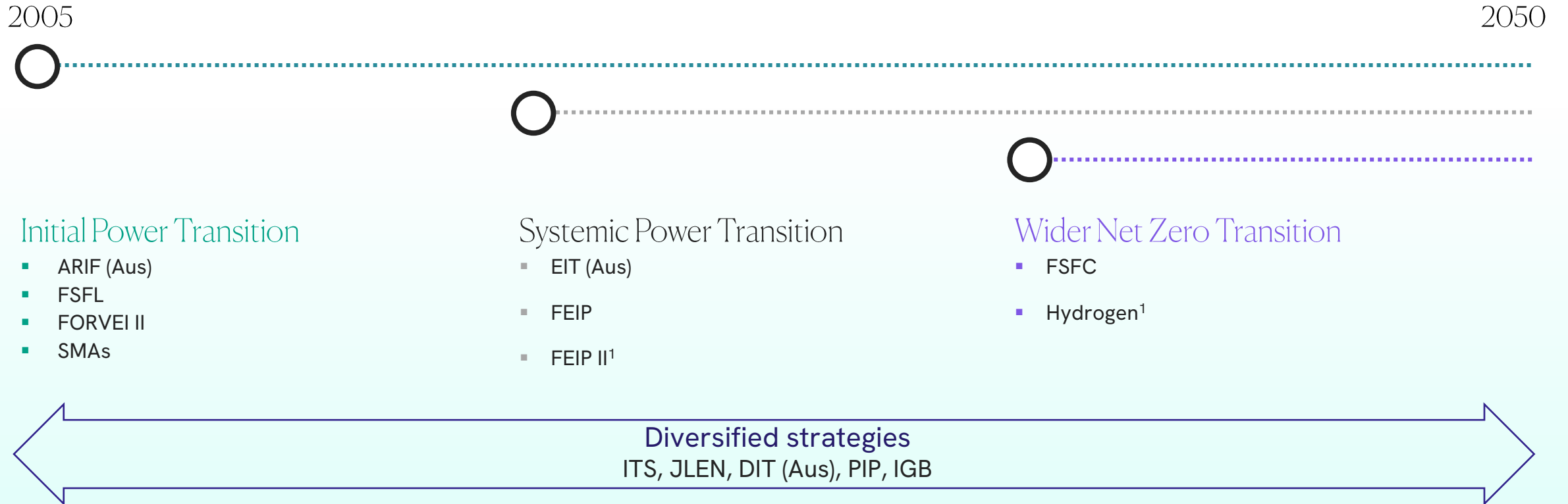
**\$194tn** expected energy investment by 2050 to reach net zero<sup>1</sup> - requiring c. 3.5x annual increase on \$2trn invested in 2021

