Tuesday 24 June 2025

FORESIGHT ENVIRONMENTAL INFRASTRUCTURE LIMITED

("FGEN" or the "Company")

Annual Report and Accounts for the Year Ended 31 March 2025

Robust portfolio performance and a refocused investment strategy, underpinning consistent year-on-year dividend increases

FGEN, a leading investor in private environmental infrastructure assets driving stable returns, decarbonisation and sustainable resource management, announces its Annual Report and Accounts for the financial year ended 31 March 2025 (the "Annual Report").

Ed Warner, Chair of FGEN, said:

"*Despite a challenging geopolitical and macroeconomic backdrop, FGEN has demonstrated resilience over the period, with strong distributions from the portfolio which have provided a firm foundation to the 2.1% uplift in the dividend target from 7.80 pence to 7.96 pence.*

"Our performance continues to be centred on disciplined capital allocation, robust income growth, and value accretive asset management. Our tenth consecutive year of record cash distribution, underpinning sustainable dividend coverage, reflects the strength and resilience of our portfolio.

"As announced earlier this month, the Board has conducted a rigorous review of the Company's future strategy following consultation with independent external advisors and shareholders to deliver the best possible value in the long term. The Board concluded that shareholders are best served by the proactive management of the existing portfolio with a refocused investment strategy that reflects the structural changes in macroeconomic conditions in recent years. Looking ahead, the Company will prioritise stable, long-term cash flows from core environmental infrastructure assets to deliver predictable income to our shareholders, alongside fresh opportunities for growth.

"We continue to believe that our investment strategy – investing across renewable energy generation, other energy infrastructure and sustainable resource management – offers the best opportunities for investors while contributing significantly to the energy transition in our priority markets. Environmental infrastructure continues to be one of the most significant investment opportunities of this generation and FGEN's strategic mandate ensures it is uniquely placed to capitalise on this."

Highlights

Record cash generation from underlying assets:

- Tenth consecutive year of record cash receipts from investments
- 1.32x dividend cover – FGEN's second highest since IPO
- Dividend cover forecast to remain at comfortable levels
- 61% of revenues benefiting from contractual inflation linkage

Clear and effective capital allocation strategy:

- £88.6m raised from sale of 10% of the portfolio[1]
- 28.7% gearing, one of the lowest across the peer group
- £30m share buyback programme underway (extended by £10m in March 2025 from £20m); of which £24.3 million returned to shareholders to date[2]

Strategic review:

- Selective approach to new investment, prioritising core environmental infrastructure
- Targeting investments offering long term stable cash flows, secured revenues and inflation linkage, and an attractive balance between income and growth
- Growth assets expected to be divested in the medium-term to maximise shareholder value

Earnings and Net Asset Value ("NAV"):

- NAV per share of 106.5 pence following payment of dividends to shareholders in line with targets
- Flat NAV Total Return of 0.6% in the period
- Annualised NAV total return of 7.3% since IPO
- FY26 dividend target increased to 7.96 pence
- Dividend target represents yield of 10.0% on the closing share price at 23 June 2025[3]

Proposed new adjusted fee structure:

- Proposal for existing tiers to be applied to an equal blend of NAV and market capitalisation

1. Based on an opening portfolio valuation of £891.9 million.
2. Buybacks completed at the time of publication, 23 June 2025.
3. Based on closing share price at the time of publication, 23 June 2025.

Summary of changes in NAV

	NAV per share
NAV at 31 March 2024	**113.6p**
Dividends paid in the year	-7.7p
Power price forecasts	+1.3p
Portfolio performance	-2.2p
Profit from asset sales	+1.3p
Uplift from share buyback programme	+1.1p
Other movements	-0.9p
NAV at 31 March 2025	**106.5p**

Key investment metrics

All amounts presented in £million (except as noted)	**Year ended 31 March 2025**	Year ended 31 March 2024
Net assets[1]	**678.7**	751.2
Portfolio value[2]	**765.7**	891.9
Operating income and gains on fair value of investments	**6.0**	(3.8)
Net Asset Value per share[3]	**106.5p**	113.6p
Distributions, repayments and fees from portfolio	**90.4**	87.0
Loss before tax	**(2.8)**	(13.9)
Gross asset value[3]	**951.3**	1,091.8
Market capitalisation	**457.0**	619.9
Share price[3]	**71.7p**	93.7p
Annualised NAV total return	**0.6%**	(1.6)%
NAV total return since inception[3]	**7.3%**	8.0%
Total Shareholder Return since inception[3]	**41.0%**	68.4%
Annualised total shareholder return [3]	**3.2%**	5.4%

1. Also referred to as "NAV".
2. Classified as investments at fair value through profit or loss in the statement of financial position.
3. Net Asset Value per share, share price, market capitalization, gross asset value, total shareholder return and annualized shareholder return are alternative performance measures ("APMs"). The APMs withing the accounts are defined on pages 182 and 183 in the 2025 Annual Report.

Annual report

The Annual Report is available on the Company's website at: https://www.fgen.com/investors/reports-and-publications

A copy of the annual report has been submitted to the National Storage Mechanism and will shortly be available at https://data.fca.org.uk/#/nsm/nationalstoragemechanism.

Annual results presentation to equity analysts

A webinar and in-person event for the annual results will be held at 10:00 am (UK time) today, 24 June 2025, hosted by Chris Tanner, Edward Mountney and Charlie Wright, Investment Managers to FGEN. To register for the webinar, please contact SEC Newgate by email at fgen@secnewgate.co.uk.

Retail Investor Webinar

On 26 June 2025, Chris Tanner, Edward Mountney and Charlie Wright will also provide a live presentation via Investor Meet Company at 12:00 p.m. BST. Investors can sign up to Investor Meet Company for free, follow FGEN and gain access to the meeting via: https://www.investormeetcompany.com/foresight-environmental-infrastructure-limited/register-investor

Contacts

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About FGEN

FGEN invests into environmental infrastructure to deliver stable returns, long term predictable income and opportunities for growth, whilst driving decarbonisation and sustainability.

Investing across renewable generation, other energy infrastructure and sustainable resource management, it targets projects and businesses with an emphasis on long term stable cash flows, secured revenues, inflation linkage and the delivery of essential services. FGEN's aim is to provide investors with a sustainable, progressive dividend per share, paid quarterly, alongside the potential for capital growth.

The target dividend for the year to 31 March 2026 is 7.96 pence per share[1].

FGEN is an Article 9 fund under the EU Sustainable Finance Disclosure Regulation and has a transparent and award-winning approach to ESG.

Further details can be found on FGEN's website www.fgen.com and LinkedIn page.

1. These are targets only and not profit forecasts. There can be no assurance that these targets will be met or that the Company will make any distributions at all.

Foresight Environmental Infrastructure Limited
Annual Report 2025

ABOUT FGEN

Foresight Environmental Infrastructure Limited ("FGEN" or the "Company") is an investment company, investing in a diversified portfolio of private infrastructure assets that deliver stable returns, long-term predictable income and opportunities for growth whilst supporting the drive towards decarbonisation and sustainable resource management.

The Company's portfolio includes 40 assets located across the UK and mainland Europe. FGEN is a Guernsey-registered company with a premium listing on the London Stock Exchange and is a proud constituent of the FTSE 250 index.

OUR TRACK RECORD

FGEN has a long-term track record of delivering stable, progressive dividends with sustainable dividend coverage, providing investors with an opportunity to invest in a high-quality stock.

Weighted average discount rate and gearing
FGEN has one of the highest weighted average discount rates ("WADR") with one of the lowest gearing rates as compared to its peer group:

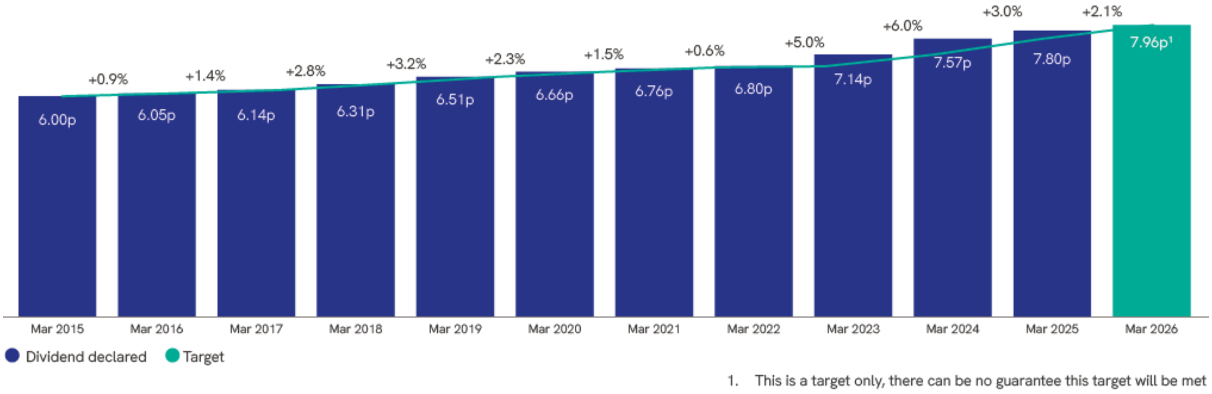
9.7%
Weighted average discount rate

28.7%
Gearing

Gearing is an alternative performance measure ("APM"). The APMs within the accounts are defined in the Annual Report 2025.

Dividend progression

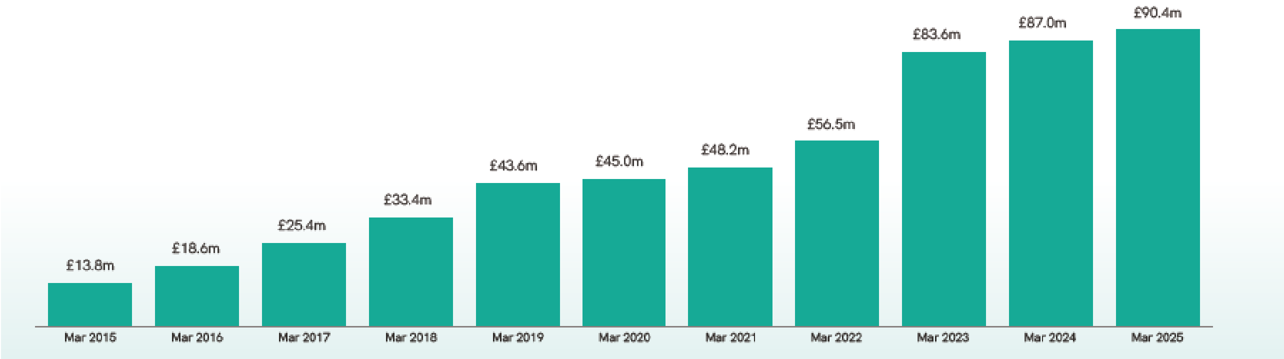
FGEN has an uninterrupted dividend growth track record since IPO in 2014, underpinned by sustainable dividend coverage.



1. This is a target only, there can be no guarantee this target will be met.

Consistent growth in income generated from investments

FGEN's dividend cover is underpinned by unbroken growth in cash receipts from portfolio assets every year since IPO – a testament to the strength and resilience of our investment strategy.



OUR MISSION STATEMENT

At FGEN we believe that investors shouldn't have to choose between earning attractive returns and delivering a real-world positive environmental impact.

FGEN invests into private environmental infrastructure to deliver stable returns, long-term predictable income and opportunities for growth. Our approach covers renewable energy generation, such as wind farms, solar parks and anaerobic digestion ("AD") plants, other energy infrastructure such as energy storage, cleaner transportation and heat, and sustainable resource management initiatives across the waste and water sectors. As a result, we're able to offer investors a balanced portfolio that is substantially de-risked from exposure to fluctuations in weather patterns and that contributes to the delivery of essential infrastructure services while also delivering on the financial characteristics of traditional infrastructure funds: long-term stable cash flows, secured revenues and inflation linkage.

We pursue this diversified investment strategy so as to fully participate in the transition to a low-carbon economy which we regard as one of the most compelling investment opportunities of our generation. Our focus is on well-established sectors driven by the need to address climate change and societal demand for sustainability. Our mandate also enables us to leverage sectors within environmental infrastructure, once sufficiently mature, to unlock a broader array of income and growth opportunities across mature environmental infrastructure technologies.

We invest across three key pillars of environmental infrastructure:

Renewable energy generation

The bedrock of FGEN's portfolio which includes wind, solar, anaerobic digestion, biomass, energy-from-waste and hydro. With an established income generation profile, these assets provide diversification across different forms of resource and deliver attractive risk-adjusted returns.

73%
Share of portfolio value

Other energy infrastructure
Non-energy generating assets that support the transition towards net zero, driven by increased demand for electrification and supported by legislation. This segment includes our battery storage units and low-carbon transport.

10%
Share of portfolio value

Sustainable resource management
Sustainable resource management means applying sustainable practices to ensure that resources benefit both current and future generations. This includes areas such as waste and wastewater treatment, as well as sustainability enhanced agriculture and aquaculture activities.

17%
Share of portfolio value

"Our portfolio is thoughtfully diversified across mature environmental infrastructure technologies and geographies. We have constructed a resilient portfolio designed to deliver stable returns and long-term, predictable income, while also offering the potential for capital growth. By providing investors with access to scarce yet highly sought-after assets, we are aligning financial performance with meaningful environmental impact. The Board remains strongly aligned with the Company's purpose and is confident in the strength and long-term potential of our strategy."

Ed Warner
Chair

PERFORMANCE HIGHLIGHTS

Our results summary for the full year ended 31 March 2025.

40 assets **Diversified portfolio** FY24: 42 assets	**£765.7m** **Portfolio value** FY24: £891.9m	**£678.7m** **Net Asset Value ("NAV")** FY24: £751.2m	**106.5p** **NAV per share**[1] FY24: 113.6p
7.3% **Annualised NAV total return**[1] FY24: 8.0%	**28.7%** **Gearing** FY24: 31.2%	**1.32x** **Dividend cover**[1,2] FY24: 1.30x	**7.96p (+2.1% increase)** **2026 dividend target**[3] FY25: 7.80p (+3% increase)
1,272GWh **Renewable energy generated** FY24: 1,358GWh	**193,663 tCO_2e** **GHG emissions avoided** FY24: 212,917 tCO_2e	**703,470** **Tonnes of waste diverted from landfill** FY24: 680,825	**£587,440** **Contributed to community funds** FY24: £655,076

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Proposed new adjusted fee structure:
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1. Annualised NAV total return, Net Asset Value per share and dividend cover are alternative performance measures ("APMs"). The APMs within the Annual Report are defined in the Annual Report 2025.
2. On a paid basis.
3. This is a target only, there can be no guarantee this target will be met.
4. Based on an opening portfolio valuation of £891.9 million.
5. Buybacks completed at the time of publication, 23 June 2025.
6. Based on closing share price at the time of publication, 23 June 2025.

CHAIR'S STATEMENT

"Our overriding objective in reviewing FGEN's strategy has been to strike the right balance between the continuing generation of income to support a progressive dividend, and delivering net asset growth in the medium to longer term."

I'm pleased to present the Annual Report for FGEN for the year ended 31 March 2025. During the past year, listed environmental infrastructure companies, including FGEN, have continued to face a number of headwinds. Inflation has remained stubbornly high, and interest rates have fallen more slowly than generally anticipated. The shock engendered by US policy pronouncements in recent weeks suggests that these economic conditions are unlikely to be alleviated soon. One consequence is that shares in our sector have continued to trade at wide discounts to NAV, placing even greater scrutiny on capital allocation strategies.

Against this backdrop, I am pleased to be able to report that FGEN has once again displayed strong resilience rooted in the quality of its diverse portfolio of environmental technologies. The total NAV return for the past year was 0.6%, with NAV per share reducing from 113.6 pence to 106.5 pence (-6.3%) being counterbalanced by a total declared dividend of 7.80 pence per share. FGEN's NAV performance during the year reflected several factors, including the write-down of our investment in HH2E in the first half of the year. The dividend reached a record high, prolonging an uninterrupted track record of growth since IPO in 2014, and together with share buybacks resulted in record distributions to shareholders. The dividend was also covered 1.32 times, supported by record cash distributions from the portfolio and providing a firm foundation for the 2.1% uplift in the Board's dividend target to 7.96p per share for the new financial year.

The Investment Manager's report provides detailed commentary on the performance of each of the key assets within FGEN's portfolio. What is clear is the value of our diverse mix of technologies, as well as the overall strengths of environmental infrastructure as an asset class.

Stable, long--term cash flows, often underpinned by government subsidies, have particular appeal in uncertain times, especially when they are propelled by social tailwinds such as growing environmental awareness. FGEN not only provides those stable returns, but does so through diversification that mitigates the risk of exposure to a single weather pattern or regulatory regime.

While the Board is reassured by the quality and resilience of FGEN's investments, we are acutely aware of the wide discount to NAV at which its shares currently trade, nor do we take any comfort from this being the experience of our peers.

In response, the Board has placed significant emphasis on capital discipline, which has been core to the actions undertaken on behalf of shareholders. As previously reported, asset sales, at or above NAV, amounting to approximately 10% of FGEN's overall portfolio, have taken place in the past year. These sales have enabled both a material reduction in outstanding debt and, significantly, an extension to our ongoing £30 million share buyback programme to take advantage of the NAV accretion opportunity that a wide share price discount represents. Where investment has taken place, it has been disciplined and focused on value enhancement projects at core operating assets and the buildout of FGEN's construction-stage investments.

In recent months, with the assistance of independent external advisers and extensive engagement with shareholders, the Board has conducted a rigorous, granular analysis of a wide range of options for FGEN's future strategy. These included a managed wind-down of the Company, targeted disposals, possible mergers and acquisitions, and refinements to the current investment approach.

Our overriding objective in reviewing FGEN's strategy has been to strike the right balance between the continuing generation of income to support a progressive dividend, and delivering net asset growth in the medium to longer term. The Board was unanimous in concluding that shareholders are best served by the proactive management of the existing portfolio, with a refocused investment strategy that reflects the structural changes in macroeconomic conditions in recent years.

FGEN's growth projects have made encouraging progress in the past year. Sales from the Glasshouse are ramping up, Rjukan is approaching its first harvest in July and CNG Fuels is increasing its fuel dispensed within a newly consolidated structure that better positions the business for future growth. The continued development of these operations is a strategic priority for FGEN and represents a material opportunity for medium-term capital appreciation.

Our asset disposal strategy is focused on delivering exits from these growth assets but only at material premiums to current carrying value, when they are sufficiently mature and valued accordingly. While we actively engaged in sales processes to recycle capital earlier this year, the review of strategic options concluded that further material asset disposals in the short term would not be beneficial to shareholders. Instead, through prudent balance sheet management and the continued use of buybacks and dividends to generate returns for shareholders, the Board will focus on successful disposals in the longer term. This will enable the recycling of capital, prioritising core environmental infrastructure assets with long-term stable cash flows delivering predictable income, alongside fresh opportunities for growth via technologies closely adjacent to FGEN's core assets.

The Board has a continuing duty to ensure that FGEN delivers the best possible value for investors. To that end, for the second year running, we have secured a change to the terms of our Investment Management Agreement with Foresight Group. From a proposed date of 1 October 2025, management fees will no longer be based entirely on net assets under management, but instead will be calculated 50% on net assets and the other 50% on market capitalisation – with the whole capped at NAV. The latest proposed amendment to our Investment Management Agreement, when implemented, provides clearer alignment between Foresight and the interests of our shareholders. The Board will continue to explore all possible ways to reduce overall operating costs and ensure fee arrangements are aligned with shareholders' interests.

As a Board, we remain committed to adhering to the highest possible standards of corporate governance. At the forthcoming AGM, shareholders will have the opportunity to vote to discontinue FGEN. This is a special resolution, requiring 75% of those voting for it to pass. The discontinuation vote is being proposed at the AGM because FGEN's shares have traded at a discount of greater than 10% to NAV on average over the past year.

The Board recommends shareholders vote <u>against</u> this resolution so that FGEN is able to deliver on its refocused investment strategy, prioritising a core portfolio of environmental infrastructure assets with long-term stable cash flows delivering predictable income alongside opportunities for growth.

We do, though, acknowledge that a 75% threshold for a vote of this significance is not optimal in terms of ensuring shareholder views are equitably considered. In line with our commitment to meaningful engagement with shareholders and corporate governance best practice, from the 2026 AGM onwards, we will replace the existing discontinuation resolution with a simple ordinary resolution, based on the same triggering mechanism and requiring only 50% of those voting to pass. A resolution at the 2025 AGM will propose amendments to the Company's articles of association to effect this change. The Board recommends shareholders vote in favour of this resolution. Ahead of the AGM in September, I will once again engage with shareholders to ensure they have a clear understanding of our refocused strategy and our plans to deliver returns in the years ahead.

Environmental infrastructure continues to be one of the most significant investment opportunities of this generation. FGEN's strategic mandate ensures it is uniquely placed to capitalise across the full suite of renewable generation, other energy infrastructure and sustainable resource management technologies, delivering continued stable returns with an overlay of exciting growth assets. While the past two years have been challenging, the Board believes the current share price materially undervalues the Company, given its high-income profile and the significant growth opportunity ahead.

I would like to thank all shareholders for your continued support and feedback, which have been invaluable in helping us steward FGEN on your behalf.

Ed Warner
Chair

23 June 2025

OUR INVESTMENT PROPOSITION

01. Delivering stable returns, predictable income and opportunities for growth
Providing exposure to scarce but highly sought-after private environmental infrastructure assets, targeting projects and businesses characterised by **long-term stable cash flows, secured revenues, inflation linkage** and **delivery of essential infrastructure services**.

Our carefully constructed portfolio is focused primarily on delivering income, alongside the potential for capital growth. We invest across stable and mature European markets, with a primary focus on the UK.

02. Investing across environmental infrastructure, one of the most significant megatrends of this generation
Investing in decarbonisation presents a rare convergence of financial opportunity and global impact. With over c.£25[1] trillion in capital required for Europe's energy transition by 2030, the sector offers strong long-term return potential, supported by regulatory momentum, technological maturity and growing demand for sustainable solutions.

Our strategy principally targets **high quality, mature assets** that not only deliver **predictable income** alongside **opportunities for growth**, but also contribute meaningfully to climate goals.

03. Differentiated offering providing diversification across mature environmental infrastructure technologies
The Company is **diversified** across complementary **sectors, technologies and geographies** to deliver **robust and attractive risk-adjusted returns**. It invests across three key pillars of environmental infrastructure: renewable energy generation, other energy infrastructure and sustainable resource management.