**97%** of investment in new power generation to 2050 to be spent on low carbon sources



# In focus: Our energy transition strategies

15+ years' of sustainable infrastructure investment experience

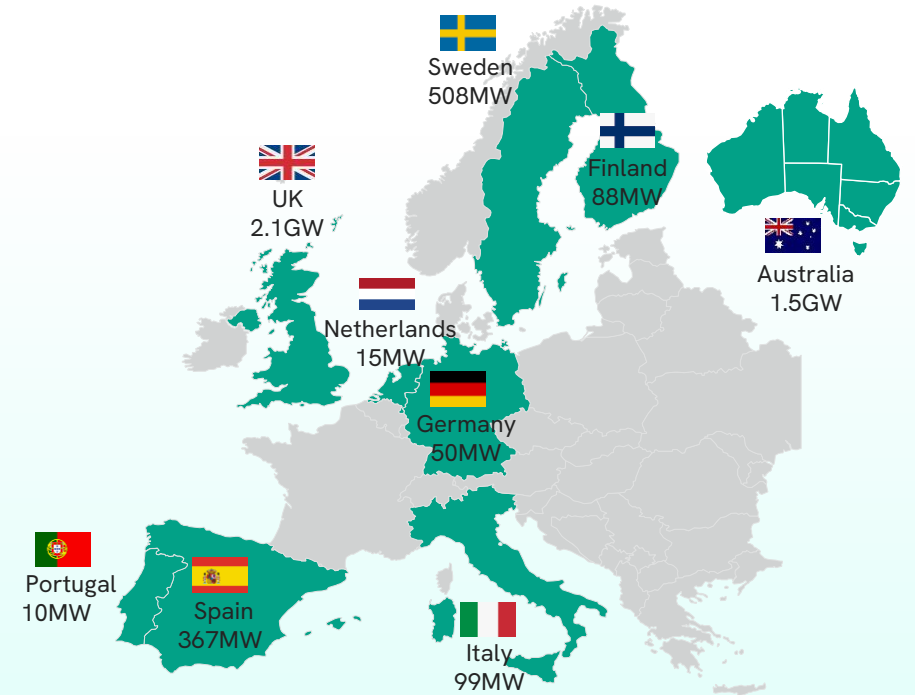


# In focus: Investment credentials

Over £4bn deployed into energy infrastructure across 9 countries

## Current Infrastructure portfolio

- 435 infrastructure assets across multiple sectors including solar, wind, waste to energy, bioenergy and battery storage
- 4.7 GW of total green energy technology capacity
- Example investments
  - **Skaftåsen onshore wind farm (renewable generation)**  
35 x 6.6 MW turbines
  - **Silvermines pumped storage hydro (renewable storage and generation)**  
Ability to generate power in 10 seconds and stop in 2 minutes
  - **MaresConnect interconnector (grid)**  
2 x HVDC<sup>1</sup> cables under the Irish Sea



# Multiple levers to deliver further profitable growth

## 1. Focused approach to fundraising

### Institutional Infrastructure

- **Initial power transition / renewable energy generation:**
  - ARIF - Existing A\$1.0bn yield-paying core+ energy infrastructure fund with a diversified portfolio of wind, solar, and hydro investments in Australia
- **Systemic power transition:**
  - FEIP II - Flagship core + / value add energy transition strategy investing broadly across European energy systems into complementary renewables, flexibility and grid assets
- **Wider net zero transition:**
  - International hydrogen fund seeking to develop and build a portfolio of low-carbon hydrogen and Power-to-X projects across OECD countries

### Institutional Private Equity

- Further roll out of regional strategy with 14 active funds<sup>1</sup>

### Retail


- Successful ongoing fundraising by near 50 in-house sales team including specialist OEIC UK sales team

## 2. M&A Activity

- Continue to apply a disciplined approach to assessing the market
- Deals will only be considered if they are accretive
- Leverage our proven track record

# Remain confident in delivery of strategic targets

	Target	Delivered in H1 FY24	Outlook
Growth	20-25% growth in AUM <sup>1</sup>	22% rolling 3-year average <sup>2</sup>	<ul style="list-style-type: none"> <li>Continued fundraising into high margin vehicles</li> <li>Well positioned for institutional fundraising</li> <li>Supplementary inorganic activity</li> </ul>
High quality earnings	85-90% recurring revenue	87% recurring revenue	<ul style="list-style-type: none"> <li>High visibility on FY24 earnings</li> <li>FY24 revenue benefit from full year of fees on significant FY23 AUM growth</li> </ul>
Operating leverage	c.43% core EBITDA pre-SBP margin over the medium term	40.7% margin	<ul style="list-style-type: none"> <li>Full year margin expected to be above H1 FY24</li> <li>Operational leverage through institutional infrastructure fundraising</li> </ul>
Shareholder alignment	60% dividend payout	6.7p interim dividend	<ul style="list-style-type: none"> <li>High degree of management ownership</li> </ul>

A photograph of two beekeepers in protective suits and veils, wearing yellow gloves, working with a beehive. They are outdoors, surrounded by many bees flying around them. The background is a blurred green field. The image is overlaid with several thin, light blue and green circular lines.

Q&A

Foresight

Sandridge Solar Farm



# Appendices

Foresight

# Appendix 1: Glossary

<b>ARIF</b>	Australian Renewables Income Fund
<b>DIT</b>	Diversified Infrastructure Trust
<b>EIT</b>	Energy infrastructure Trust
<b>FEIP</b>	Foresight Energy Infrastructure Partners
<b>FSFC</b>	Foresight Sustainable Forestry Company
<b>FSFL</b>	Foresight Solar Fund Limited
<b>IGB</b>	Foresight Italian Green Bond Fund
<b>ITS</b>	Inheritance Tax Solution
<b>JLEN</b>	JLEN Environmental Assets
<b>Non-underlying items</b>	Items which are not considered part of the normal operating costs of the business, are non-recurring and considered exceptional because of their size, nature or incidence, are treated as non-underlying items and disclosed separately
<b>OEIC</b>	Open Ended Investment Company
<b>PiP</b>	Pensions Infrastructure Platform
<b>SBP</b>	Share-Based Payment
<b>SFDR</b>	Sustainable Finance Disclosure Regulation
<b>SMA</b>	Separately Managed Account

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# Thank you

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