The Company's mandate allows it to invest in emerging areas of environmental infrastructure, provided they are sufficiently **mature** and display **strong infrastructure characteristics**.

04. A resilient and attractive return profile with 11 years of uninterrupted dividend growth
FGEN is targeting an **11th consecutive year of dividend growth**, backed by sustainable coverage. Since IPO, we've returned £370.4[2] million to shareholders through dividends and buybacks. We maintain one of the highest WADRs among peers, the lowest gearing and a strong pipeline of risk-adjusted opportunities across sectors.

Our **income-led strategy** is complemented by **selective growth investments** at both construction and operational stage, supported by **targeted exits** and **capital recycling**.

05. A high-quality manager with 40 years of investment experience
Foresight Group LLP ("Foresight") is the Investment Manager for the Company. Foresight manages £13.2 billion of assets under management across infrastructure, real assets and private equity. Foresight Infrastructure is a **leading investment management platform with an established track record** in developing investment strategies that support the energy transition.

The infrastructure team of c.190 people across investment, portfolio management and related functions manages 437 assets across the UK, Europe and Australia representing 4.7GW of green technology capacity.

06. Robust governance framework, providing strong manager oversight, alignment and accountability
Fully **independent Board** providing ongoing oversight of investment strategy and asset management under a simple, **well aligned management and governance framework**. The framework is underpinned by a competitive fee structure, with strong alignment between the Investment Manager and shareholders.

The Company's governance structure includes a discontinuation vote allowing shareholders a clear say on the Company's future.

1. Source: https://www.pwc.com/gx/en/issues/business-model-reinvention/how-we-fuel-and-power/de-risking-the-energy-transition-in-europe.html.
2. Buybacks completed at the time of publication, 23 June 2025.

OUR TOP 10 ASSETS BY PORTFOLIO VALUE

1. Cramlington
Sector: Renewable energy generation – Biomass
Location: UK
% of portfolio: 10%

2. Rjukan
Sector: Sustainable resource management – Controlled environment
Location: Norway
% of portfolio: 6%

3. Amber
Sector: Renewable energy generation – Solar
Location: UK
% of portfolio: 5%

4. Llynfi
Sector: Renewable energy generation – Wind
Location: UK

% of portfolio: 5%

5. Dungavel
Sector: Renewable energy generation – Wind
Location: UK
% of portfolio: 5%

6. ELWA
Sector: Sustainable resource management – Waste management
Location: UK
% of portfolio: 5%

7. Glasshouse
Sector: Sustainable resource management – Controlled environment
Location: UK
% of portfolio: 5%

8. CNG Fuels
Sector: Other energy infrastructure – CNG
Location: UK
% of portfolio: 5%

9. Vulcan
Sector: Renewable energy generation – AD
Location: UK
% of portfolio: 4%

10. Bio Collectors
Sector: Renewable energy generation – Waste AD
Location: UK
% of portfolio: 3%

Sector split[1]
Split by portfolio value
40 assets

Renewable energy generation	73%
Sustainable resource management	17%
Other energy infrastructure	10%

Asset concentration
Split by portfolio value

Cramlington	10%
Rjukan	6%
Amber	5%
Llynfi	5%
Dungavel	5%
ELWA	5%
Glasshouse	5%
CNG Fuels	5%
Vulcan	4%
Bio Collectors	3%
Other	47%

1. See Annual Report 2025 for further information on our underlying technologies.

THE INVESTMENT MANAGER

FGEN is managed by Foresight Group LLP ("Foresight" or "Foresight Group") as its external Alternative Investment Fund Manager ("AIFM") with discretionary investment management authority for the Company.

About Foresight Group
Founded in 1984, Foresight is a FTSE 250 listed investment manager with a focus on infrastructure, private equity and capital for growth. It manages a range of private and public funds, including products tailored for retail investors. The firm develops investment

strategies aimed at supporting the energy transition, industrial decarbonisation, nature recovery and the growth of high-potential businesses. Its approach combines financial and operational expertise to enhance asset value and deliver competitive returns.

Foresight's platform

£13.2bn[1]	**10**	**4.7GW**[2]
Assets under management	Countries across the UK, Europe and Australia	Renewable energy generation

Foresight Group divisions

Infrastructure	Private Equity	Capital Management
81%	**13%**	**6%**
of assets under management	of assets under management	of assets under management
437	**250+**	**7**
Infrastructure assets	Portfolio companies	Investment vehicles

Foresight Infrastructure division

1,000+[2]	**190+**	**16**
Investment opportunities reviewed	Infrastructure professionals	Year track record

1. AUM as per Foresight Group trading update released on 10 April 2025, all other figures as at 30 September 2024.
2. For the period 1 April 2024 – 31 March 2025.

The Infrastructure division manages 437 infrastructure assets with a focus on renewable energy generation (including wind and solar power, bioenergy, hydropower and geothermal energy), energy storage and grid infrastructure, as well as sustainable resource management, social and transport infrastructure projects and sustainable forestry assets.

The Foresight Infrastructure team includes 190 investment, commercial and technical professionals operating from offices in the UK, Italy, Spain and Australia, and collectively speaking over 10 languages.

The Foresight Infrastructure broader strategy is focused on the following:

- making good, consistent returns for investors;
- satisfying the strong demand for ESG and alternative long-term investment strategies from its institutional and retail investor base;
- building on its ability to execute complex clean energy and other sustainability-led infrastructure investments in order to capitalise on the projected market growth arising from government and societal objectives to decarbonise economies; and
- tapping into the in-house team's multi-national/disciplinary expertise which provides full lifecycle support from investment to exit in order to generate sustainable long-term asset operation and economic benefits.

A team of 190 dedicated professionals, bringing a diverse and comprehensive skillset.

The infrastructure investment team
- The infrastructure investment team consists of 48 professionals with broad sector experience
- The team leverages established UK and international networks to access emerging market opportunities
- Equipped to deploy and manage capital across a wide range of infrastructure sectors and asset life stages
- Bringing extensive investment origination and execution capabilities to FGEN
- Over 1,000 investment opportunities have been reviewed in 2024/25 across all strategies

The portfolio team
- The portfolio team comprises 113 professionals, including engineers, commercial managers and accountants
- Equipped to manage assets across development, construction and operational stages
- The team uses integrated management systems to ensure effective oversight and co-ordination of assets
- Focus on asset management and optimisation, particularly in identifying and delivering value enhancement opportunities

Other support functions
- A team of seven dedicated infrastructure Investor Relations ("IR") professionals managing reporting requirements for institutional investors and overseeing all aspects of communication and engagement with all relevant stakeholders
- A team of five experienced sustainability professionals integrating sustainable practices across investment, portfolio management and IR utilising proprietary sustainability systems to support decision-making, portfolio oversight and reporting
- Other support functions include finance, marketing, administration and compliance

Foresight's experience and reputation gives a competitive edge in the origination of deal flow.

Strong origination capabilities
- Size and breadth of team allows for significant deal origination volume
- A strong track record of execution enables us to unlock relative value

- Bilateral transactions avoid competitive auction processes
- Co-ordinated origination strategy ensures optimal pipeline selection

Foresight pipeline analysis
1,053
Infrastructure investment opportunities reviewed

654
Aligned with Foresight Funds criteria

416
Further action taken

FGEN's dedicated investment management team with over 50 years of collective experience.

Chris Tanner
Investment Manager
Chris has been an Investment Manager[1] to FGEN since IPO in 2014. He joined Foresight in 2019 as a Partner and has over 25 years of industry experience. Chris is a Member of the Institute of Chartered Accountants in England and Wales and has an MA in Politics, Philosophy and Economics from Oxford University. Chris also serves as Chair of the Finance Forum for The Association of Renewable Energy and Clean Technology ("REA").

1. Prior to January 2022, FGEN engaged Foresight in an investment advisory capacity rather than as the Investment Manager.

Edward Mountney
Investment Manager
Edward has been a part of FGEN since 2016 and joined the senior management team in 2022. Before this, he served as Head of Valuations at Foresight Group and John Laing Capital Management. With over 15 years of experience in infrastructure and renewables, Edward is a Member of the Institute of Chartered Accountants in England and Wales. He holds a BA (Hons) in Business and Management from Oxford Brookes University.

Charlie Wright
Investment Manager
Charlie has been at Foresight Group since 2017, recently joining the senior management team for FGEN. He has over 18 years of experience in infrastructure and renewables as an adviser, equity investor and project director, and has overseen a wide range of investments across Europe. He was previously at John Laing Group and KPMG. Charlie holds a BA in History from Exeter University and an ICAEW & CISI Diploma in Corporate Finance.

MARKETS AND OPPORTUNITIES

Overview
Environmental infrastructure assets represent one of the most significant investment opportunities of this generation. The market for environmental infrastructure continues to grow rapidly, both in respect of renewable generation and infrastructure assets with environmental benefits outside of low-carbon electricity.

It is estimated that $47 trillion of new energy investment is required by 2030 to reach net zero, representing a 3x increase in low-carbon investment annually to 2030 over the $1.8 trillion invested in 2023, and also 4.5x required investment in low-carbon energy supply by 2030 for every dollar invested in fossil fuel supply[1]. This is driven by the increased demand for electrification and the cost competitiveness of renewables.

In addition to clean power generation and the supporting infrastructure required to deliver that clean power efficiently, governments are also addressing a wider range of environmental challenges faced by society than just generation of low-carbon electricity. As the charts show, decarbonisation consists of many facets, and the electrification of transport and heat is an integral part of the route to net zero.

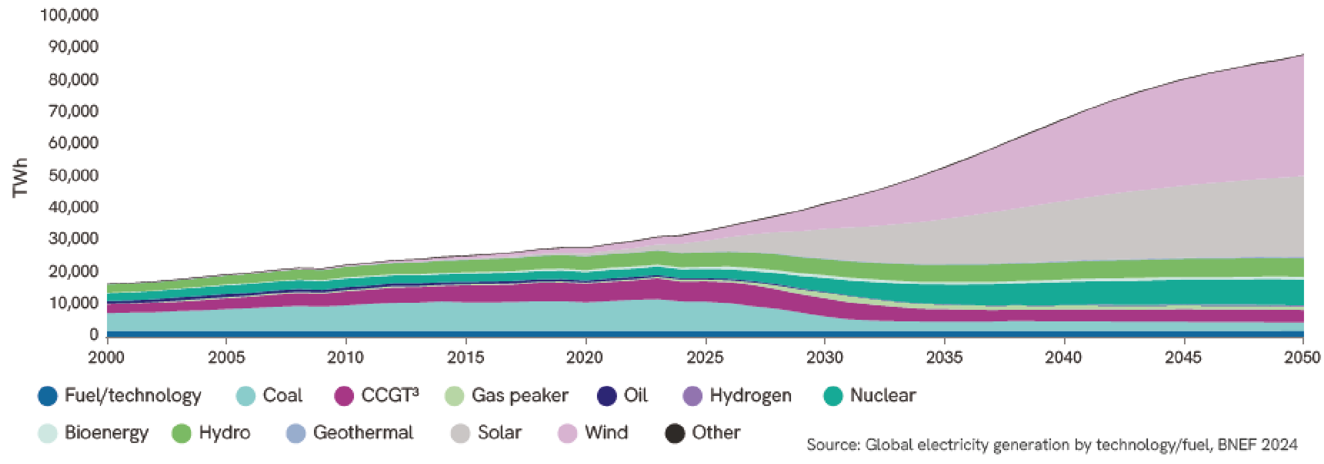
And finally, the wider governmental and societal push for more sustainable practices is further resulting in a broad opportunity set across sustainable resource management, for example water and waste.

FGEN's objective is to leverage this massive investment opportunity set by investing across three key themes of environmental infrastructure – renewable energy generation, other energy infrastructure and sustainable resource management – to help address a wider range of environmental challenges faced by society than just generation of low-carbon electricity.

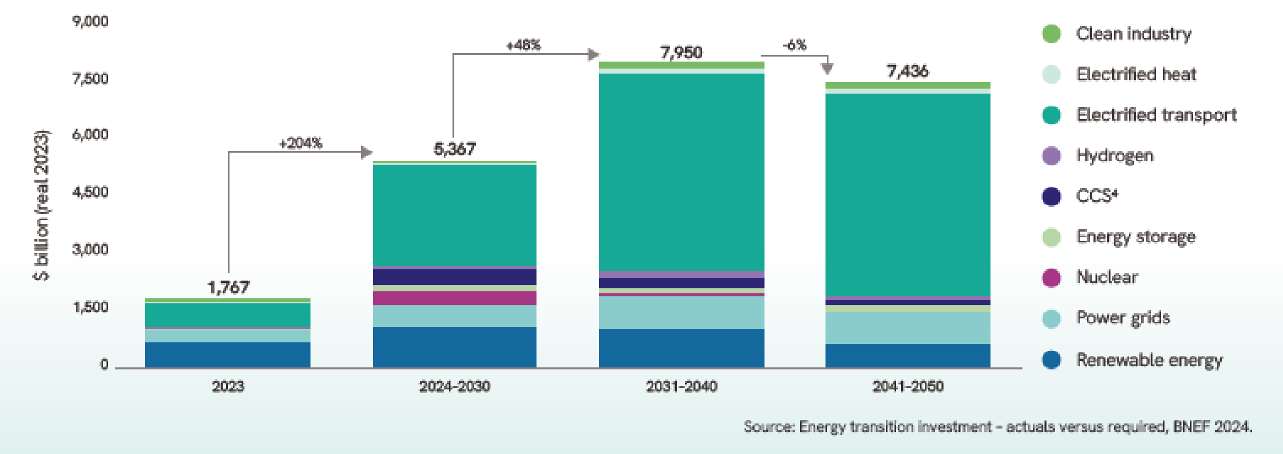
This is strongly supported by market and regulatory tailwinds that are supercharging the transition to net zero and improved sustainable resource management – for example, in the UK, the Energy Act 2023, Simpler Recycling legislation, and Ofwat's Asset Management

Period 8 ("AMP 8") with a £104 billion[2] investment requirement between 2025 and 2030, and in the EU, the Net-Zero Industry Act and the REPowerEU Plan.

Global electricity generation by technology



Energy transition investment – actual vs required



1. Source: BNEF New Energy Outlook 2024 and 2025.
2. Source: Ofwat AMP8.
3. Combined Cycle Gas Turbine.
4. Carbon Capture and Storage.

Renewable energy generation

FGEN has been investing into renewable generation since its inception in 2014. The portfolio comprised seven assets spanning traditional renewables, then such as wind and solar as well as waste and wastewater management projects. Over time it diversified its scope into other forms of generation including anaerobic digestion, biomass, hydro and energy-from-waste as those technologies matured and offered attractive, risk-adjusted returns that were driven by different dynamics beyond simply wind and solar.

Whilst wind and solar will likely continue to form the backbone of decarbonisation, whether that be providing power directly to grid or to other downstream contributors such as green hydrogen, other forms of generation will play a meaningful role as well and serve as a diversifier of risk away from weather resource and technology-specific power price dynamics.

Renewable energy generation presents a compelling case from an income perspective, characterised by stable, predictable cash flows, inflation linkage and often supported by government subsidies or other regulatory mechanisms given their criticality to the decarbonisation agenda. Whilst European jurisdictions have generally moved away from the feed-in tariff model that drove the buildout of renewables from the early 2000s, this has been replaced in most instances by auction-based systems (such as Contract for Difference ("CfD") in the UK, the Renewable Energy Sources Act ("EEG") in Germany and the SDE++ subsidy scheme in the Netherlands) with secured revenues still a dominant feature.

Renewables also offer the opportunity for meaningful growth via investment into capital hungry development platforms that are looking to build out pipelines of assets supported by strong regulatory tailwinds. This is particularly the case where there is visibility over the long-term revenue case, for example the UK or Germany, and where the regulatory framework underpinning development is appropriately mature. Foresight as a platform has significant experience in funding such development platforms across a range of technologies and jurisdictions, and FGEN can draw on this capability.

In addition to renewable power generation, other forms of energy such as biogas and biomethane will play a critical role in the path to net zero, particularly given challenges in decarbonising heat supply and other hard-to-abate industries. The production of biogas and biomethane via FGEN's anaerobic digestion facilities is an area in which the Company has proven credentials and capability, and it will continue to capitalise on this going forward, not just in the UK but in other mature European markets where the regulatory frameworks and feedstock/demand dynamics are sufficiently robust. The Labour government in the UK has indicated that it is working towards a formal biomethane strategy and the EU has continued to make progress towards its ambition of producing 35 billion cubic metres of biomethane by 2030 under the REPowerEU plan[1].

Asset classes

- Wind
- Solar
- Hydro
- Biomass
- Anaerobic digestion
- Geothermal
- Energy-from-waste

"Between 2023 and 2050, the total installed capacity of solar PV power globally is forecast to rise from 1,559GW to 16,887GW, representing a 983% increase, and the total installed capacity of wind power globally is forecast to increase from 1,044GW to 11,382GW, an increase of 990%."[2]

1. Source: REPowerEU Plan, May 2022.
2. Source: BNEF New Energy Outlook 2022.

Other energy infrastructure

In order to achieve the stated ambitions of UK and European governments across clean energy, economic growth, digital transformation and to maintain the pace of renewable buildout, evolution of wider grid infrastructure is required in order to accommodate the changing nature of power supply from centralised, gigawatt scale power generators to distributed renewable energy generation.

Over the last decade or so, investment in expanding and modernising grids has lagged behind the pace of the renewable energy buildout, with queues to connect new projects growing to record sizes as the deadlines to decarbonise the energy system become ever closer. In 2023, Europe was estimated to have a 600GW[1] backlog of solar and wind projects in grid connection queues across France, Italy, Spain and the UK (with the UK accounting for one-third of this as one of the worst connection queues in Europe), acting as an impediment to the energy transition.

Governments are taking steps to address this, for example the Great Grid Upgrade initiative in England and Wales and the EU Grid Action Plan, requiring significant investment. The UK has been a leading global market for energy storage, with 19GW[2] of cumulative installed capacity expected by 2030, driven by the limited levels of interconnection with Europe. European markets are now catching up and we have seen a large number of opportunities across Italy, Germany, Spain, the Netherlands and the Nordics. Whilst the technological solutions will differ by region, different forms of energy storage and greater interconnection between power markets are critical, with significant investment required, encompassing a range of technologies and sectors such as Battery Energy Storage Systems ("BESS"), pumped hydro storage and interconnectors.

FGEN has invested in BESS assets in the UK, but will likely not make further investments in that sector unless backed by greater certainty of revenue, for example in the form of tolling agreements or capacity payments. Pumped hydro and interconnectors are examples of asset classes within wider grid infrastructure that can offer greater certainty of revenue via participation in Ofgem's cap and floor pricing regime and are sectors within which Foresight is already active.

In addition to grid infrastructure, other forms of low-carbon energy infrastructure such as heat and cleaner transport also present real opportunity, with significant investment required over the coming decades. FGEN has already invested into low-carbon transportation via the CNG Fuels platform, and we see similar opportunities across other European markets as well.

The decarbonisation of residential and commercial heating is an increasing priority in both the UK and the EU, given the current reliance on fossil fuels. Foresight has invested into district heating and heating networks in both the UK and the EU, and we expect to see significant growth in this sector supported by regulatory tailwinds – for example, the UK Government aiming to have district heating provide approximately 20% of the country's heat demand by 2050, and the EU's Energy Efficiency Directive ("EED") requiring municipalities with over 45,000 inhabitants to develop local heating and cooling plans[3].

Asset classes

- Short and long duration storage
- Interconnectors and transmission assets
- Cleaner transportation
- Decarbonisation of heat

“Globally, heat accounts for nearly half of all energy consumption and 40% of energy-related carbon emissions.”[4]

1. Source: BNEF New Energy Outlook Grids 2023.
2. Source: BNEF 1H 2023 Energy Storage Market Outlook.
3. Source: EU Energy Efficiency Directive 2023.
4. https://www.carbontrust.com/what-we-do/market-transformation/heat-decarbonisation.

Sustainable resource management

Sustainable resource management means managing resources with the future in mind, and it is an area with increasing societal and political tailwinds driving investment opportunities. The primary legislation governing sustainable resource management in the UK is the Environment Act 2021, which sets long-term environmental targets and provides a framework for protecting nature, air and water quality, and waste reduction.

Investments into sustainable resource management will likely be on a more opportunistic basis for FGEN compared to the core themes of renewable generation and other energy infrastructure, but it is an allocation which has the potential to generate attractive returns and diversification away from energy. For FGEN, this would be primarily within water and waste, as mature sectors that typically can benefit from supporting regulatory frameworks, monopolistic positions and long-term security of revenue, with the mid-market particularly representing opportunities for growth and scaling up.

Water scarcity and stress are important challenges being faced by the water sector, illustrated by the recent announcement of Ofwat’s AMP8 record-breaking £104 billion investment to improve and modernise the water network, addressing issues like sewage overflows, and enhance water supply resilience, with specific targets for reducing pollution and improving water quality. Whilst at the larger end much of this will be procured via the Direct Procurement for Customers (“DPC”) model for major infrastructure upgrades, we are seeing smaller ancillary opportunities across the ecosystem such as last mile delivery, water metering and localised water treatment.

FGEN has a track record in waste management across its portfolio and looking forward we see investment opportunities arising from the need to deal with different types of waste (such as municipal waste, biosolids and hazardous waste) and recycling technologies and other businesses along the value chain which should be driven by the UK’s new “Simpler Recycling” regulations, requiring all workplaces in England to separate food waste from other waste streams.

Alternative agriculture and aquaculture are other sectors within the wider sustainable resource management theme that FGEN is currently invested in via the Glasshouse and Rjukan. Whilst there is significant potential in those assets, and we continue to see interesting opportunities within those sectors, FGEN will not make any further investments into such controlled environment assets in the future due to the more disciplined forward looking focus on core renewable and environmental infrastructure.

Asset classes

- Waste collection and processing
- Recycling
- Last mile water
- Wastewater solutions

“A significant increase in investment is needed to enable the water sector to address current and future challenges… almost £290 billion of additional spending will be needed over the next 25 years.”[1]

1. National Audit Office, April 2025.

Consistently delivering on our strategic priorities

“Our performance this year was underpinned by disciplined capital allocation, robust income growth and value-accretive asset management. Our tenth consecutive year of record cash distribution and a well-covered dividend reflect the strength and resilience of our portfolio. Looking ahead, we remain focused on sustaining this momentum through a progressive dividend policy, proactive portfolio management and a refocused investment approach. By prioritising long-term, stable and inflation-linked cash flows, we are well positioned to continue delivering attractive returns for our shareholders while supporting the transition to a more sustainable future.”

Ed Warner
Chair

Strategic objectives delivered in 2024/25

• Deliver income growth for shareholders	• Disciplined capital allocation	• Complete programme of asset sales
• Target dividend of 7.80 pence per share healthily covered 1.32x • Tenth consecutive year of record cash distribution from the portfolio	• Successfully reduced gearing to maintain our position as one of the lowest-geared investment companies in the sector • Returned £19.2 million to shareholders over the financial year via the Company's share buyback programme	• Value accretive disposals totalling £89.1 million, representing 10% of the portfolio[1] • All disposals completed at, or above, the prevailing valuation

Strategic priorities for 2025/26

• Continuation of the progressive dividend	• Proactive management of existing portfolio	• Disciplined investment focus
• 2026 dividend target increased by 2.1% to 7.96 pence per share[2] • Target dividend represents a yield of 10.0% on the closing share price prior to announcement[3] • Dividend cover forecast to remain at comfortable levels	• Proactive management of operating portfolio, alongside ongoing value enhancement initiatives • Operational and revenue ramp-up across the growth-stage assets to deliver meaningful capital appreciation in the medium term	• Highly selective approach to new investment, prioritising core environmental infrastructure assets and businesses • Targeting investments offering long-term stable cash flows, secured revenues and inflation linkage, and an attractive balance between income and growth

1. Based on an opening portfolio valuation of £891.9 million.
2. This is a target only, there can be no guarantee this target will be met.
3. Based on closing share price at the time of publication, 23 June 2025.

KEY PERFORMANCE INDICATORS

NAV total return (annualised)
7.3%

2025	**7.3%**
2024	8.0%
2023	9.3%
2022	8.7%
2021	5.5%

Definition and rationale
Measure of financial performance of the Company since IPO, on an annualised basis and after taking into account dividends paid to shareholders and net of management fees, operating expenses and finance costs.

Link to Fund objectives:
Long-term predictable income growth for shareholders
Potential for capital growth

KPI performance
- Annualised NAV total return since IPO of 7.3%. The portfolio continues to show good levels of resilience, with dividend target being comfortably met for the year and underlying assets performing well.

Objectives for 2026
- Continue to apply a disciplined approach to capital allocation, that includes selective investment in opportunities that are accretive to the Company on a risk-adjusted basis.

Dividend
7.80p

2026 target	**7.96p**[1]
2025	7.80p
2024	7.57p
2023	7.14p
2022	6.80p

1. This is a target only, there can be no guarantee this target will be met. Past performance is not indicative of future performance and is not guaranteed.

Definition and rationale
Aggregate dividends declared per share in respect of the financial year, with provision of income to shareholders being a key element of the Company's business plan.

Link to Fund objectives:
Long-term predictable income growth for shareholders

KPI performance
- 7.80 pence dividend declared for the year, in line with the stated target, and comfortably covered by cash received from the portfolio.

Objectives for 2026
- Target dividend for the next financial year of 7.96 pence, up 2.1% from 2025.

Dividend cover
1.32x

2025	**1.32x**
2024	1.30x
2023	1.51x
2022	1.10x
2021	1.07x

Definition and rationale
Operational cash flow divided by dividends paid to shareholders during the year, being a key measure of performance of underlying investments from year to year.

Link to Fund objectives:
Long-term predictable income growth for shareholders

KPI performance
- 1.32x dividend cover for the year.

Objectives for 2026
- Continue to deliver growth in income from underlying investments in order to maintain a well-covered dividend for the financial year.

NAV per share
106.5p

2025	**106.5p**
2024	113.6p
2023	123.1p
2022	115.3p
2021	92.2p

Definition and rationale
Reflects the net assets of the portfolio divided by the closing number of shares in issuance at the reporting date, enabling investors to gauge whether shares are trading at a premium or a discount by comparing the Net Asset Value per share with the share price.

Link to Fund objectives:
Long-term predictable income growth for shareholders
Diversification across sectors and geographies for a more robust, risk-adjusted return
Potential for capital growth

KPI performance
- NAV £678.7 million, down from £751.2 million at 31 March 2024, following dividend, new investment, disposals and share buybacks.
- NAV per share 106.5 pence, down 6.25% compared to 31 March 2024.
- 0.6% NAV total return for the 12 months ended 31 March 2025.

Objectives for 2026
- Prioritise progress in construction-stage and early-stage operational assets to drive NAV growth.
- Continue to progress value-enhancement initiatives.
- Share buybacks considered as NAV accretive option as part of overall capital allocation strategy.

Past performance is not indicative of future performance and is not guaranteed.

Gearing
28.7%

2025	**28.7%**
2024	31.2%
2023	27.3%
2022	23.7%
2021	36.1%

Definition and rationale
An illustration of the Company's exposure to project and fund-level debt as a proportion of overall gross asset value, allowing investors to ascertain financial risk in the Group's balance sheet.

Link to Fund objectives:
Long-term predictable income growth for shareholders
Potential for capital growth

KPI performance
- Managing floating rate debt remains a key priority for the Company, and gearing has been successfully reduced in the year – supported by record levels of cash received from investments and sales of assets.

Objectives for 2026
- The Company will continue to carefully manage its debt facilities in a prudent manner and to balance opportunities to further reduce floating rate debt against other capital allocation priorities.

Cash yields
£90.4m

2025	**£90.4m**
2024	£87.0m
2023	£83.6m
2022	£56.5m
2021	£48.2m

Definition and rationale
A key measure of performance from the underlying portfolio.

Link to Fund objectives:
Long-term predictable income growth for shareholders
Diversification across sectors and geographies for a more robust, risk-adjusted return
Potential for capital growth

KPI performance
- Tenth successive year of increasing cash received from investments since IPO, comfortably covering the dividend and funding both repayment of floating rate debt and the Company's share buyback programme.

Objectives for 2026
- To continue to distribute available cash from underlying projects in line with financial budgets set at the start of the year, in support of the Company's capital allocation objectives.

THE INVESTMENT MANAGER'S REPORT

THE YEAR IN REVIEW

Introduction
Throughout the year, FGEN has continued to benefit from the broader strengths of Foresight Group's Infrastructure platform, consisting of 190 people working in investment, portfolio management, finance, valuations, sustainability and investor relations, from offices in the UK, Italy, Spain and Germany.

This breadth, across both capability and geography, meets FGEN's broad environmental infrastructure mandate and is critical in pursuing opportunities that are diversified beyond simply wind and solar. It also stands behind Foresight's proven origination capabilities across Europe, with over 1,000 opportunities reviewed during the year by the wider team with nearly half of those aligned with FGEN's mandate.

Foresight's construction management capabilities are also of great value to FGEN in bringing development and construction-stage assets through to operations and providing the potential for capital appreciation. The team is also experienced in managing exits, having carried out several such transactions in the last 12 months alone.

A large, in-house Portfolio Management team is also something that we believe sets Foresight's platform apart, with 113 people dedicated to managing a total of 437 infrastructure assets, including engineers, commercial managers and accountants.

This structure enables a more proactive approach to asset management with constant and sustained efforts focused on value enhancements, revenue optimisation and cost efficiency.

Strategic direction

As set out by the Chair, during the period the Board has undertaken a rigorous evaluation of a full range of strategic alternatives for the Company. It concluded that the proactive management of the existing portfolio and a refocused investment strategy, reflective of the structural changes in macroeconomic conditions since 2022 characterised by increased levels of market volatility and higher return expectations in an elevated rate environment, is the course of action that best serves long-term shareholder interests. This is a conclusion that the Investment Manager fully supports and which it is committed to delivering.

We will continue to drive as much value as possible from the existing portfolio, with ongoing value enhancement initiatives across the operational portfolio and, importantly, ramp-up across FGEN's three growth assets – Rjukan, CNG and the Glasshouse.

Future investment activity will prioritise core infrastructure assets and businesses that offer long-term stable cash flows, secured revenues and inflation linkage. FGEN will invest across three pillars of environmental infrastructure – renewable energy generation, other energy infrastructure and sustainable resource management across the waste and water sectors, targeting the delivery of an attractive balance of income and growth across development, construction and operational-stage investments.

Similarly, as detailed earlier in the Annual Report, the Investment Manager has simplified the categorisation of its portfolio across those three pillars in order to ensure that the diversification across a range of sectors and technologies is more easily understood.

Diversification and focus

FGEN has always prioritised diversification from its outset, given the benefits of a lower concentration of risk and a wider set of opportunities. We also recognise that some of the most recent investment activity has been into assets that are not as familiar as more traditional renewable and infrastructure sectors, for example the Rjukan aquaculture facility and the Glasshouse project.

Whilst these investments present real opportunity for capital growth within the Fund over the near term as they progress through operational ramp-up, the Board and the Investment Manager recognise that in the changed macroeconomic environment, any new investment should retain a disciplined focus on core infrastructure fundamentals. Therefore, looking forward, whilst diversification across sectors and technologies will remain a central tenet, FGEN will not make any further standalone investments into controlled environment. Indeed, as previously stated, FGEN will look to exit from its growth assets once sufficiently mature and valued as such, expected to be in circa two to three years.

Performance summary

NAV per ordinary share at 31 March 2025 was 106.5 pence (31 March 2024: 113.6 pence). The analysis of the Group's net assets at 31 March 2025 is set out on page 111 of the 2025 Annual Report. The Company's portfolio valuation was £765.7 million (31 March 2024: £891.9 million). Detailed information on the portfolio valuation is available on pages 28 to 37 of the 2025 Annual Report.

We have continued to manage the portfolio prudently, with the aim of generating consistent and predictable cash flows that provide inflation protection to our investors. It has been another record year of cash distributions, with £90.4 million generated across the portfolio which has contributed to a comfortable dividend cover of 1.32x.

This is whilst maintaining a position of being one of the lowest geared across the peer group, something that we put great value on given the wider volatility across debt markets.

This performance has been underpinned by the Company's diversification strategy, generating revenues across the sale of power, heat and non-energy output. Whilst the HH2E impairment was an obvious disappointment for the Investment Manager, the Board and, most importantly, shareholders, value enhancements across the portfolio and progress on the growth assets have helped to offset some of this value loss and endorses the diversification strategy.

Investment activity

Investment activity during the period has been disciplined and limited to opportunities with a direct connection to the existing portfolio, for example the ongoing funding of commitments to Rjukan and the Glasshouse, and value enhancement opportunities at Vulcan AD.

Including capital to meet existing commitments to construction-stage assets, the Company has deployed £30.7 million into the portfolio during the year.

Given the disciplined focus on capital allocation throughout the year, the Investment Manager has completed two value-accretive asset disposals totalling close to £90m, generating proceeds that have been used to both repay debt and return capital to shareholders. Other investment activity to note includes the restructuring and consolidation of the CNG structure, the HH2E impairment and further investments into FEIP; see pages 44 and 45 of the 2025 Annual Report for more information.

Outlook

As set out in the markets and opportunities section, environmental infrastructure continues to be one of the most significant investment opportunities of this generation, with FGEN's strategic mandate making it uniquely placed to capitalise across the full suite of renewable generation, other energy infrastructure and sustainable resource management technologies.

Whilst there has been some notable political turbulence over the period, including the Trump Administration's tariff policies and the heightened geopolitical tensions due to the ongoing events in Ukraine and the Middle East, we retain an optimistic outlook for the wider environmental infrastructure opportunity with decarbonisation and the path to net zero underpinned by robust social and economic winds.

Whilst new investment activity has been limited in the listed infrastructure sector over the last few years, Foresight's investment activity across its private funds means that the broader Infrastructure team has continued to deploy and manage capital across a wide range of infrastructure sectors at all stages of the investment lifecycle, including development and platforms, construction and operations. Therefore, the core FGEN investment management team remains close to new investment activity, with the Company well placed to leverage on this activity when the conditions are suitable.

Clearly, any new investment activity during the year will need to be highly selective. However, the Investment Manager, supported by the wider Foresight infrastructure division, is currently monitoring opportunities well aligned with FGEN's mandate with the capacity to deliver attractive, risk-adjusted returns and, subject to Board support and approval, will consider pursuing such opportunities if considered the best use of capital against other allocation options.

OUR PORTFOLIO AT A GLANCE

Renewable energy generation

The bedrock of FGEN's portfolio in established income-generating assets focused on diversification across technologies to support the delivery of attractive risk-adjusted returns.

Renewable energy generation 73%	
Wind	27%
Solar	12%
Anaerobic digestion – crop	14%
Anaerobic digestion – food waste	6%
Biomass	10%
Energy-from-waste	3%
Hydro	1%

Technologies[1]:

Baseload generators:

- Anaerobic digestion
- Biomass
- Energy-from-waste

Intermittent generators:

- Wind
- Solar
- Hydro

Investment attractions:

- Government-backed incentives across a range of mechanisms, including ROCs, RHI and FITs
- Mature technologies with low operating risk and stable production profiles
- Explicit and implicit inflation linkage
- Diversification of resource risk across different weather patterns, forms of feedstock, and power and gas pricing
- Delivering a complementary mix of intermittent and baseload power generation

Potential risks:

- Merchant electricity and gas prices
- Wind and solar resource

- Cost and supply of feedstock
- Operational issues
- REMA/regulatory change

1. Excludes FEIP. See page 37 of the 2025 Annual Report for a full list of FEIP assets.

Asset	Location	Ownership	Capacity (MW)	Commercial operations date
Wind				
Bilsthorpe	England	100%	10.2	Mar 2013
Burton Wold Extension	England	100%	14.4	Sep 2014
Carscreugh	Scotland	100%	15.3	Jun 2014
Castle Pill	Wales	100%	3.2	Oct 2009
Dungavel	Scotland	100%	26.0	Oct 2015
Ferndale	Wales	100%	6.4	Sep 2011
Hall Farm	England	100%	24.6	Apr 2013
Llynfi Afan	Wales	100%	24.0	Mar 2017
Moel Moelogan	Wales	100%	14.3	Jan 2003 & Sep 2008
New Albion	England	100%	14.4	Jan 2016
Wear Point	Wales	100%	8.2	Jun 2014
Solar				
Amber	England	100%	9.8	Jul 2012
Branden	England	100%	14.7	Jul 2013
CSGH	England	100%	33.5	Mar 2014 & Mar 2015
Monksham	England	100%	10.7	Mar 2014
Pylle Southern	England	100%	5.0	Dec 2015
Anaerobic digestion: agricultural crop				
Biogas Meden	England	49%	5.0[1]	Mar 2016
Egmere Energy	England	49%	5.0[2]	Nov 2014
Grange Farm	England	49%	5.0[2]	Sep 2014
Icknield Farm	England	53%	5.0[1]	Dec 2014
Merlin Renewables	England	49%	5.0[2]	Dec 2013
Peacehill Farm	Scotland	49%	5.0[3]	Dec 2015
Rainworth Energy	England	100%	5.0[4]	Sep 2016
Vulcan Renewables	England	49%	5.0[2]	Oct 2013
Warren Energy	England	49%	5.0[2]	Dec 2015
Anaerobic digestion: food waste				
Codford Biogas waste management	England	100%	3.8[4]	2014
Bio Collectors waste management	England	100%	11.7[5]	Dec 2013
Biomass				
Cramlington biomass combined heat and power	England	100%	32.0[6]	2018
Energy-from-waste				
Energie Tecnologie Ambiente (“ETA”)	Italy	45%[7]	16.8	2012
Hydro				
Northern Hydropower	England	100%	2.0[8]	Oct 2011 & Oct 2017
Yorkshire Hydropower	England	100%	1.8[8]	Oct 2015 & Nov 2016
Total			**353.0**	

1. MWth (thermal) and an additional 0.4MWe CHP engine for on-site power provision.
2. MWth (thermal) and an additional 0.5MWe CHP engine for on-site power provision.
3. MWth (thermal) and an additional 0.25MWe CHP engine for on-site power provision.
4. Electrical exporting plant measured as MWe.
5. 10MWth and an additional 1.7MWe capacity through two CHP engines.
6. 26MWe (electrical) and 6MWth (thermal).
7. Not including FEIP’s 45% ownership. See page 37 of the 2025 Annual Report for a full list of FEIP investments.
8. Includes a 1.2MW battery storage.

Other energy infrastructure

Non-energy generating assets that support the transition towards net zero, driven by increased demand for electrification and supercharged by government-backed legislation. This segment includes our battery storage units and our low-carbon transport investment.

Other energy infrastructure 10%

Battery energy storage	5%
Low-carbon transport	5%

Technologies[1]:

- Battery Energy Storage Systems (“BESS”)
- Low-carbon transport

Investment attractions:

- Strong cash yield expected from sites once established
- Merchant revenues from the storage assets with a degree of inverse correlation with renewable capture prices, alongside “sticky” revenues across CNG
- Diversification of revenue sources away from power generation
- Capital growth potential

Potential risks:

- Construction risk
- Merchant nature of trading revenue streams
- Evolving market and increased competition
- Shorter track record of operations than for other technologies

Asset	Location	Ownership	Capacity (MW)	Commercial operations date
Battery energy storage				
West Gourdie battery storage	Scotland	100%	n/a	May 2023
Clayfords battery storage	Scotland	50%	n/a	Pre-construction
Lunanhead battery storage	Scotland	50%	n/a	Pre-construction
Sandridge battery storage	England	50%	n/a	Under construction
Low-carbon transport				
CNG Fuels	England	Minority stake[2]	n/a	Various

1. Excludes FEIP. See page 37 of the 2025 Annual Report for a full list of FEIP assets.
2. FGEN holds 25% of CNG Foresight Holdings Ltd, which owns 60% of the shares in CNG Fuels Ltd and holds £150.15 million in 10% preferred return investments issued by CNG Fuels.

Sustainable resource management

Sustainable resource management means using resources with the future in mind. It involves applying sustainable practices to ensure that resources benefit both current and future generations. This includes areas such as waste and wastewater concessions, as well as controlled environments for agriculture and aquaculture.

Sustainable resource management 17%	
Controlled environment	11%
Waste and wastewater concessions	6%

Technologies[1]:

- Controlled environment – agriculture and aquaculture
- Waste and water management

Investment attractions:

- Long-term government contracts from the concession-based projects
- Controlled environment investments in well-established technologies with deep revenue markets
- Potential for capital growth across Rjukan and the Glasshouse
- Diversification of revenue sources away from power generation

Potential risks:

- Merchant revenues and operational ramp-up at Rjukan and the Glasshouse
- Handback risk at end of ELWA and Tay concessions

Asset	Location	Ownership	Capacity (MW)	Commercial operations date
Controlled environment				
Glasshouse	England	10%	n/a	March 2025
Rjukan aquaculture system	Norway	25%	n/a	Under construction
Waste and wastewater concessions				
ELWA waste management	England	80%[2]	n/a	2006
Tay wastewater treatment	Scotland	33%	n/a	Nov 2001

1. Excludes FEIP. See page 37 of the 2025 Annual Report for a full list of FEIP assets.
2. 80% of ordinary share capital plus 100% of outstanding loan notes.

INVESTMENT PORTFOLIO AND VALUATION

Investment portfolio

Diversification is a key factor for the Company, reducing dependency on a single market, technology type or set of climatic conditions, whilst allowing exposure to a wide opportunity set, as illustrated in the analysis below at 31 March 2025, according to share of portfolio value:

Sector split	
Wind	27%
Anaerobic digestion – crop	14%
Solar	12%
Biomass	10%
Controlled environment	11%
Anaerobic digestion – food waste	6%
Waste and wastewater concessions	6%
Low-carbon transport	5%
Energy storage	5%
Energy-from-waste	3%
Hydro	1%

Geography	
UK	89%
Rest of Europe	11%

Remaining asset life	
Up to 10 years	22%
11 to 20 years	52%
More than 20 years	26%

Weighted average remaining asset life of the portfolio is 16.3 years.

Operational status	
Operational	92%
Construction	8%

Operator exposure	
SGRE	16%
Future Biogas	10%
BWSC	10%
Brighter Green Engineering	7%
Hima Seafood AS	6%
Other	51%

Asset concentration	
Cramlington (biomass)	10%
Rjukan (CE aq)	6%
Amber (solar)	5%
Llynfi (wind)	5%
Dungavel (wind)	5%
Top 6-10	22%
Other	47%

Valuation method	
Discounted cash flow (“DCF”)	90%
Cost	10%

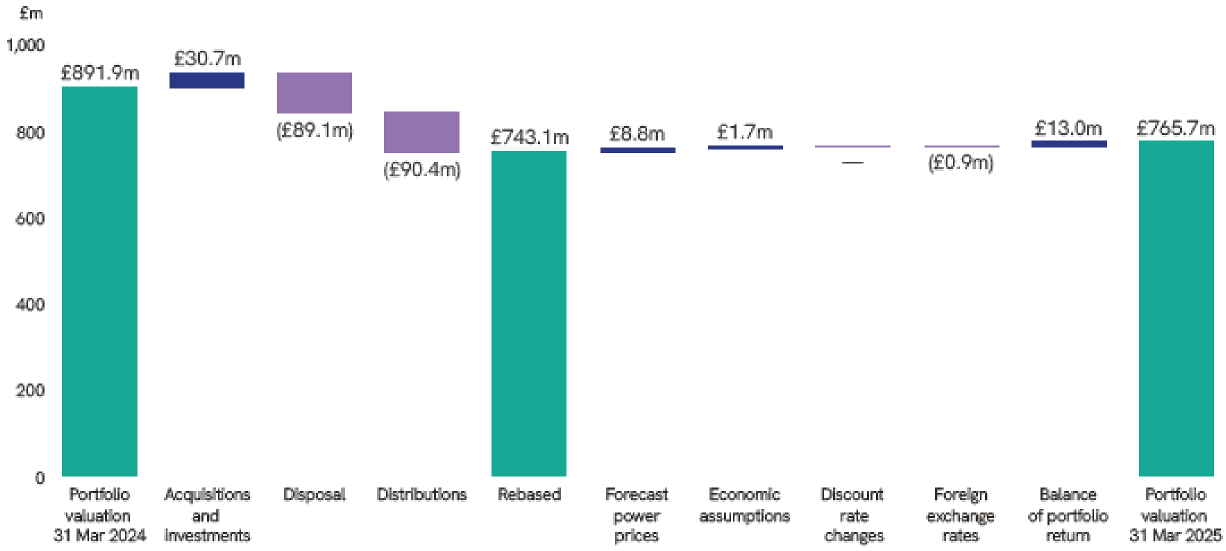
Portfolio valuation

The Investment Manager is responsible for carrying out the fair market valuation of the Company’s investments, which is presented to the Directors for their approval and adoption. The valuation is carried out on a quarterly basis as at 30 June, 30 September, 31 December and 31 March each year.

The valuation is predominantly based on a discounted cash flow analysis of the future expected equity and loan note cash flows accruing to the Group from each operational portfolio investment. Where assets are under construction or not yet operational, they are valued at cost until such time as the risks associated with construction have substantially passed. For some technologies with more complex construction activities, this will be when the asset reaches the start of commercial operations, while for others this may be during late-stage construction. Following the corporate restructuring of CNG Fuels announced on 20 March 2025 that created a fully integrated biomethane sourcing, station ownership and Renewable Transport Fuel Certificate business, the Investment Manager has included an assumption around a future exit of FGEN's ownership in 2028 within the DCF valuation. The exit proceeds are based on a multiple of EBITDA, informed by transactional evidence and benchmarked against alternative valuation approaches. The amendment to the valuation approach resulted in no meaningful change in valuation.

This valuation uses key assumptions which are recommended by Foresight using its experience and judgement, having considered available comparable market transactions and financial market data in order to arrive at a fair market value. An independent verification exercise of the methodology and assumptions applied by Foresight is performed by a leading accountancy firm and an opinion is provided to the Directors. The Directors have satisfied themselves as to the methodology used and the assumptions adopted and have approved the valuation.

The Directors' valuation of the portfolio at 31 March 2025 was £765.7 million, compared to £891.9 million at 31 March 2024. The decrease of £126.2 million is the net impact of divestments, new acquisitions, cash received from investments, changes in macroeconomic, power price and discount rate assumptions, and underlying growth in the portfolio. A reconciliation of the factors contributing to the change in the portfolio during the period is shown in the chart below.



The movement in value of investments during the year ended 31 March 2025 is shown in the table below:

	2025 £m	2024 £m
Valuation of portfolio at opening balance	**891.9**	898.5
Acquisitions in the year (including follow-on investments)	**30.7**	69.2
Divestments	**(89.1)**	—
Cash distributions from portfolio	**(90.4)**	(87.0)
Rebased opening valuation of portfolio	**743.1**	880.7
Changes in forecast power prices	**8.8**	(36.0)
Changes in economic assumptions	**1.7**	8.6
Changes in discount rates	**—**	(29.0)
Changes in exchange rates	**(0.9)**	(0.5)
Balance of portfolio return	**13.0**	68.1
Valuation of portfolio at 31 March	**765.7**	891.9
Fair value of intermediate holding companies	**(87.0)**	(138.3)
Investments at fair value through profit or loss	**678.7**	753.6

Allowing for investments of £30.7 million (including follow-on investments and payment of deferred consideration), divestments of £89.1 million and cash receipts from investments of £90.4 million, the rebased valuation is £743.1 million. The portfolio valuation at 31 March 2025 is £765.7 million (31 March 2024: £891.9 million), representing an increase over the rebased valuation of 3% during the year.

Valuation assumptions

Each movement between the rebased valuation and the 31 March 2025 valuation is considered below:

Forecast power prices

The project cash flows used in the portfolio valuation at 31 March 2025 reflect contractual fixed price arrangements under PPAs, where they exist, and short-term market forward prices for the next two years where they do not.

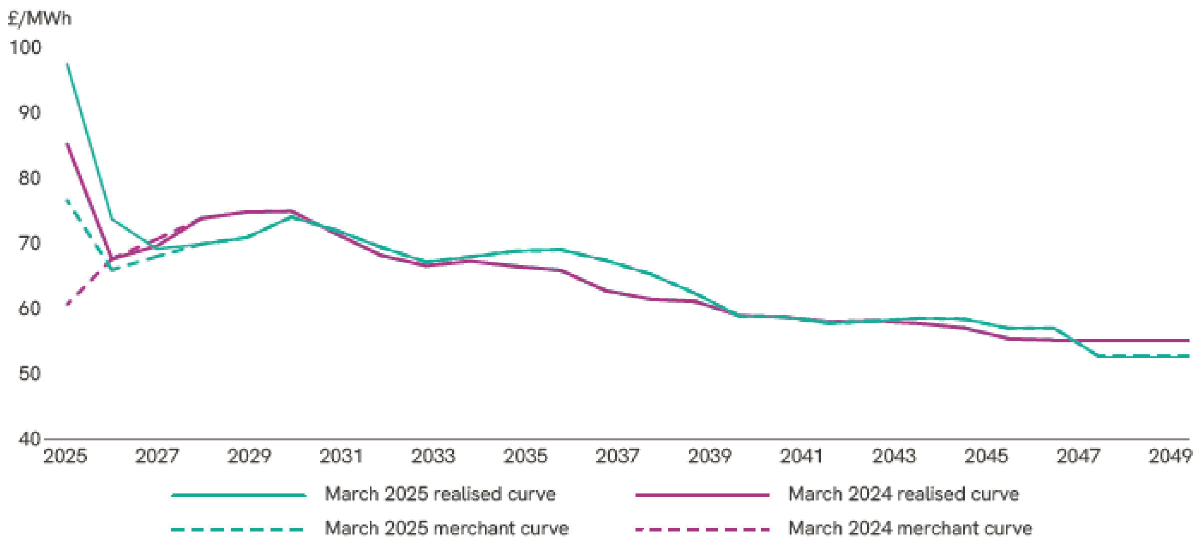
After the initial two year period, the project cash flows assume future electricity and gas prices in line with a blended curve informed by the central forecasts from three established market consultants, adjusted by the Investment Manager for project-specific arrangements and price cannibalisation.

For the Italian investment, project cash flows assume future electricity prices informed by a leading independent market consultant's long-term projections.

The overall change in forecasts for future electricity and gas prices compared to forecasts at 31 March 2024, net of the Electricity Generator Levy ("EGL"), has increased the valuation of the portfolio by £8.8 million.

The graph below represents the blended weighted power curve used by the Company, reflecting the forecast of three leading market consultants, adjusted by the Investment Manager to reflect its judgement of capture discounts and a normalised view across the portfolio of expectations of future price cannibalisation resulting from increased penetration of low marginal cost, intermittent generators on the GB network. The solid line represents the weighted average realised price forecast – including short-term price fixes under PPAs – whereas the dotted line shows the equivalent merchant price for unhedged generation.

Illustrative blended power price curve



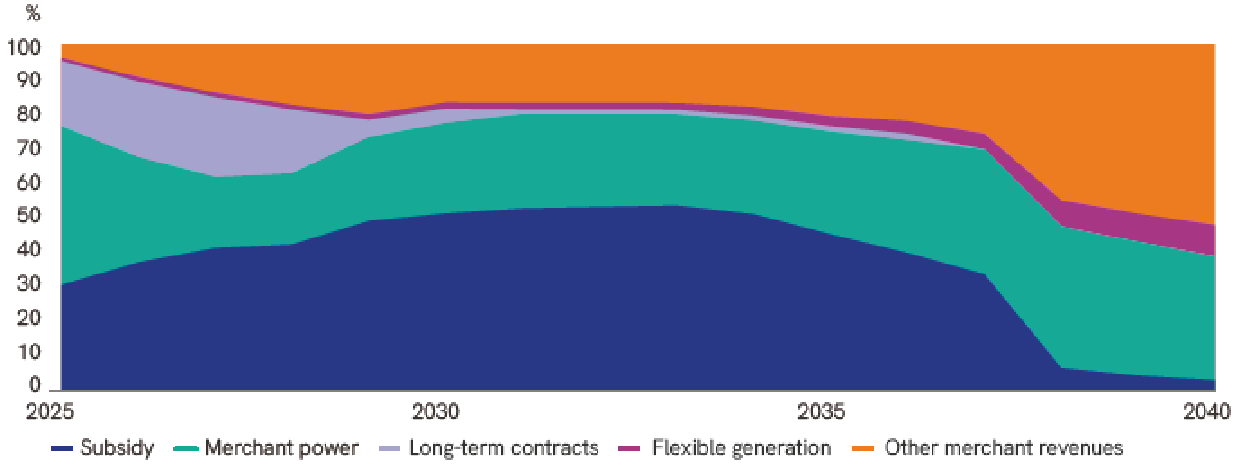
Guarantees of origin certificates
As the portfolio includes a number of renewable energy generation projects, it is able to generate revenue from the sale of Renewable Energy Certificates in addition to income from the sale of gas and electricity. A certificate is issued by Ofgem or the Green Gas Certification Scheme for each unit of renewable electricity or gas generated respectively, and can be sold as part of, or separately from, the offtake contracts in place for the wholesale electricity and/or gas. The certificates received for UK projects are Renewable Energy Guarantee of Origin ("REGO") and Renewable Gas Guarantee of Origin ("RGGO") for electricity and gas, respectively. Being traded on the open market, the price is variable and subject to typical demand and supply dynamics.

As with forecast power prices, valuations reflect contractual fixed price arrangements where they exist, or the following assumptions informed by forecasts provided from a range of independent market consultants where they do not:

Year	**2025**	2026-28	2029+
REGO	**£5/MWh**	£5/MWh	£2/MWh
RGGO	**£9.5/MWh**	£9/MWh	£9/MWh

Following a sustained increase in RGGO pricing achieved by the Investment Manager, modelled assumptions have been increased by £2/MWh.

Revenue analysis
The graph below shows the way in which the revenue mix of the portfolio changes over time for future financial years, given the assumptions made regarding future power prices set out earlier in the document. As expected, the proportion of merchant revenues increases in later years as the subsidies that projects currently benefit from expire.



On a net present value ("NPV") basis (using the discount rate applicable to each project), the relative significance of each revenue category illustrated above is as follows:

Revenue NPV	
Subsidy	49%
Merchant power	30%
Long-term contracts	11%
Flexible generation	2%
Other merchant revenues	8%

Subsidy revenues, long-term contracts and revenues from CNG Fuels that sit within other merchant revenues in the pie chart, all retain contractual inflation linkage, leading to 61% of total revenues featuring contractual inflation linkage.

Renewable generation portfolio

FGEN's renewable energy generation portfolio includes a combination of intermittent generating wind and solar investments, alongside baseload generating anaerobic digestion, biomass, energy-from-waste ("EfW") and hydropower investments. Revenues in these projects typically consist of a combination of government-backed inflation-linked subsidies, short-term price fixes contracted under a PPA/GPA, merchant revenue or other revenues such as those earned from private wire contracts.

The Company seeks to minimise the impact of power price volatility through its carefully constructed portfolio of diversified asset types, as well as by maintaining a programme of rolling price fixes for energy it generates, typically having the majority of projects on fixed price arrangements in the near term.

At 31 March 2025, 53% of the renewable energy portfolio's electricity and gas price exposure was subject to fixed prices for the summer 2025 season and 55% for the winter 2025/26 season. See the power price hedging section in the operational review on page 39 of the 2025 Annual Report for more detail about the price fixes in place across the portfolio at the year end.

Taking the proportion of merchant revenues hedged under fixed price short-term PPAs, along with subsidy revenues and revenues from long-term contracts outside of the energy generating assets, 68% of total revenues have fixed prices for the financial year to 31 March 2026. This demonstrates that merchant revenue remains a low proportion and reflects the broader diversification of FGEN's portfolio.

Other energy infrastructure

The desire to mitigate the effects of climate change stimulates not only opportunities connected to energy generation, but also in supporting and enabling energy infrastructure where significant investment is needed in the coming years in order to further decarbonise the economy. This is reflected in FGEN's diversified portfolio, which includes grid-scale batteries and low-carbon transportation refuelling alternatives for heavy goods vehicles.

Batteries

FGEN's portfolio includes one operational and three c.50MW Battery Energy Storage Systems ("BESS") at varying stages of construction at 31 March 2025.

Whilst the portfolio currently includes only one operational asset, lower revenue projections had previously impacted pricing and valuations across the market for BESS assets at all lifecycle stages. However, revenue performance improved throughout 2024 and into 2025. Independent market analysis continues to support a positive outlook, with strong fundamentals expected to underpin long-term sector growth.

Revenues for BESS assets are generated through multiple channels. Third-party consultants continue to highlight the importance of prioritising the capture of trading margins over the more limited opportunities from grid service revenues. As a result, merchant revenues are expected to form the largest component of the revenue model for these assets.

While the sector does not currently benefit from long-term contractual inflation linkage, revenues are typically driven by a margin over costs, which is expected to be sustained regardless of inflationary pressures. Notably, recent losses from record high balancing mechanism volumes are being offset by higher wholesale market prices. This rebound in wholesale revenues is anticipated to positively impact asset performance, particularly for West Gourdie.

Low-carbon transport
In the case of FGEN's investment into CNG Fuels, an integrated business owning and operating CNG refuelling stations that also sources biomethane for those stations and generates Renewable Transport Fuel Certificates ("RTFCs") in the process, revenues are generated from CNG dispensed and trading activity in biomethane and RTFCs.

Per the terms of the fuel supply contracts, CNG reserves the right to revise pricing to reflect changes in the wholesale price of natural gas and fuel duty, and will annually adjust prices (upwards only) in line with CPI inflation. Trading revenues flow from the buying and selling of biomethane across European markets and the sale of RTFCs created by the use of biomethane as a transport fuel.

Sustainable resource management
Sustainable resource management means using resources with the future in mind. It involves applying sustainable practices to ensure that resources benefit both current and future generations. This includes areas such as waste and wastewater treatment, as well as controlled environment for agriculture and aquaculture.

Waste and wastewater treatment
This category currently consists of availability-based assets structured under the Private Finance Initiative ("PFI")/Public Private Partnership ("PPP") procurement models, whereby revenue is derived from long-term contracts with local authorities.

Controlled environment
Controlled environment ("CE") projects typically face a greater level of market risk than environmental infrastructure projects with subsidy support or with long-term contracts. Therefore, the Company has only invested in projects that enjoy a privileged market position over competitors, for example due to physical location, technology or product differentiation.

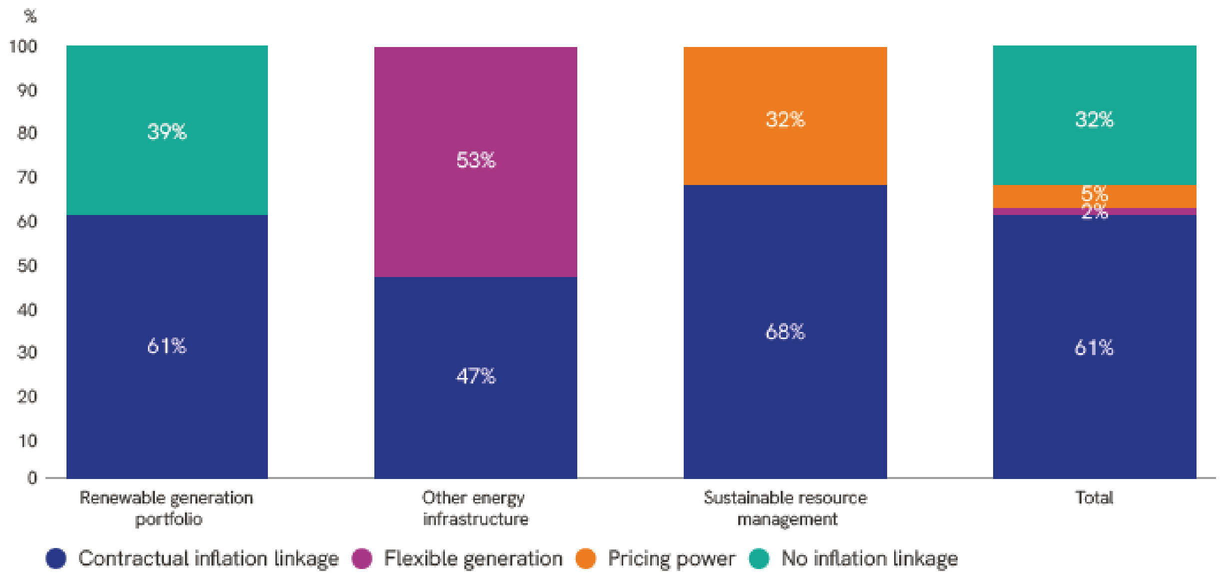
In the case of FGEN's Glasshouse, the investment is primarily built around the debt service on its senior secured shareholder loan, with potential for further uplift from the Company's minority equity investment over time as the business' operations reach maturity.
The Glasshouse is co-located with an existing FGEN anaerobic digestion facility, which itself will receive an additional source of revenue via a private wire supplying low-carbon heat and power to the Glasshouse. In the future, wastage from the Glasshouse produce may also be returned to the AD digester, creating a circular ecosystem. For more information on the Glasshouse, see the asset spotlight on page 49 of the 2025 Annual Report.

In the case of CE Rjukan, revenues will primarily be generated from the production and sale of approximately 8,000 tonnes of trout annually, once the site is fully ramped up in 2027. This will be sold to European and international salmonid markets via an offtake agreement with an established Norwegian seafood distribution company with global reach.

The Rjukan investment case is built on the premise of achieving average historic prices evidenced by the Fish Pool Index; however, our experienced operational partner is targeting sales at levels between c.5% and 50% higher than this; underpinned by the higher quality of fish production at Rjukan versus the typical fish sold in commodity-based markets.

Whilst these investments do not currently have long-term contractual inflation linkage, the projects retain pricing power and are able to increase prices to maintain margins as the underlying cost base inflates. For more information on Rjukan, see the asset spotlight on page 51 of the 2025 Annual Report.

The degree of contractual inflation linkage of each category illustrated above is as follows:



The Company's diversification strategy ensures the portfolio benefits from a significant proportion of contracted revenues and revenues earned by non-energy generating assets. Under current forecasts, dividend cover is expected to be healthily covered for the years ahead.

Useful economic lives
Useful economic lives of assets are based on the Investment Manager's estimates of the period over which the assets will generate revenue and are periodically reviewed for continued appropriateness. The assumption used for the useful life of investments is the lower of lease duration and 35 years for solar assets, 30 years for wind farms and 20 years for anaerobic digestion facilities – being the life of the RHI subsidy, after which point the Investment Manager conservatively assumes that facilities will cease to operate.

In light of growing evidence to suggest AD facilities may be able to successfully operate for longer durations, the Investment Manager has provided a sensitivity on page 35 of the 2025 Annual Report to illustrate the potential impact on extending the lives of FGEN's AD investments.

Economic assumptions
The valuation reflects an update in inflation assumptions based on a combination of actual historic inflation and recent independent economic forecasts.

Valuation assumptions for operational assets are set out below:

Economic assumptions used in the portfolio valuation (31 March 2024 figures shown in brackets)

	2025	2026-2030	2031+
UK			
RPI	**3.5%** **(3.0%)**	3.0% (3.0%)	2.25% (2.25%)
CPI	**2.75%** **(2.25%)**	2.25% (2.25%)	2.25% (2.25%)
Deposit rates	**2.0%** **(2.0%)**	2.0% (2.0%)	2.0% (2.0%)
Corporation tax	**25.0%** **(25.0%)**	25.0% (25.0%)	25.0% (25.0%)
Italy			
Inflation	**2.0%** **(2.0%)**	2.0% (2.0%)	2.0% (2.0%)
Deposit rates	**—%** **(—%)**	—% (—%)	—% (—%)
Corporation tax (IRES)	**24.0%** **(24.0%)**	24.0% (24.0%)	24.0% (24.0%)
Regional tax (IRAP)	**4.8%** **(4.8%)**	4.8% (4.8%)	4.8% (4.8%)

The euro/sterling exchange rate used to value euro-denominated investments was €1.19/£1 and the rate for Norwegian krone-denominated investments was NOK13.55/£1 at 31 March 2025 (€1.17/£1 and NOK13.66/£1 at 31 March 2024).

The total net increase in value resulting from changes to inflation rates, deposit rates and foreign exchange rates in the year is £0.8 million.

Discount rates
The discount rates used in the valuation exercise represent the Investment Manager's and the Board's assessment of the rate of return in the market for assets with similar characteristics and risk profile. The discount rates are reviewed on a regular basis and updated to reflect changes in the market and in the project risk characteristics.

UK gilt yields have remained at elevated levels consistent to those prevalent at the start of the year and transactional activity continues to indicate support for the Company's valuation assumptions, therefore no changes have been made to discount rates this year.

In addition to macro-driven changes, the Investment Manager also considers project-specific changes – such as the completion of major milestones on construction phase investments. Whilst progress continues at these projects, no changes have been made to discount rates this period.

Taking the above into account and including an increase in the value of assets in construction, the overall weighted average discount rate ("WADR") of the portfolio is 9.7% at 31 March 2025 (31 March 2024: 9.4%).

The WADR applied to each of the principal operational sectors within the portfolio is displayed in the following table, noting this represents a blend of levered and unlevered investments and therefore the relevant gearing of each sector is also shown.

	Unlevered discount rate	Levered discount rate	Sector WADRs	Gearing
Wind	8.0%	8.8%	8.7%	36%
Solar	7.2%	8.0%	7.3%	18%
Anaerobic digestion – crop fed	8.6%	—	8.6%	—
Anaerobic digestion – food waste	9.8%	—	9.8%	—
Biomass	10.3%	—	10.3%	—
Energy-from-waste	10.0%	—	10.0%	—
Hydropower	—	8.0%	8.0%	41%
Waste and wastewater concessions	—	8.9%	8.9%	24%
Battery storage	10.3%	—	10.3%	—
Weighted average			**9.7%**	**18.5%**

Sectors in which the Investment Manager retains proprietary information, such as controlled environment and low-carbon transport, are not disclosed in the table above, although discount rates used in these sectors feed into the portfolio WADR of 9.7%.

As in previous valuations, the discount rate used for energy generating asset cash flows which have received lease extensions beyond the initial investment period of 25 years retains a premium of 1% for subsequent years, reflecting the merchant risk of the expected cash flows beyond the initial 25-year period.

No changes have been made to discount rates during this period, therefore the overall change in value resulting from changes to discount rates in the year is £nil.

Balance of portfolio return
This represents the balance of valuation movements in the year, excluding the factors noted above. The balance of the portfolio return mostly reflects the impact on the rebased portfolio value, all other measures remaining constant, of the effect of the discount rate unwinding and also some additional valuation adjustments from updates to individual project assumptions. The total represents an uplift of £13.0 million.

Of this, the key positive item is the uplift of £60.2 million from discount rate unwind, partially offset by a combination of the £19.3 million write-down to the value of FGEN's investment in HH2E that was already recognised in the 30 September 2024 interim results, along with an £8.1 million reduction in value resulting from the downward revision in wind yield assumptions recognised at the 31 December 2024 valuation. The remaining downward revision in valuation is largely attributable to asset performance across the portfolio – reflecting uncharacteristic period of low wind speeds, low solar irradiance, disruption caused by severe weather events such as Storm Darragh and increases in planned maintenance programme expenditure.

Despite operational challenges across the portfolio, the underlying assets remain highly cash generative – illustrated by the 10th consecutive period of record cash flows received from investments.

Valuation sensitivities
The Net Asset Value ("NAV") of the Company is the sum of the discounted value of the future cash flows of the underlying asset financial models, construction and development spend, the cash balances of the Company and UK HoldCo, and the other assets and liabilities of the Group less Group debt.

The portfolio valuation is the largest component of the NAV and the key sensitivities are considered to be the discount rate applied in the valuation of future cash flows and the principal assumptions used in respect of future revenues and costs.

A broad range of assumptions is used in our valuation models. These assumptions are based on long-term forecasts and are not affected by short-term fluctuations in inputs, whether economic or technical. The Investment Manager exercises its judgement in assessing both the expected future cash flows from each investment based on the project's life and the financial models produced for each project company and the appropriate discount rate to apply.

The key assumptions are as follows:

Discount rate
The WADR of the portfolio at 31 March 2025 was 9.7% (31 March 2024: 9.4%). A variance of plus or minus 0.5% is considered to be a reasonable range of alternative assumptions for discount rates.

An increase in the discount rate of 0.5% would result in a downward movement in the portfolio valuation of £17.2 million (2.7 pence per share) compared to an uplift in value of £18.0 million (2.8 pence per share) if discount rates were reduced by the same amount.

Volumes
Base case forecasts for intermittent renewable energy projects assume a "P50" level of electricity output based on reports by technical consultants. The P50 output is the estimated annual amount of electricity generation (in MWh) that has a 50% probability of being exceeded – both in any single year and over the long term – and a 50% probability of being underachieved. Hence the P50 is the expected level of generation over the long term.

The P90 (90% probability of exceedance over a 10-year period) and P10 (10% probability of exceedance over a 10-year period) sensitivities reflect the future variability of wind, hydropower and solar irradiation and the uncertainty associated with the long-term data source being representative of the long-term mean.

Separate P10 and P90 sensitivities are determined for each asset and historically the results are presented on the basis that they are applied in full to all wind, hydro and solar assets. This implies individual project uncertainties are completely dependent on one another; however, a portfolio uncertainty benefit analysis performed by a third-party technical adviser identified a positive portfolio effect from investing in a diversified asset base.

That is to say that the lack of correlation between wind, hydro and solar variability means P10 and P90 sensitivity results should be considered independent. Therefore, whilst the overall P90 sensitivity decreases NAV by 4.8 pence, the impact from wind, solar and hydro separately is 3.4 pence per share, 1.2 pence per share and 0.2 pence per share respectively, as shown in the chart on page 37 of the 2025 Annual Report.

Anaerobic digestion facilities do not suffer from similar deviations as their feedstock input volumes (and consequently biogas production) are controlled by the site operator.

Biomass and EfW forecasts are based on projections of future input volumes and are informed by both forecasts and independent studies where appropriate. Revenues in the PPP projects are generally not very sensitive to changes in volumes due to the nature of their payment mechanisms.

Electricity and gas prices
Electricity and gas price assumptions are based on the following: for the first two years, cash flows for each project use forward electricity and gas prices based on market rates unless a contractual fixed price exists, in which case the model reflects the fixed price followed by the forward price for the remainder of the two-year period. For the remainder of the project life, a long-term blend of central case forecasts from three established market consultants and other relevant information is used, and adjusted by the Investment Manager for project-specific arrangements and price cannibalisation.

The sensitivity assumes a 10% increase or decrease in power prices relative to the base case for each year of the asset life after the first two-year period. While power markets can experience movements in excess of +/-10% on a short-term basis, as has been the case recently, the sensitivity is intended to provide insight into the effect on the NAV of persistently higher or lower power prices over the whole life of the portfolio. The Directors feel that +/-10% remains a realistic range of outcomes over this very long time horizon, notwithstanding that significant movements will occur from time to time.

An increase in electricity and gas prices of 10% would result in an uplift in the portfolio valuation of £35.9 million (5.6 pence per share) compared to a downward movement in value of £35.3 million (5.5 pence per share) if prices were reduced by the same amount.

Assuming all other factors remain constant, if electricity prices were to fall to £50/MWh, with a corresponding decline in gas prices, the Company would continue to maintain a resilient level of dividend cover over the next three financial years. Even in a more conservative scenario, where prices fall to £40/MWh, the portfolio is still expected to generate sufficient cash flows to cover the dividend, though with a reduced margin of headroom.

Useful economic lives

In line with FGEN's original investment case for anaerobic digestion, the Company continues to apply the conservative valuation assumption that facilities will simply cease to operate beyond the life of their RHI tariff. In recent periods, the Investment Manager has seen a growing case of evidence, including several transactional datapoints, pointing towards a positive change in market sentiment for valuing these assets – including the potential to run anaerobic digestion facilities on an unsubsidised basis.

In light of this change, the Investment Manager has provided the following scenarios illustrating a range of possible avenues to extend the lives of its AD portfolio:

- Scenario 1: either an extension to the existing RHI or an equivalent alternative subsidy mechanism on the same terms as the current RHI for a period of five years – capped at the duration of land rights already in place. Such an extension would result in an uplift in the portfolio valuation of £21.3 million (3.3 pence per share).
- Scenario 2: in line with the Investment Manager's understanding that some investors are considering AD facilities to run into perpetuity, due to the scarcity and valuable nature of UK green gas, an alternative scenario has been produced that assumes a permanent new market opens that provides sufficient incentive for asset owners to continue to run their plants. Under this scenario, the Investment Manager would expect revenues to be derived through a combination of corporate offtake, green certificates (such as RTFCs) and potentially a lower level of government support mechanism. On this basis, the Investment Manager considers a realistic result would be to provide a value uplift of c.£10 million (1.6 pence per share) and significantly extend the weighted average life of the Company.

The UK government is currently developing a future policy framework for biomethane production, and these sensitivities will be refined as more information is released.

Uncontracted revenues on non-energy generating portfolio
Non-energy generating assets, such as batteries and controlled environment agriculture and aquaculture, are not materially affected by either scarcity of natural resource or power price markets. Therefore, the Investment Manager has presented an alternative sensitivity illustrating an assumed 10% increase or decrease on all uncontracted revenues for each year of the asset lives.

An increase in uncontracted revenues of 10% would result in an upward movement in the portfolio valuation of £23.6 million (3.7 pence per share) compared to a decrease in value of £23.4 million (3.7 pence per share) if those revenues were reduced by the same amount.

Feedstock prices
Feedstock accounts for over half of the operating costs of running an AD plant. As feedstocks used for AD are predominantly crops grown within existing farming rotation, they are exposed to the same growing risks as any agricultural product. The sensitivity assumes a 10% increase or decrease in feedstock prices relative to the base case for each year of the asset life.

An increase in the feedstock prices of 10% would result in a downward movement in the portfolio valuation of £6.5 million (1.0 pence per share) compared to an uplift in value of £6.8 million (1.1 pence per share) if prices were reduced by the same amount.

No such sensitivity is applicable to FGEN's biomass investment, where fuel costs are tied under long-term contracts.

Inflation
Most projects in the portfolio receive a revenue stream which is either fully or partially inflation-linked. The inflation assumptions are described in the macroeconomic section on page 32 of the 2025 Annual Report. The sensitivity assumes a 0.5% increase or decrease in inflation relative to the base case for each year of the asset life.

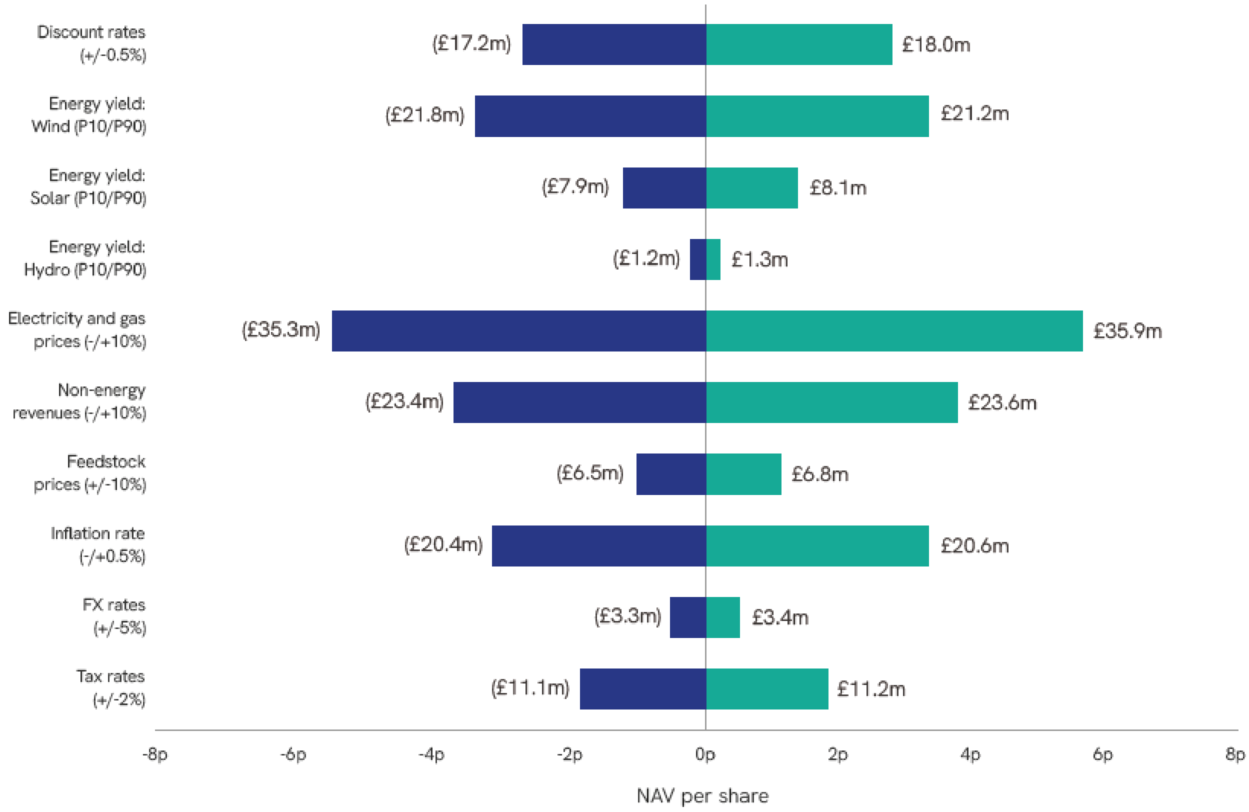
An increase in the inflation rates of 0.5% would result in an uplift in the portfolio valuation of £20.6 million (3.2 pence per share) compared to a decrease in value of £20.4 million (3.2 pence per share) if rates were reduced by the same amount.

Euro/sterling and NOK/sterling exchange rates
The proportion of the portfolio assets with cash flows denominated in foreign currency represents 10% of the portfolio value at 31 March 2025. If foreign currency strengthens by 5%, the value uplift will be £3.4 million (0.5 pence per share) compared to a £3.3 million (0.5 pence per share) decrease in value if FX weakens by the same amount.

Corporation tax
The UK corporation tax assumptions applied in the portfolio valuation are outlined in the notes to the accounts on page 172 of the 2025 Annual Report. The sensitivity below assumes a 2% increase or decrease in the rate of UK corporation tax relative to the base case for each year of the asset life.

An increase in the UK corporation tax rate of 2% would result in a downward movement in the portfolio valuation of £11.1 million (1.7 pence per share) compared to an uplift in value of £11.2 million (1.8 pence per share) if rates were reduced by the same amount.

Sensitivities – impact on NAV at 31 March 2025
The following chart shows the impact of the key sensitivities on NAV per share, with the £ labels indicating the impact of the sensitivities on portfolio value.



FEIP investment portfolio

Below is a list of investments into several European opportunities through the Company's co-investment in Foresight Energy Infrastructure Partners ("FEIP").

Asset	Location	Capacity (MW)	Commercial operations date
FEIP: FGEN has committed €25 million to FEIP			
Avalon solar and green hydrogen	Spain	137MWp	Development
Carna pumped storage hydro and co-located wind	Scotland	210MW	Under construction
Consortium solar	Greece	267MW	Under construction
ETA Manfredonia EfW	Italy	16.8MW	2012
Inca pumped storage hydro	Ireland	300MW	Development
Kölvallen wind	Sweden	277MW	Under construction
MaresConnect interconnector	Republic of Ireland	750MW	Development and under construction
Puskakorpi wind	Finland	88MW	Dec 2022
Quartz battery storage	England	106.5MW	Development
Skaftåsen Vindkraft AB wind	Sweden	231MW	June 2023
Torozos wind	Spain	93.5MW	Dec 2019
85 Degrees geothermal heat	Netherlands	53MW	Operational/under construction
Beleolico offshore wind	Italy	30MW	July 2022
Blue Jay battery storage	Scotland	99.3MW	Development and under construction

OPERATIONAL REVIEW

Investment performance

The NAV per share at 31 March 2025 was 106.5 pence, down from 113.6 pence at 31 March 2024.

FGEN has announced an interim dividend of 1.95 pence per share for the quarter ended 31 March 2025, payable on 27 June 2025, in line with the full-year target of 7.80 pence per share for the year ended 31 March 2025.

Financial performance

The Company's operating assets delivered strong cash earnings of £90.4 million (31 March 2024: £87 million), making this another strong period of earnings, driving a dividend cover of 1.32x, up from 1.30x in the prior year.

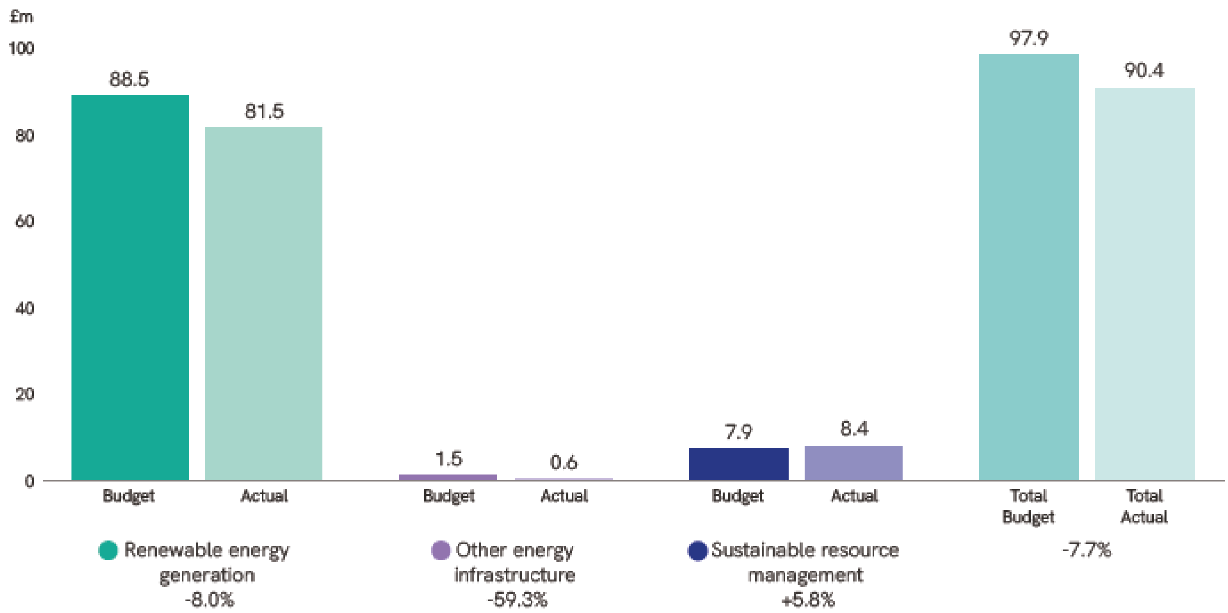
The chart below shows the budgeted proportion of cash distributions forecast to be received from underlying investments at the start of the financial year, versus the relative sector-level over or under-performance against this target during the year.

The 7.7% under-performance versus budget is largely attributable to low wind and solar resource, as well as the bringing forward of some capex works on our bioenergy assets.

See below for the equivalent chart showing generation performance of the energy generating assets versus budget.

Across the portfolio companies, total revenue generated was £284.8 million and total EBITDA was £131.6 million. The Company operates a diversified portfolio of assets across multiple sectors which supports diversification of the operating risk profile across the portfolio – with both revenues and corresponding margins varying based on the underlying operations of each. For example, wind and solar assets generate electricity through the use of a free natural resource and therefore typically have a lower cost base than an anaerobic digestion facility, which requires a feedstock as part of its energy generation process. To compensate, these anaerobic digestion facilities will also typically have a higher revenue base – as can be seen by the average all-in energy price table below.

Financial performance: budget vs actual project distributions



The average all-in price received by the differing technology classes in the UK for their energy volumes generated in the year ended 31 March 2025 is shown in the table below:

Average all-in energy price	**Year ended 31 Mar 2025**	Year ended 31 Mar 2024
Wind	**£201per MWhe**	£148 per MWhe
AD electric	**£262 per MWhe**	£317 per MWhe
AD gas-to-grid	**£152 per MWhth**	£148 per MWhth
Biomass	**£184 per MWhe**	£205 per MWhe
Energy-from-waste	**€133 per MWhe**	€109 per MWhe
Solar	**£313 per MWhe**	£217 per MWhe
Hydro	**£295 per MWhe**	£308 per MWhe

Operational performance
Overall, the operating performance of the environmental infrastructure portfolio was satisfactory. The renewables segment of the portfolio produced 1,272GWh (2024: 1,358GWh) of green energy, 9.7% below the generational target. While the drop in generation compared to 2024 was partly due to the sale of the rooftop solar portfolio in 2025, the negative deviation against the annual target was primarily due to low wind resource, an unplanned outage at Cramlington in Q1 and a biological issue at Bio Collectors in Q3. When grid outages and compensation (insurance and warranty claims) are taken into consideration, the equivalent portfolio generation was 1,322GWh, 6.1% below the target for the year.

The concession-based projects, other bioenergy assets and agri-AD portfolios performed in line with their respective targets.

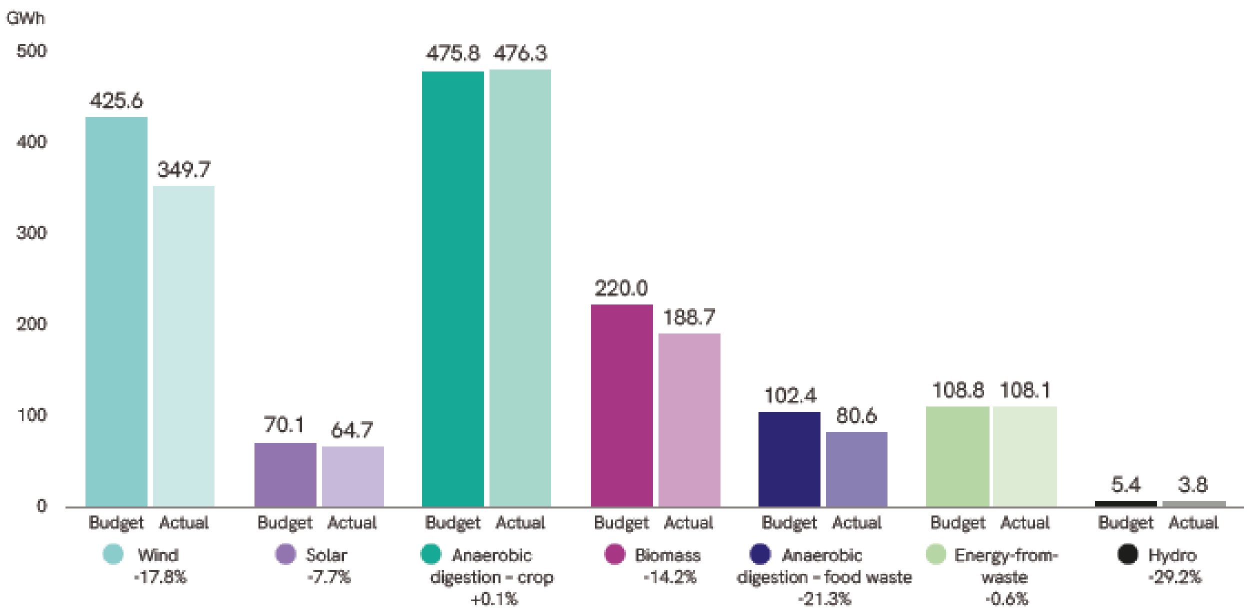
Renewable energy generation
Power price hedging

FGEN's exposure to wholesale power prices is mitigated by the practice of having a substantial proportion of generation for both electricity and gas on fixed price arrangements for durations ranging from six months out to two years. The extent of generation subject to fixes at 31 March 2025 is as follows:

	Summer 2025	Winter 2025	Summer 2026	Winter 2026
Wind	59%	69%	—	—
Solar	54%	54%	7%	7%
Biomass	—	—	—	—
Energy-from-waste	—	—	—	—
AD – electric	100%	96%	—	—
AD – gas	80%	76%	2%	2%
Weighted average	**53%**	**55%**	**1%**	**1%**

The Investment Manager continues to monitor the market beyond March 2026 for opportunities to fix prices to mitigate risk across the portfolio, but presently sees more value in having a higher proportion than usual unfixed as prices stabilise.

Renewable energy: 1,272GWh generated, -9.7% below budget



Baseload generators

Anaerobic digestion

The AD portfolio is the largest producer of energy on a GWh basis and generated 37% of the energy produced by the FGEN portfolio. Gas generation (measured in GWh thermal generated) was 476GWh[1], 0.1% ahead of its sector target (2024 variance was 3.6% favourable).

Seven of the nine plants outperformed their generation targets, notably strong performances coming from Grange Farm, Rainworth and Peacehill, which performed >5% above their generation targets. Vulcan's negative variance (-5.6%) against its generational target was due to the commissioning of two different value enhancement projects, while the prolonged ramp-up period following a digester degrit at Merlin Renewables resulted in it finishing the year 11.5% below its target.

1. When FGEN's ownership % is taken into account, the generation by the AD portfolio was 244GWh, 0.4% above the equivalent sector target.

All AD plants have had access to sufficient feedstock throughout the year despite a poor rye harvest in July 2024. Maize and rye costs remain stable with no real fluctuations compared to the previous year. The conditions for digestate spreading in early 2025 have been optimal, resulting in reduced storage requirements and therefore cost. Despite this positive year, more clamp extension and additional lagoon projects are being developed to enhance climate change resilience.

Wholesale gas and power prices gradually increased from March 2024, peaking in February 2025. Though political tensions in Europe and the Middle East contributed to this, the impact was mitigated by LNG supplies throughout the year.

The Investment Manager has taken the opportunity to hedge 75%+ of the gas grid capacity for summer and winter 2025, while opportunities to hedge in summer and winter 2026 are being monitored, as seen in the table on page 39 of the 2025 Annual Report.

Waste & bioenergy

The renewable energy generation segment of the waste & bioenergy portfolio is the second largest producer of energy on a GWh basis and generated 30% of the energy produced by the portfolio. The waste & bioenergy portfolio generated 377GWh[1], this was, 12.5% below the sector target; when compensation from insurance claims and liquidated damages are considered, the negative variance is reduced to 4.5%.

Despite Cramlington meeting or exceeding its generational target for six months of the year, an outage spanning May and June 2024 to address corrosion issues discovered within the asset's ID fan meant generation was 14% below the annual target. Compensation for this event has been received from the O&M contractor while further improvements to the flue gas treatment line have been made to ensure a long-term solution is in place.

1. When FGEN's ownership % is taken into account, the generation by the bioenergy portfolio was 371GWh, -14.4% below the equivalent sector target.

Bio Collectors has unfortunately had a challenging year (28% below the generational target) following consistent gas grid curtailments, technical issues and a digester foaming incident towards the end of 2024. In reaction to this, the Investment Manager has identified an expert in the AD industry to develop and initiate improvement works at Bio Collectors. Improvements are expected to be realised midway through the next financial year; to date, the degritting of both digesters has been initiated and key process upgrades identified, allowing increased generation and availability.

Both Codford Biogas and ETA Manfredonia met their generational targets for the year.

Following the year end, ETA Manfredonia suffered an unplanned outage as a result of a short circuit within the turbine's alternator. Analysis of the work required to repair the turbine indicates a prolonged period of downtime, with a plan being worked through by the site's operator. Conversations are ongoing with loss adjusters, and it is believed that a significant proportion of losses will be recoverable through the site's insurance. Works remain ongoing, and an estimate of the remaining downtime and insurance recoverability has been recognised within the asset's valuation.

Hydro
The hydro portfolio generated 4GWh, which was 29% below target (31 March 2024: 5GWh). This is a very small part of FGEN's portfolio and represents less than 1% of the total energy generation for the year. Though rainfall levels were in line with expectation, mechanical issues at two of the sites brought overall generation below the target for the year.

An insurance claim for one of the mechanical downtime events is ongoing and is expected to ensure the plant is compensated for the loss of revenue.

Intermittent generators
Wind
The wind portfolio generated 350GWh (31 March 2024: 390GWh), representing 27% of the total energy generated by the portfolio. This was 17.8% below the sector target. The negative variance in production was partly the result of low wind resource but also availability issues at various sites.

Although a majority of the assets performed as expected, there were six that experienced significant downtime events which resulted in the gross availability being 4.6% below anticipated levels.

Four of the events will be compensated via the O&M performance mechanism at the conclusion of their respective contractual years. When these estimated compensation payments (insurance and warranty claims) are taken into consideration, the equivalent wind generation for the year was 362GWh, 15% below the target.

The average power price realised for the wind assets was 112% above the average variable price through FY25 due to the high level of fixes in place across the portfolio. 50%+ of the wind generational capacity is now hedged until March 2026, as seen in the table on page 39 of the 2025 Annual Report.

Solar
The solar portfolio generated 65GWh, which was 7.6% below the sector target; this represents 5.1% of the total energy generated by the portfolio. The negative variance was primarily due to irradiation levels across the financial year being 4.2% below expectations.

In addition, inverter issues at the Amber and Branden sites and a number of significant grid constraints at CSGH Shoals Hook also contributed to this. To ensure the inverter issues do not reoccur, increased investment in the necessary spare parts, training and optimisation of the inverter units has been conducted.

A new asset manager has now been appointed at eight of the 10 sites, the remaining two are expected to move over in July 2025.

Over 50% of the solar portfolio capacity is now fixed until March 2026, as seen in the table on page 39 of the 2025 Annual Report.

Other energy infrastructure
CNG Fuels (in construction phase)

The CNG refuelling stations achieved a 21% increase in fuel dispensed year-on-year as customers brought new vehicles into service and new stations became established.

During this financial year, following completion of construction, two sites were commissioned at Aylesford and Doncaster. Construction of a new station in Livingston commenced and became operational in late May. Following the CNG Fuels restructuring, a further operational site, Crewe, is now within the portfolio.

FGEN invested £2.4 million into CNG during the year. As at 31 March 2025, CNG held 16 natural gas refuelling stations, including the site under construction. FGEN invested a total of £27.8 million as at the balance sheet date.

Battery storage assets
West Gourdie, FGEN's operational 50MW battery asset in Dundee, Scotland, has been participating in various services including Dynamic Containment ("DC"), wholesale day-ahead, intraday, balancing mechanism and capacity markets. The primary source of revenue is the DC frequency balancing service, which accounts for over 50% of earnings. The remainder comes from wholesale electricity trading and capacity market services.

The availability across the year was 94%, which was 4% below the O&M contractual target. Many of the downtime events contributing to this are expected to be compensated for via the performance mechanism in the O&M contract. A majority of the incidents related to planned outages for maintenance activities and checks to be conducted.

Based on publicly available data for the last 12 months, the West Gourdie site has ranked first or second among comparable peers in Scotland for one-hour index sites.

Other battery storage assets (in construction phase)
FGEN currently owns three 50MW battery storage assets in the UK. The Sandridge project has made significant progress, with all onsite works related to the battery installation successfully completed. Despite challenges with the distribution network operator ("DNO") causing prolonged delays, these issues have been resolved. Energisation and takeover are now expected in the second half of 2025.

The Investment Manager is actively pursuing the sale of both Lunanhead and Clayfords. Lunanhead remains under exclusivity, with completion targeted for late 2025. Further options are being explored for Clayfords. These assets represent 0.5% of total portfolio value.

Sustainable resource management
Waste and wastewater concessions
The ELWA waste project continues to deliver operational and financial performance in line with expectations. Operational performance targets were again exceeded with diversion from landfill at 99.98%, substantially ahead of the 67% contract target, and recycling at 32.2%, also ahead of the 22% contract target. Waste tonnages delivered remained stable throughout the year and were in line with expectations.

Preparations for the handback of this project to the authority in 2027 have been initiated. All changes and requests following the sale of Renewi's UK business to Biffa have been addressed and no issues are foreseen in the long term.

The Tay wastewater project had another stable year operationally, with no availability or performance deductions in the period.

Controlled environment – Glasshouse project (in ramp-up phase)
The Glasshouse is currently in the operational ramp-up phase with full sales anticipated by 2026/27. Whilst onboarding customers has been slower than expected, prices and margins remain encouraging.

Controlled environment – Rjukan project (in construction phase)
The project is now 30 months into construction and c.90% complete with the first harvest anticipated by July 2025. There are currently over 2 million trout in the facility with the largest fish now over 2.5kg in size.

Green hydrogen
As announced on 8 November 2024, the Company's investment in the HH2E hydrogen development was written down following HH2E's decision to file for insolvency as a result of the failure to secure the further funding necessary to meet its ongoing commitments. FGEN invested £19.3 million prior to the write-down and currently considers it unlikely that there will be any recovery, given that FGEN's claim on the company is subordinated to general creditors under German law. Detailed information about the factors leading to the write-down of the project can be found on page 28 of the Half-year Report 2024.

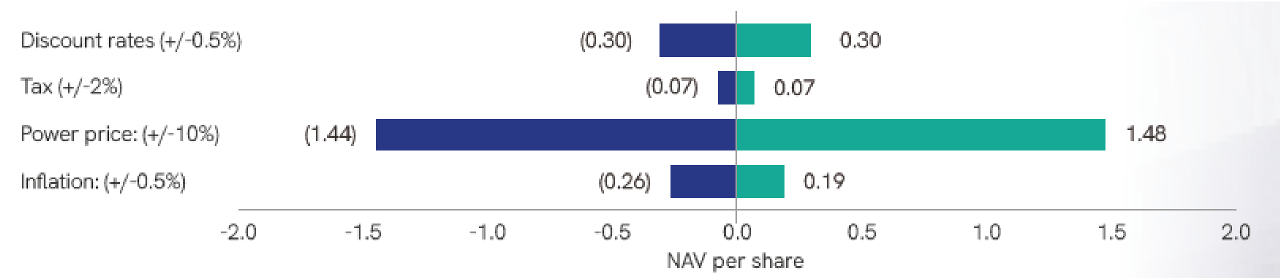
CRAMLINGTON CASE STUDY

Investment overview
In June 2021, FGEN acquired a 100% stake in Cramlington Renewable Energy Developments Limited ("Cramlington") which owns a biomass plant and its underlying contracts. The plant utilises proven technology to process a diversified biomass fuel mix, creating up to 26MW of electrical power and 6MW of heat.

Investment highlights

Sector:	Renewable energy generation – Biomass
Location:	Northumberland, UK
Ownership:	100%
Start of commercial operations:	2018
Operational status:	Operational
Accreditation:	
ROCs (electricity)	12 years' remaining life
RHI subsidy (heat)	13 years' remaining life
Percentage of portfolio by value:	10%
Invested:	£51.5 million
Basis of FGEN valuation:	Discounted cash flow ("DCF")
FGEN equity value:	£77.1 million
Distributions:	£51.2 million
Implied MOIC[1]:	2.5x
Latest IRR:	25.8%
Payback period:	3.8 years

Cramlington sensitivities on NAV per share



1. Implied MOIC calculated as total cash consideration plus current valuation, divided by cash invested.

What is biomass combined heat and power ("CHP")?

A CHP plant creates both electricity and heat from its fuel source, which in Cramlington's case is a blend of woody biomass. The fuel is mixed, screened and then fed onto a vibrating grate for combustion. This process produces a hot flue gas which in turn raises water temperature inside a boiler to produce superheated steam. This steam is then used in a turbine to generate electricity and heat. All heat is exported along with some electricity to adjacent industrial customers, with the remaining electricity production exported to the national grid.

Investment attractions

- ROCs and RHI subsidy regimes expire in March 2037 and March 2038 respectively. The base investment case assumes operation until the end of the ROC regime, with freehold rights in place to support potential asset life extensions.
- Exporting both heat and power to two neighbouring private wire customers, with potential to export higher levels to both existing customers and new customers in the surrounding business parks.
- Long-term contracts for PPA, private wire, feedstock and O&M services.

Origination

- The project was acquired out of an administration process that was triggered by external lenders who had funded the previously levered structure. A key priority for FGEN was to de-risk its investment by buying out the lenders, meaning that the project is now ungeared and free of restrictive loan covenants.
- The project also required technical, contractual and feedstock optimisation works, which Foresight/FGEN was uniquely placed to deliver.

Value creation

- Construction of a fuel processing area to reduce fuel costs and double handling by allowing the supplier to process local forestry and arboriculture residues on site. This area also enables blending of various stocks to control fuel quality and moisture content. As a result, the plant's monthly availability improved from the high 80s to over 95%.
- Prior to FGEN's acquisition, fuel was supplied by a large number of suppliers, resulting in inconsistent quality and exposing the project to market price fluctuations. In 2022, the project streamlined this structure by securing a 12-year single-supplier agreement with Seras, leading to reduced costs, price stability and enhanced fuel quality creating a significant increase in the project's valuation.
- In our first year of ownership, we uncovered the key areas causing downtime. To improve reliability, we implemented upgrades, such as a fuel bypass chute, which allows for manual feeding of the boiler during equipment failures in the fuel hall.

- Implementing strategic power price hedging during volatile periods right after acquiring the project enabled Cramlington to seize the upside. Coupled with enhanced availability, this strategy facilitated significant early-year dividends. We applied the same tactic to REGO certificates, and with our current four-year fix, we are selling certificates at 20 times the current market rate.

Sustainability credentials

- To reduce waste sent to landfill, the project tested and certified its bottom ash as a soil enhancer for local farms. Each year, around 2,500 tonnes of ash provide essential minerals, significantly lowering costs for farmers, while also allowing us to benefit from repurposing waste.

Cramlington revenue forecast split[1]

ROC	53%
PPA export	34%
PPA other (EB, Triads and REGO)	3%
Private wire electricity	7%
Private wire heat	1%
RHI	2%

1. Based on NPV of future forecast revenues over the remaining life of the asset.

Divestments and restructuring

Disposal of 51% of six AD facilities

In August 2024, the Company announced the sale of 51% of a portfolio of six gas-to-grid AD facilities to Future Biogas for a total consideration of £68.1 million, equal to the NAV of the portfolio. Subsequently, further value has been recognised through delivery of value enhancements and alignment of operating assumptions, including the removal of operator profit sharing that was agreed as part of the transaction which alone resulted in an additional 9% uplift to valuation. FGEN will continue to own 49% of the AD portfolio, which has a combined generating capacity of 38MW, as well as its interests in three further agri-AD assets which are not operated by Future Biogas and not part of the agreement.

The Company is optimistic about the partnership with Future Biogas as it provides a greater alignment of interests between the parties, creating the potential for further asset enhancements and life extensions beyond the current Renewable Heat Incentive ("RHI") subsidy. These initiatives are expected to deliver uplifts to the valuation of the Company's remaining holding in the AD portfolio over time.

Disposal of 100% of rooftop solar portfolio

In December 2024, the Company announced the sale of 100% of a portfolio of operational rooftop solar assets for a total consideration of £21.2 million. This disposal recognised a premium to NAV and facilitated the recycling of capital from a lower returning, non-core part of the portfolio.

A total of £20.5 million was payable upon completion with a further £0.7 million in deferred consideration linked to the satisfaction of certain post-completion obligations which will likely result in a further £0.2 million in FY26.

CNG restructuring

Shortly after the year end, FGEN, together with another Foresight fund, completed on a transaction to combine their investments in the CNG refuelling station assets with the assets of ReFuels N.V. ("ReFuels"), a leading European supplier of Bio-CNG for the decarbonisation of heavy goods vehicles. ReFuels contributed its investments in CNG Fuels Ltd, the developer and operator of the station assets, and 79.2% of a biomethane sourcing company, Renewable Transport Fuel Services Ltd.

The combination creates a fully integrated biomethane sourcing, station ownership and Renewable Transport Fuel Certificate business well placed to build on its market leading position. The current network of stations in operation has the capacity to serve 10,000 HGVs per day and has an annual dispensing capacity of more than 310 million kg of Bio-CNG to customers including Amazon, DHL and Marks & Spencer. The transaction provides a path to further growth via a rollout of a further nine public access Bio-CNG refuelling stations by the end of 2028.

Other investments

FEIP

FGEN has committed to investing €25 million in Foresight Energy Infrastructure Partners SCSp ("FEIP"), a Luxembourg limited partnership investment vehicle. At 31 March 2025, the Company has invested in 15 projects and is no longer seeking to make new investments.

The investment in FEIP allows FGEN to further diversify its geographic and technology exposure, while also gaining an allocation to construction-stage assets which is expected to enhance returns.

Given construction-stage assets can only represent a small part of the Company's portfolio, the FEIP investment allows a greater level of diversification than would be possible with direct investments, providing for a more attractive risk-adjusted return profile. FGEN is excused from any FEIP investment that is not consistent with FGEN's investment policy. No management fees are payable on the amounts invested by FGEN. FEIP also owns a 45% stake in ETA, the Italian EfW plant, in which FGEN is also an investor. As at 31 March 2025, €22.5 million has been invested in FEIP.

Financing
On 25 April 2025, FGEN announced that it has reduced the size of its multi-currency revolving credit facility ("RCF") from £200 million to £150 million. The downsizing of the RCF will result in an annual cost saving of £367,500. The reduced RCF continues to provide ample headroom to cover outstanding portfolio commitments, including the remaining payments for the Company's well-progressed construction-stage investments.

The £150 million RCF has an uncommitted accordion facility of up to £30 million and an uncommitted option to extend for a further year.

As at 31 March 2025, drawings under the RCF were £99.3 million.

The RCF provides an increased source of flexible funding outside equity raisings, with both sterling and euro drawdowns available on attractive terms. The facility will principally be used to make future acquisitions of environmental infrastructure investments to add to the current portfolio, as well as covering any working capital requirements.

The interest charged in respect of the renewed RCF continues to be linked to the Company's ESG performance, with FGEN incurring a 5 bps premium or discount to its margin based on performance against defined targets. Those targets include:

- environmental: increase coverage of independent biodiversity assessments and implement initiatives to enhance biodiversity net gain across the portfolio;
- social: increase volume of contributions to local communities; and
- governance: maintain a low number of work-related accidents, as defined under the Reporting of Injuries, Diseases and Dangerous Occurrences Regulations ("RIDDOR") by the Health and Safety Executive.

Performance against these targets will be measured annually, with the cost of the RCF being amended in the following financial year. Lenders to the facility include HSBC, ING, Clydesdale Bank, National Australia Bank and Royal Bank of Scotland International. The margin can vary between 205 bps and 215 bps over SONIA (Sterling Overnight Index Average) for sterling drawings and Euribor (Euro Interbank Offered Rate) for euro drawings, depending on performance against the ESG targets.

In addition to the RCF, several of the projects have underlying project-level debt.

Project-level gearing at 31 March 2025 across the portfolio was 18.5% (31 March 2024: 16.9%). Taking into account the amount drawn down under the RCF of £99.3 million, the overall fund gearing at 31 March 2025 was 28.7% (31 March 2024: 31.2%).

As at 31 March 2025, the Group, which comprises the Company and the intermediate holding companies, had cash balances of £7.8 million (31 March 2024: £18.1 million).

Financing at 31 March 2025
£99.3m drawn on RCF

28.7% gearing[1]

1. Gearing is an alternative performance measure ("APM"). The APMs within the accounts are defined on pages 182 and 183 of the 2025 Annual Report.

RISKS AND RISK MANAGEMENT

FGEN has a comprehensive risk management framework overseen by the Risk Committee, comprising independent non-executive Directors.

Risk is the potential for events to occur that may result in damage, liability or loss. Such occurrences could adversely impact the Company's business model, reputation or financial standing. Alternatively, under a well-formed risk management framework, potential risks can be identified in advance and can either be mitigated or possibly even converted into opportunities.

Pages 54 to 64 of the 2025 Annual Report detail the principal and emerging risks that the Directors consider are material and which potentially could impact the Company or occur in an environmental infrastructure project such as those invested in by the Company.

In assessing these risks for the purposes of this report, the Directors typically consider the next 12-18 months as being the critical window for risks to materialise. Environmental infrastructure assets are long-term assets and risks can crystallise throughout an asset's life; nevertheless, this report is intended to give the reader an understanding of the current risk outlook for the Company and the risks that the Board and the Investment Manager feel have the most significance at the present time. This outlook is updated regularly in the publications that the Company puts into the market and so readers can get a sense of how the Board and the Investment Manager's view of risks changes over time.

Given that the Company delegates certain activities to the Investment Manager and Administrator, reliance is also placed on the controls of the Group's service providers.

In the normal course of business, each project will have developed a rigorous risk management framework, including a comprehensive risk register, that is reviewed and updated regularly and approved by its board. The purpose of FGEN's risk management policies and procedures is not to eliminate risk completely, as this is neither possible nor commercially viable. Rather, it is to reduce the consequence of occurrence and to ensure that FGEN is adequately prepared to deal with risks so as to minimise their effect should they materialise.

Risk identification and monitoring

Three lines of defence

First line of defence ("1LoD"): This consists of functions that manage the risk gateway into the portfolio. They are accountable for and responsible to perform or enable the identification, measurement, management, and reporting of risks inherent to the investment activities. This includes the design, operation and ensuring performance and effectiveness of controls.

Second line of defence ("2LoD"): This consists of independent risk management and compliance functions which are responsible for establishing Foresight's risk management framework and associated control standards, as well as providing independent challenge over the activities, processes and controls carried out by the first line. Additionally, where agreed with the First line of Defence and the relevant governance forum, 2LoD can perform and complement the responsibility of identification, measurement, management, and reporting of risks, with 1LoD retaining the overall accountability for risk management related to their activities.

Third line of Defence ("3LoD"): This provides independent risk assurance to the Board and senior management about the adequacy of the overall risk and control framework, and establishes a mechanism for assessing the effectiveness of the risk management and control activities of the first and second lines. FGEN has a separate Risk Committee, comprising five non-executive Directors, which is responsible for overseeing and advising the Board on the current and potential risk exposures of the Company, with particular focus on the Group's principal risks, being those with the greatest potential to influence shareholders' economic decisions, and the controls in place to mitigate those risks. The Board believes that the FGEN Risk Committee provides effective challenge to the risk and compliance frameworks set in place by the Investment Manager. The Board acknowledges that this is not equivalent to an independent internal audit function but that it provides a sufficient and proportionate approach. The Board feels they have a sufficient level of oversight of the internal controls in place.

In the case of new and emerging risks, assessment occurs outside of the quarterly cycle. These systems of internal control were in place for the year under review and continue to be in operation.

Risk management framework

FGEN has a comprehensive risk management framework and risk register that assesses: a) the probability of each identified risk materialising; and b) the impact it may have on FGEN.

Mitigations and, where applicable, controls have been developed with respect to each risk so as first to reduce the likelihood of such risk occurring and secondly to minimise the severity of its impact in the case that it does occur.

The risk register is a "live" document that is reviewed and updated regularly by the Risk Committee as new risks emerge and existing risks change.

The principal risks faced by the Group are formally reviewed by the Risk Committee at each quarterly meeting and the Committee reports to the Board in respect of changes to the general risk environment and material developments in already identified risks.

Each of the underlying projects is overseen by an experienced portfolio manager who reports to their individual project board. The portfolio managers maintain strong relationships between counterparties, contractors, third-party asset managers and other stakeholders. This ensures effective management of potential risks.

Emerging risks

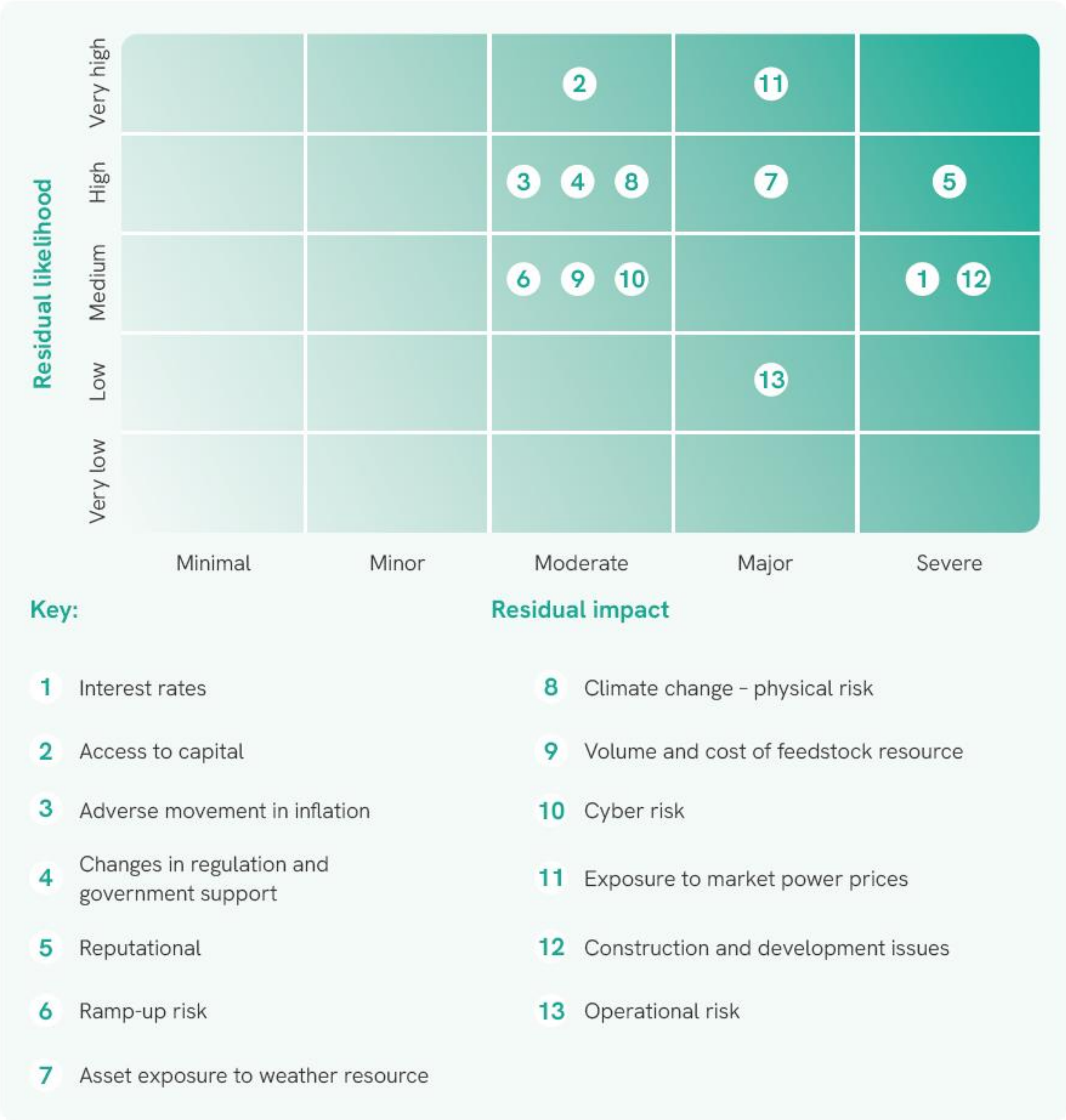
Emerging risks are characterised by a degree of uncertainty and the Investment Manager and the Board consider new and emerging risks at the Risk Committee which takes place quarterly; the risk register is then updated to include these considerations if required. Furthermore, the Company is advised by various advisers within the listed infrastructure space and the Investment Manager, Foresight, considers emerging risks over a wider market arena.

Examples of emerging risks that have been considered by the Board and Investment Manager during the period include the following:

i) Ongoing uncertainty over energy market reform in the UK, with perhaps the most critical issue being the extent of reform to locational and operational signals in the electricity market, with the most drastic action under consideration being the implementation of zonal pricing across the UK. This is a topic of fairly fierce debate within central government, with further updates from DESNZ expected in mid-2025.

ii) The re-election of the Trump administration and the related global impacts of inflationary policies with the “America First” approach leading to the risk of heightened geopolitical tensions, and inflationary impacts of the trade and tariff wars leading to increasing costs across supply chains.
iii) Whilst not during the period, the most recent escalation of the situation in the Middle East, with direct US involvement in the broader Iran/Israel conflict, has the potential to heighten geopolitical tension further and disrupt both energy pricing and global supply chains, amongst other potential implications.

This risk map shows our assessment of each area of principal risk after mitigation.



FGEN’s risk register covers six main areas of risk:

- Strategic, economic and political
- Operational, business, processes and resourcing
- Financial and taxation
- Compliance and legal
- Asset specific
- ESG

This year we are only detailing the most pertinent principal risks affecting the Company. We have identified 13 risks within two of the above-mentioned categories. These risks are summarised below, followed by a detailed discussion of the mitigating factors.

See more on climate-related risks in our Sustainability and ESG report on pages 83 to 86 of the 2025 Annual Report.

STRATEGIC, ECONOMIC AND POLITICAL

1 Interest rates

Change in year
Increased with interest rates continuing to be at elevated levels

Potential impact
Interest rate increases may impact on the Fund in several ways:

i. Valuation of the portfolio through the discount rate applied to perform the DCF calculations.
ii. FGEN cash flows to the extent that interest on borrowings was determined according to floating rates.
iii. Interest rates and rates of return from other asset classes impact the relative attractiveness of FGEN returns to investors, which could impact on investor appetite to invest in the Fund.

Mitigations
- Using interest rate swaps and fixed rate loans, finance costs are fixed at the time of the contract being signed, substantially reducing interest rate risk.
- Selection of discount rates based on market intelligence.
- Detailed cash flow modelling to predict the impact of increasing interest rates.

Controls
- Foresight's Valuation Committee meets quarterly to assess the valuation of the Company, as prepared by the finance and valuations teams; which includes assessment of the discount rates.
- This valuation is reviewed and signed off by the FGEN Board at quarterly valuation meetings that inform the Company's NAV updates.
- An independent verification of the Company's valuation methodology and assumptions is conducted by PwC.

Link to Fund objectives
Long-term predictable income growth for shareholders
Potential for capital growth

Residual risk
High

2 Access to capital

Change in year
Increased

Potential impact
- The challenging macroeconomic backdrop continued in 2024, with the Company's share price, as per the wider renewable infrastructure investment trust sector, continuing to trade at a material discount to NAV, leading to an inability to raise new equity.
- As a result, there is a risk that FGEN is unable to achieve its stated ambition of growing the portfolio by acquiring new assets due to a lack of funding, which could result in long-term NAV decline.

Mitigations
- The Company has maintained a disciplined approach to capital allocation over the period in order to help address the discount, which has focused on paying down debt and returning capital to shareholders via buybacks.
- The Investment Manager has announced its medium-term disposal programme, targeting exit from its growth assets once sufficiently mature in order to generate proceeds that can be used under the allocation strategy as decided by the Board in time, whether that be reinvestment into portfolio growth, further debt repayment, return to shareholders, or a combination.

Controls
- The FGEN Investment Committee oversees and monitors the discount controls being applied, with constant evaluation of the best use of available capital in line with the capital allocation policy.

Link to Fund objectives
Long-term predictable income growth for shareholders
Potential for capital growth

Residual risk
Medium

3 Adverse movement in inflation

Change in year
No change

Potential impact
- The underlying assets in the portfolio, and therefore the returns expected from them, have some exposure to inflation. This ranges from direct exposure, such as subsidies and service contracts that increase in line with RPI annually, to other revenue and cost items where the link to inflation is not contractual and its effect must be estimated.
- In the current inflation environment, there is greater uncertainty than previously about the path that inflation will follow. If inflation is materially lower than the assumptions used in valuations, then there is a risk that the portfolio value will fall. FGEN has adopted an assumption of 3.5% RPI inflation for the current year, dropping to 3% until 2030.
- Nominal discount rates are used in the discounted cash flow ("DCF") valuation methodology used to value portfolio assets. There is a risk that discount rates increase in a high inflation environment, impacting valuations.

Mitigations
- Monitoring of market forecasts for inflation and input from the Company's independent valuations specialist regarding inflation assumptions seen in the market. Returns from the assets in the portfolio are highly correlated with inflation due to revenues from PFI assets, green benefits for renewable energy assets and most operational costs being directly linked to an inflation index. This results in a "natural hedge", removing the need for the use of derivatives to mitigate inflation risk.
- The adoption of a "progressive" dividend policy rather than an explicitly "inflation-linked" one gives the Company additional flexibility to set dividend targets at a sustainable level. Higher inflation rates may mitigate the impact of higher interest rates.

Controls
- The Foresight Valuation Committee will approve assumptions used in the valuation and the FGEN Board has ultimate authority over the portfolio valuation.
- An external review of valuations and valuation methodology is also undertaken by PwC.

Link to Fund objectives
Long-term predictable income growth for shareholders
Potential for capital growth

Residual risk
Medium

4 Changes in regulation and government support

Change in year
Increased

Potential impact
- Risk that regulatory, legal or contractual change in the general structure of electricity network charging regime or basis of use leads to increased costs for FGEN's renewable energy projects or lower revenues than forecast, negatively impacting cash flow and portfolio valuation (with energy market reform in the UK as the most acute risk at present).
- FGEN is required to comply with certain regulations, being a Guernsey company listed on the London Stock Exchange ("LSE"), including those under the Alternative Investment Fund Managers Directive ("AIFMD") and the Foreign Account Tax Compliance Act ("FATCA"). There is a risk that failure to comply with any of the relevant rules could result in a negative reputational or financial impact on the Company.
- The newly emerging area of climate-related disclosures is changing rapidly as understanding of what constitutes best practice evolves. There is a risk that FGEN fails to disclose properly against the new requirements or that investors consider disclosures to be insufficient.

Mitigations
- Cultivating links with trade bodies and relevant government departments in order to keep abreast of proposed regulatory changes and lobby for the Fund's interests.
- Maintaining a diversified portfolio so no one set of regulatory risks related to a single technology predominates, alongside scenario planning to inform the Risk Committee on potential impact or likelihood changes.
- The Investment Manager engages with specialist consultants to assist with developing forecasts reflecting changing network regulations.

Controls
- Through Foresight's comprehensive compliance monitoring programme, FGEN ensures that it remains well informed as to the legislation, regulation and guidance relevant to both the Company itself as well as the project entities in which it invests.
- The Board monitors compliance information provided by the Administrator, Company Secretary, Investment Manager and legal counsel and monitors ongoing compliance developments relevant to a Guernsey company listed on the LSE.

Link to Fund objectives
Long-term predictable income growth for shareholders
Diversification across sectors and geographies for a more robust, risk-adjusted return
Potential for capital growth

Residual risk
Medium

5 Reputational

Change in year
Increased

Potential impact
- Risk that something occurs that is perceived by investors or other market participants to damage FGEN's reputation, such that they do not wish to do business with FGEN.
- FGEN's activities span a range of environmental infrastructure sectors with multiple touchpoints with local stakeholders, regulators, contractual counterparties, local communities and other parties who are active in the areas in which FGEN operates. As FGEN grows and its operations become more complex, the risk that FGEN is considered to have acted improperly increases, leading to reputational damage and investors avoiding the Company's shares.
- FGEN aims to conduct its business in accordance with ESG principles and is public in this aim. The ESG landscape is changing rapidly and there is increased scrutiny of businesses' claims in this area. FGEN could suffer reputational damage if it is considered to be "greenwashing" or falling short of ESG standards, leading to investors avoiding the Company's shares.

Mitigations
- FGEN engages its own PR advisers, who would be able to assist in the event of risk to reputation. It will also need to consider the possibility of reputational events occurring that effect the Foresight brand.
- The FGEN Investment Committee also has responsibility for approving investments where risk to reputation is a possibility.
- On sustainability matters, the Company is advised by the Investment Manager and where appropriate it is advised by external consultants with specific expertise.

Controls
- Regular monitoring of news sources is conducted by the Foresight marketing team to identify and address potential issues.
- As a regulated entity, the Investment Manager conducts specific training on anti-greenwashing and adherence to the FCA Handbook for its relevant employees.

Link to Fund objectives
Long-term predictable income growth for shareholders
Diversification across sectors and geographies for a more robust, risk-adjusted return
Potential for capital growth

Residual risk
High

OPERATIONAL, BUSINESS, PROCESSES AND RESOURCING

6 Ramp-up risk

Change in year
Increased

Potential impact
- The three growth assets in the FGEN portfolio, i.e. Rjukan, CNG and the Glasshouse, are all in various stages of ramp-up, with Rjukan targeting first harvest in the summer, CNG further station rollouts and higher volumes of dispensed gas, and the Glasshouse further sales and market penetration.
- There is a risk that the operational and sales ramp-up across the assets does not progress as envisaged due to issues such as delays in timing, technical issues, production volumes being lower than forecast, infection risk, pricing and sales volumes.

Mitigations
- Use of suitably experienced contractors.
- Conservative modelling assumptions with respect to pricing and ramp-up periods, including short-term liquidity monitoring.
- Regular monitoring and oversight of management team for early identification of issues.

Controls

- The approval of project directors is required for all activities, meaning that there is constant oversight and early flagging of any potential risks.
- The Foresight Portfolio Oversight Committee and the FGEN Risk Committee are kept appraised of all such potential risks, and ensure that the appropriate processes are in place for comprehensive monitoring, and application of mitigations.

Link to Fund objectives
Long-term predictable income growth for shareholders
Diversification across sectors and geographies for a more robust, risk-adjusted return
Potential for capital growth

Residual risk
Medium

7 Asset exposure to weather resource

Change in year
Increased

Potential impact
- By the very nature of wind, solar and water-related environmental infrastructure projects, their financial performance is dependent on the volume of weather resource available over time, whether measured through wind speeds, irradiance or millimetres of rainfall. These are factors outside the control of FGEN or the projects themselves, with the risk of a significant effect on performance if the outcome is significantly different from the assumptions made in forecasting revenue and costs and hence returns to FGEN.

Mitigations
- For renewable energy projects there is a degree of protection from this variability in weather resource from portfolio diversification, as solar is more productive in the summer and wind more productive in the winter, with the absolute level of resource being weakly negatively correlated.
- On all projects, technical consultants are employed to advise on the assumptions which should be made regarding volume and its impact on performance for each individual asset.
- Risks in this area diminish over time as operational track record provides a stronger base for forecasts than consultants' estimates.
- The Investment Manager periodically reviews the performance of the asset and adjusts assumptions where necessary.

Controls
- Foresight's Valuation Committee meets quarterly to assess the valuation of the Company, as prepared by the finance and valuations teams, which includes assessment of the discount rates.
- This valuation is then reviewed and signed off by the FGEN Board at quarterly valuation meetings that inform the Company's NAV updates, as well as an annual review by PwC.
- Foresight Investment Committee (for project financing approach); FGEN Investment Committee.

Link to Fund objectives
Long-term predictable income growth for shareholders
Diversification across sectors and geographies for a more robust, risk-adjusted return
Potential for capital growth

Residual risk
High

8 Climate change – physical risk

Change in year
No change

Potential impact
- Climate-related physical risks are related to the potential physical impacts of both acute (extreme) weather events and chronic changes to climate patterns.
- This risk has the potential to impact FGEN's assets, which could impact portfolio returns.

Mitigations
- The risk is mitigated in part by owning a portfolio that is diversified by location, technology, resource use and revenue make-up.
- Further information on mitigants is provided in the Sustainability and ESG report on page 87 of the 2025 Annual Report.

Controls
- Climate-related risks are monitored by the Investment Manager and reported to the ESG Committee and Risk Committee.
- Disaster recovery planning is in place for loss of systems in the event of severe physical risks occurring.

Link to Fund objectives
Long-term predictable income growth for shareholders
Diversification across sectors and geographies for a more robust, risk-adjusted return
Potential for capital growth

Residual risk
Medium

9 Volume and cost of feedstock resource

Change in year
No change

Potential impact
- For environmental infrastructure assets that need to source feedstock or analogous resources, there are risks associated with the volume of feedstock available and the costs or revenues associated with it. If sufficient feedstock is not available for an asset to operate at its optimum level, or feedstock is only available at a cost that is more expensive than the investment case, then FGEN's returns can be materially affected.

Mitigations
- The feedstock assumptions used for valuations are based on recent experience and the views of dedicated staff who are active in those markets.
- The assets in FGEN's portfolio that rely on supplies of feedstock benefit from dedicated staff (whether employed by service providers or directly by the asset) who work to source suitable feedstock at the best price available.
- For agri-anaerobic digestion sites, it is common to agree feedstock contracts that adjust for the dry matter content in the biomaterial and relate pricing to that energy content and volume which is delivered. Should a shortfall of a particular feedstock be likely, for instance due to a poor harvest, substitute feedstocks are widely available.

Controls
- The Foresight Valuation Committee will approve assumptions used in the valuation and the FGEN Board has ultimate authority over the portfolio valuation. PwC also independently reviews.

Link to Fund objectives
Long-term predictable income growth for shareholders
Potential for capital growth

Residual risk
Medium

10 Cyber risk

Change in year
Increased

Potential impact
- There exists a threat of cyber attack in which a hacker or computer virus may attempt to access the IT systems of Foresight Group, the Investment Manager, the Administrator or one of the project companies and attempt to destroy or use the data for malicious purposes. While FGEN considers that it is unlikely to be the deliberate target of a cyber attack, there is the possibility that it could be targeted as part of a random or general act.

Mitigations
- FGEN and the project SPVs' information technology providers have procedures in place to mitigate cyber attacks and data is separately stored on multiple servers which is backed up regularly.
- A service provider has been engaged to provide enhanced cyber security for the wind portfolio including monitoring of all internet traffic into the wind sites. This is now being rolled out to the rest of the portfolio.

Controls
- FGEN has no dedicated IT systems and it relies on those of its service providers, principally the Investment Manager and Administrator, which have procedures in place to mitigate cyber attacks and have robust business continuity plans in place.
- Project SPV providers have in place business continuity plans.

Link to Fund objectives
Long-term predictable income growth for shareholders

Residual risk
Medium

11 Exposure to market power prices

Change in year
No change

Potential impact

- The revenues of the renewable energy-generating assets are dependent to some extent on the market price of electricity and natural gas, which is out of the control of FGEN. There is a risk that the actual prices received vary significantly from the model assumptions, leading to a shortfall in anticipated revenues to FGEN.
- The Company has introduced battery storage assets into the portfolio. These assets also earn revenues that are determined by electricity markets, although the business model is more complex than for generators such as wind and solar assets.

Mitigations

- The risk of exposure to variations in electricity and gas prices from assumptions made is mitigated by FGEN in the following ways: i) short-term PPAs are used to fix electricity and gas prices for between one and three years ahead depending on market conditions and many have floor prices; ii) forward prices based on market rates are used for the first two years where no fix is in place; and iii) quarterly reports from independent established market consultants are used to inform the electricity prices over the longer term used in the financial models. FGEN blends forecasts from three consultants to reduce volatility in assumed prices from period to period.
- FGEN invests in a diversified portfolio of environmental infrastructure assets that earn revenues that do not depend on merchant power sales. At the year end, 72% of the portfolio's underlying lifetime revenues, on an NPV basis, were not related to sales of merchant power.

Controls

- Foresight's Valuation Committee meets quarterly to assess the valuation of the Company, as prepared by the finance and valuations teams, which includes assessment of the power price assumptions. This valuation is then reviewed and signed off by the FGEN Board at quarterly valuation meetings that inform the Company's NAV updates, and independently reviewed by PwC.

Link to Fund objectives
Long-term predictable income growth for shareholders
Diversification across sectors and geographies for a more robust, risk-adjusted return
Potential for capital growth

Residual risk
Very high

12 Construction and development issues

Change in year
Decreased

Potential impact

- Projects in the pre-construction or construction stages are subject to risks associated with the underestimation of the time or costs involved in bringing the project to operations. Projects may also not operate as well in practice as was assumed in the investment case.
- Given the progression of the construction–stage assets in the portfolio, this risk is now decreased compared to the previous period, but it continues to be monitored. There are no development-stage assets currently in the portfolio.

Mitigations

- The Investment Manager conducts due diligence by suitable external consultants on material aspects of the project, including, but not limited to, market, regulatory environment, land and permits, and construction programme.
- Portfolio diversification: at the year end, only 8% of the portfolio was invested in construction and development-stage assets.

Controls

- The Foresight Investment Committee and the FGEN Investment Committee assess the opportunity, including the findings from and the adequacy of the due diligence programme, prior to committing funds.
- Ongoing monitoring of the project by the Investment Manager, including potential delays and cost overruns as part of its Portfolio Oversight Committee.

Link to Fund objectives
Long-term predictable income growth for shareholders
Potential for capital growth

Residual risk
Medium

13 Operational risks

Change in year
No change

Potential impact
- There is a risk that a health and safety event at an FGEN-owned site could lead to increased costs to prevent further occurrences and loss in revenue. FGEN's reputation could be adversely affected by publicity generated by a health and safety event.
- There is a risk that poor performance by sub-contractors, or in the event of having to replace a sub-contractor, that a replacement may only be found at a higher cost, could adversely affect project cash flows.
- In the event of a single project suffering from a material issue, distributions to the Fund could possibly be impacted absolutely or for a period of time whilst the issue is resolved. This includes grid outages and constraints resulting in a project being unable to export power and earn associated revenues.
- The concession-based assets are approaching handback, with the risk of unbudgeted costs needed to meet the required standards of the third party.

Mitigations
- Assets are monitored by the Investment Manager to address risks as they are identified.
- The use of a diverse range of service providers supplying management, operational and maintenance services ensures any failure of a single service provider has a minimal impact. This risk is mitigated in part by the diversification represented by FGEN's portfolio of assets.
- The portfolio has material damage and business interruption insurance policies in place to cover against potential losses, although these do not typically cover grid outages. Asset managers mitigate the impact of this by maintaining a dialogue with network operators and influencing them as to when such outages occur.

Controls
- The Board has a regime in place overseen by the Audit Committee, which provides the necessary comfort that the internal control systems at the Investment Manager, the Administrator and the operating companies are effective.
- Each project asset has health and safety policies overseen by its board of directors, with health and safety a standing agenda item. RIDDOR reports are reviewed at every board meeting, and independent specialists conduct regular audits.
- Foresight's Valuation Committee meets quarterly to assess the valuation of the Company, as prepared by the finance and valuations teams; which includes assessment of the valuation impact of a component failure. This valuation is then reviewed and signed off by the FGEN Board at quarterly valuation meetings that inform the Company's NAV updates, with independent review from PwC.

Link to Fund objectives
Long-term predictable income growth for shareholders
Diversification across sectors and geographies for a more robust, risk-adjusted return
Potential for capital growth

Residual risk
Low

INVESTMENT POLICY

The Company seeks to achieve its objectives by investing in a diversified portfolio of environmental infrastructure.

FGEN defines environmental infrastructure as infrastructure assets, projects and asset-backed businesses that utilise natural or waste resources or support more environmentally friendly approaches to economic activity, support the transition to a low-carbon economy or which mitigate the effects of climate change.

Environmental infrastructure that the Company invests in typically has one or more of the following characteristics:

- they have the benefit of long-term, predictable cash flows, which may be wholly or partially inflation-linked; and/or
- they are supported by long-term contracts or stable and well-proven regulatory and legal frameworks; and/or
- they feature well-established technologies and demonstrable operational performance.

The Company will invest in environmental infrastructure either directly or through holding or other structures that give the Company an investment exposure to environmental infrastructure. The Company's investment interests in environmental infrastructure may include partnership equity, partnership loans, membership interests, share capital, trust units, shareholder loans and/or debt interests in or to project entities or any other entities or undertakings in which the Company invests or may invest.

Whilst there are no restrictions on the amount of the Company's assets that may be invested in any individual type of environmental infrastructure, the Company will, over the long term, seek to invest in a diversified spread of investments both geographically (although the UK will always represent a minimum of 50% of the portfolio by value) and across different types of environmental infrastructure in order to achieve a broad spread of risk in the Company's portfolio.

Whilst the Company invests predominantly in operational assets, it may also invest in environmental infrastructure which is in its construction or development phase, which includes investment in developers of environmental infrastructure or development funding structures relating to environmental infrastructure.

The Company will also ensure that its investment portfolio comprises a minimum of five investments at any given time, save that this requirement shall not apply when the Company is being wound up or dissolved.

As technologies and the markets in which they contract into develop and become established, future investments may differ from those currently within the portfolio. These assets may incorporate new technologies that have a demonstrable track record or traditional infrastructure projects with features such as greater exposure to merchant markets in feedstock or by-products.

Investment restrictions

With the objective of achieving a spread of risk, the following investment restrictions will apply to the acquisition of investment interests in the portfolio:

- the substantial majority of investments in the portfolio by value and number will be operational. The Company will not acquire investment interests in any investment if, as a result of such investment: (i) 5% or more of the NAV is attributable to environmental infrastructure in the development phase (including in developers or development funding structures); or (ii) 25% or more of the NAV is attributable to projects that are either in the development phase (including in developers or development funding structures) or are in construction and are not yet fully operational;
- at least 50% of the portfolio (by value) will be based in the UK and the Company will only invest in environmental infrastructure located in the UK, member states of the European Union or OECD countries and, accordingly, the Company will not make any investment if, as a result of such investment, more than 50% of the NAV immediately post-acquisition would be attributable to investments that are not based in the UK; and
- it is intended that interests in any single investment acquired will not have an acquisition price (aggregated with the value of any existing investment in the relevant project, asset or business if relevant) greater than 25% of the NAV immediately post-acquisition. In no circumstances will a new acquisition exceed a maximum limit of 30% of the NAV immediately post-acquisition.

Borrowing and gearing

The Company intends to make use of short-term debt financing to facilitate the acquisition of investments (either by itself or by one of its subsidiaries). Borrowing may be secured against the assets comprising the portfolio. It is intended that such debt will be repaid periodically by the raising of new equity finance by the Company. The level of such debt is limited to 30% of the Company's Net Asset Value immediately after the acquisition of any further investment. Such debt will not include (and will be subordinate to) any project-level gearing or borrowings by assets or businesses in which the Company may invest which shall be in addition to any borrowing at Company level.

The Company may acquire investment interests in respect of projects that have non-recourse project finance in place at the project entity level. The Company will target aggregate non-recourse financing attributable to renewable energy generation projects not exceeding 65% of the aggregate gross project value of such projects. The Company will target aggregate non-recourse financing attributable to projects structured as PFI/PPP projects not exceeding 85% of the aggregate gross project value of such projects. The Company will not invest in any project that would cause the Company to be in breach of the targeted limits set out in this paragraph if the Directors do not reasonably believe that the relevant target leverage limit can be achieved within six months of the date of investment in that project.

It is therefore possible that the Company may exceed the targeted gearing limits set out in this paragraph, but only in circumstances where the Directors reasonably believe that such breach can be cured (by achieving the relevant target leverage limit) within six months of the date of investment in the relevant project.

Hedging

Where investments are made in currencies other than pounds sterling, the Company will consider whether to hedge currency risk in accordance with the Company's currency and hedging policy as determined from time to time by the Directors. Interest rate hedging may be carried out to provide protection against increasing costs of servicing debt drawn down by the Company to finance investments.

This may involve the use of interest rate derivatives and similar derivative instruments. Hedging against inflation may also be carried out where appropriate and this may involve the use of RPI swaps and similar derivative instruments. The currency, interest rate and any inflationary hedging policies will be reviewed by the Directors on a regular basis to ensure that the risks associated with movements in foreign exchange rates, interest rates and inflation are being appropriately managed.

Any hedging transactions (if carried out) will only be undertaken for the purpose of efficient portfolio management to enhance returns from the portfolio and will not be carried out for speculative purposes. The execution of hedging transactions is at the discretion of the Investment Manager, subject to the policies set by, and the overall supervision of, the Directors.

Cash balances
Pending reinvestment or distribution of cash receipts or repayments of any outstanding indebtedness, cash received by the Company will be invested in cash, cash equivalents, near-cash instruments, money market instruments and money market funds and cash funds. The Company may also hold derivative or other financial instruments designed for efficient portfolio management or to hedge interest, inflation or currency rate risks. The Company and any other member of the Group may also lend cash which it holds as part of its cash management policy.

Origination of further investments
Each of the investments comprising the portfolio comply with the Company's investment policy and further investments will only be acquired if they comply with the Company's investment policy.

Subject to due diligence and agreement on price, the Company will seek to acquire those investments that fit the investment objectives and investment policy of the Company. If, in the opinion of the Investment Manager, the risk characteristics, valuation and price of the prospective investment are acceptable and consistent with the Company's investment objective and investment policy, then (subject to the Company having sufficient sources of capital and, in respect of certain transactions, the approval of Directors) an offer will be made (without seeking the prior approval of shareholders) and, if successful, the investment will be acquired by the Company.

The Investment Manager will be subject to the overall supervision of the Board, all of whom are independent of the Investment Manager.

Potential disposal of investments
Whilst the Investment Manager may elect to retain investment interests in the portfolio of investments that the Company acquires, and any other further investments made by the Company over the long term, the Investment Manager will regularly monitor the valuations of such investments and any secondary market opportunities to dispose of investments. The Investment Manager only intends to dispose of investments where it considers that appropriate value can be realised for the Company or where it otherwise believes that it is appropriate to do so. Proceeds from the disposal of investments may be reinvested or distributed at the discretion of the Directors.

Amendments to and compliance with the investment policy
Material changes to the investment policy of the Company may only be made in accordance with the approval of the shareholders by way of ordinary resolution and (for so long as the ordinary shares are listed on the official list maintained by the Financial Conduct Authority) in accordance with the Listing Rules. Minor changes to the investment policy must be approved by the Directors.

The investment restrictions detailed above apply at the time of the acquisition of investment interests and the values of existing investment interests shall be as at the date of the most recently published NAV of the Fund, unless the Directors believe that such valuation materially misrepresents the value of the Company's investment interests at the time of the relevant acquisition. The Fund will not be required to dispose of investment interests and to rebalance its portfolio as a result of a change in the respective valuations of investment interests.

FINANCIAL REVIEW

Analysis of financial results
The financial statements of the Company for the year ended 31 March 2025 are set out on pages 152 to 181 of the 2025 Annual Report.

The Company prepared the financial statements for the year ended 31 March 2025 in accordance with UK–adopted international accounting standards as applicable to companies reporting under those standards. In order to continue providing useful and relevant information to its investors, the financial statements also refer to the "Group", which comprises the Company, its wholly owned subsidiary Foresight Environmental Assets Group (UK) Limited ("UK HoldCo") and the indirectly held wholly owned subsidiary HWT Limited (which holds the investment interest in the Tay project).

Basis of accounting
The Company 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 Environmental Assets Group (UK) 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 cash balances, the working capital balances and borrowings in the intermediate holding companies are presented as part of the Company's fair value of investments.

The Company's intermediate holding companies provide services that relate to the Company's investment activities on behalf of the parent which are incidental to the management of the portfolio. These companies are recognised in the financial statements at their fair value, which is equivalent to their net assets.

The Group holds investments in the 40 portfolio assets which make distributions comprising returns on investments (interest on loans and dividends on equity) together with repayments of investments (loan repayments and equity redemptions).

Key investment metrics

All amounts presented in £million (except as noted)	**Year ended 31 Mar 2025**	Year ended 31 Mar 2024
Net assets[1]	**678.7**	751.2
Portfolio value[2]	**765.7**	891.9
Operating income and loss on fair value of investments	**6.0**	(3.8)
Net Asset Value per share[3]	**106.5p**	113.6p
Distributions, repayments and fees from portfolio	**90.4**	87.0
Loss before tax	**(2.8)**	(13.9)
Gross asset value[3]	**951.3**	1,091.8
Market capitalisation[3]	**457.0**	619.9
Share price[3]	**71.7p**	93.7p
Total shareholder return since inception[3]	**41.0%**	68.4%
Annualised total shareholder return[3]	**3.2%**	5.4%

1. Also referred to as "NAV".
2. Classified as investments at fair value through profit or loss in the statement of financial position.
3. Net Asset Value per share, share price, market capitalisation, gross asset value, total shareholder return and annualised total shareholder return are alternative performance measures ("APMs"). The APMs within the accounts are defined on pages 182 and 183 of the 2025 Annual Report.

Net assets

Net assets decreased from £751.2 million at 31 March 2024 to £678.7 million at 31 March 2025. The decrease was primarily driven by lower power prices, cash received from investments and the disposal of two portfolios: 100% of the rooftop solar assets and a 51% stake in six anaerobic digestion assets.

The net assets of £678.7 million comprise £765.7 million portfolio value of environmental infrastructure investments and the Company's cash balances of £2.6 million, partially offset by £87.5 million of intermediate holding companies' net liabilities and other net liabilities of £2.1 million.

The intermediate holding companies' net liabilities of £87.5 million comprises a £99.3 million credit facility loan, partially offset by cash balances of £5.1 million and other net assets of £6.7 million.

Analysis of the Group's net assets at 31 March 2025

All amounts presented in £million (except as noted)	**At 31 Mar 2025**	At 31 Mar 2024
Portfolio value	**765.7**	891.9
Intermediate holding companies' cash	**5.1**	17.8
Intermediate holding companies' revolving credit facility	**(99.3)**	(159.3)
Intermediate holding companies' other assets	**6.7**	3.1
Fair value of the Company's investment in UK HoldCo	**678.2**	753.5
Company's cash	**2.6**	0.3
Company's other liabilities	**(2.1)**	(2.6)
Net Asset Value at 31 March	**678.7**	751.2
Number of shares	**637,443,058**	661,531,229
Net Asset Value per share[1]	**106.5p**	113.6p

1. Net Asset Value per share is an alternative performance measure ("APM"). The APMs within the accounts are defined on pages 182 and 183 of the 2025 Annual Report.

At 31 March 2025, the Group (the Company plus intermediate holding companies) had a total cash balance of £7.8 million (31 March 2024: £18.0 million). This included £2.6 million held on the Company's balance sheet (31 March 2024: £0.3 million) and £5.1 million held by the intermediate holding companies (31 March 2024: £17.8 million). The latter is included in the Company's balance sheet under "investments at fair value through profit or loss".

At 31 March 2025, UK HoldCo had drawn £99.3 million of its RCF (31 March 2024: £159.3 million), which is included in the Company's balance sheet within "investments at fair value through profit or loss".

The movement in the portfolio value from 31 March 2024 to 31 March 2025 is summarised as follows:

All amounts presented in £million (except as noted)	**Year ended 31 Mar 2025**	Year ended 31 Mar 2024
Portfolio value at start of the year	**891.9**	898.5
Acquisitions and further investment	**30.7**	69.2
Asset disposals	**(89.1)**	—
Distributions received from investments	**(90.4)**	(87.0)
Growth in value of portfolio	**22.6**	11.2
Portfolio value at 31 March	**765.7**	891.9

Further details on the portfolio valuation and an analysis of movements during the year are provided in the investment portfolio and valuation section on pages 27 to 37 of the 2025 Annual Report.

Income

The Company's loss before tax for the year ended 31 March 2025 was £2.8 million, a loss of 0.4 pence per share (year ended 31 March 2024: loss of 2.1 pence per share), driven by the loss on fair value of investments as a result of power price forecast contraction, future cash flows and changes in macroeconomic conditions.

All amounts presented in £million (except as noted)	**Year ended 31 Mar 2025**	Year ended 31 Mar 2024
Interest received on UK HoldCo loan notes	**31.1**	31.4
Dividend received from UK HoldCo	**32.3**	28.0
Net loss on investments at fair value	**(57.4)**	(63.2)
Operating income and losses on fair value of investments	**6.0**	(3.8)
Operating expenses	**(8.8)**	(10.1)
Loss before tax	**(2.8)**	(13.9)
Loss per share	**(0.4)p**	(2.1)p

In the year to 31 March 2025, the operating income on fair value of investments was £6.0 million, including the receipt of £31.1 million of interest on the UK HoldCo loan notes, £32.3 million of dividends also received from UK HoldCo and net losses on investments at fair value of £57.4 million.

The operating expenses included in the income statement for the year were £8.8 million, in line with expectations. These comprise £7.2 million Investment Manager fees and £1.6 million operating expenses. The details on how the Investment Manager fees are charged are set out in note 15 to the financial statements.

Ongoing charges

The ongoing charges ratio[1] is an indicator of the costs incurred in the day-to-day management of the Fund. FGEN uses the AIC-recommended methodology for calculating this ratio, which is an annual figure.

The ongoing charges percentage for the year to 31 March 2025 was 1.24% (year ended 31 March 2024: 1.24%).

1. The ongoing charges ratio is an alternative performance measure ("APM"). The APMs within the accounts are defined on pages 182 and 183 of the 2025 Annual Report.

The ongoing charges have been calculated, in accordance with AIC guidance, as annualised ongoing charges (i.e. excluding acquisition costs and other non-recurring items) divided by the average published undiluted Net Asset Value in the period. The ongoing charges percentage has been calculated on the consolidated basis and therefore takes into consideration the expenses of UK HoldCo as well as the Company. Adjusting for the impact of the drawn down amount under the RCF, the ongoing charges ratio would have been 1.06% (31 March 2024: 1.06%). Foresight believes this to be competitive for the market in which FGEN operates and the stage of development and size of the Fund, demonstrating that management of the Fund is efficient with minimal expenses incurred in its ordinary operation.

Cash flow

The Company had a total cash balance at 31 March 2025 of £2.6 million (31 March 2024: £0.3 million).

The breakdown of the movements in cash during the year is shown below.

Cash flows of the Company for the year (£million):

	Year ended 31 Mar 2025	Year ended 31 Mar 2024
Cash balance at 1 April	**0.3**	0.1
Loan repayment from subsidiary	**18.0**	—
Purchase of treasury shares	**(19.2)**	—
Interest on loan notes received from UK HoldCo	**31.1**	31.4
Dividends received from UK HoldCo	**32.3**	28.0

Directors' fees and expenses	**(0.3)**	(0.3)
Investment Manager fees	**(7.8)**	(8.4)
Administrative expenses	**(1.3)**	(1.1)
Dividends paid in cash to shareholders	**(50.5)**	(49.4)
Company cash balance at 31 March	**2.6**	0.3

The Group had a total cash balance at 31 March 2025 of £7.8 million (31 March 2024: £18.1 million) and borrowings under the revolving credit facility of £99.3 million (31 March 2024: £159.3 million).

The breakdown of the movements in cash during the year is shown below.

Cash flows of the Group for the year (£million):

	Year ended 31 Mar 2025	Year ended 31 Mar 2024
Cash distributions from environmental infrastructure investments	**90.4**	87.0
Administrative expenses	**(1.6)**	(1.3)
Directors' fees and expenses	**(0.3)**	(0.3)
Investment Manager fees	**(7.8)**	(8.4)
Financing costs (net of interest income)	**(10.5)**	(7.3)
Electricity Generator Levy	**(3.3)**	(5.5)
Cash flow from operations[1]	**66.9**	64.2
Debt arrangement fee cost	**(2.3)**	(1.0)
Acquisition of investment assets and further investment	**(30.7)**	(69.2)
Disposal of assets	**88.6**	—
Acquisition costs (including stamp duty)	**(1.6)**	(0.4)
Short-term project debtors	**(2.6)**	(0.9)
Purchase of treasury shares	**(19.2)**	—
(Repayment)/drawdown under the revolving credit facility	**(58.9)**	56.8
Dividends paid in cash to shareholders	**(50.5)**	(49.4)
Cash movement in the year	**(10.3)**	0.1
Opening cash balance	**18.1**	18.0
Group cash balance at 31 March	**7.8**	18.1

During the year, the Group received cash distributions of £90.4 million from its environmental infrastructure investments, an increase of 3.9% compared to 2024.

Cash received from investments in the year covers the operating and administrative expenses and financing costs, as well as the dividends declared to shareholders in respect of the year ended 31 March 2025. Cash flow from operations of the Group of £66.9 million covers dividends paid in the year to 31 March 2025 of £50.5 million by 1.32x.

The Group anticipates that future revenues from its environmental infrastructure investments will continue to be in line with expectations and therefore will continue to cover fully future costs as well as planned dividends payable to its shareholders[2].

Dividends

During the year, the Company paid a final dividend of 1.89 pence per share in June 2024 (£12.5 million) in respect of the quarter to 31 March 2024.

Interim dividends of 1.95 pence per share were paid in September 2024 (£12.9 million) in respect of the quarter to 30 June 2024, of 1.95 pence per share in December 2024 (£12.7 million) in respect of the quarter to 30 September 2024, and of 1.95 pence per share in March 2025 (£12.5 million) in respect of the quarter to 31 December 2024. On 29 May 2025, the Company declared a final dividend of 1.95 pence per share in respect of the quarter ended 31 March 2025 (£12.3 million), which is payable on 27 June 2025.

The target dividend for the year to 31 March 2026 is 7.96 pence per share, a 2.1% increase from the dividend of 7.8 pence per share declared in respect of the year to 31 March 2025[2].

1. Cash flow from operations is an alternative performance measure ("APM"). The APMs within the accounts are defined on pages 182 and 183 of the 2025 Annual Report.
2. These are targets only and not profit forecasts. There can be no assurance that these targets will be met.

INDEPENDENT AUDITOR'S REPORT

to the members of Foresight Environmental Infrastructure Limited (formerly JLEN Environmental Assets Group Limited)

Our opinion is unmodified

We have audited the financial statements of Foresight Environmental Infrastructure Limited (formerly JLEN Environmental Assets Group Limited) (the “Company”), which comprise the statement of financial position as at 31 March 2025, the income statement, statement of changes in equity and cash flow statement for the year then ended, and notes, comprising material accounting policies and other explanatory information.

In our opinion, the accompanying financial statements:

- give a true and fair view of the financial position of the Company as at 31 March 2025, and of the Company’s financial performance and cash flows for the year then ended;
- are prepared in accordance with UK-adopted international accounting standards; and
- comply with the Companies (Guernsey) Law, 2008.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (“ISAs (UK)”) and applicable law. Our responsibilities are described below.

We have fulfilled our ethical responsibilities under, and are independent of the Company in accordance with, UK ethical requirements including the FRC Ethical Standard as required by the Crown Dependencies’ Audit Rules and Guidance. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Key audit matters: our assessment of the risks of material misstatement

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the financial statements and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by us, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In arriving at our audit opinion above, the key audit matter was as follows (unchanged from 2024):

The risk	**Our response**
Investments at fair value through profit and loss £678,157,000 (2024: £753,572,000); Refer to Audit Committee report (pages 132 and 133 of the 2025 Annual Report), note 2 (f) accounting policy and note 9 disclosures	
Basis The Company’s investment in its immediate subsidiary (the “UK HoldCo”) is carried at fair value through profit or loss and represents a significant proportion of the Company’s net assets. The UK HoldCo in turn owns investments in intermediate holding companies and environmental infrastructure projects. The fair value of the investment in the UK HoldCo, which is reflective of its net asset value, predominantly comprises of the fair value of underlying environmental infrastructure projects. The fair value of the underlying environmental infrastructure projects has been primarily determined using the income approach discounting the future cash flows to be received from the underlying projects (the “Valuations”), for which there is no active market. The Valuations incorporate certain assumptions including generation output assumptions, discount rates, power price forecasts, inflation rates and other macroeconomic assumptions. Management engages an independent valuation specialist to review the Valuations and form an opinion on the appropriateness of the Valuations. **Risk:** The Valuations represent both a risk of fraud and error associated with estimating the timing and amounts of long-term forecasted cash flows alongside the selection, and application, of appropriate assumptions. Changes to long-term forecasted cash flows and/or the selection and application of different assumptions may result in a materially different valuation of investments held at fair value through profit or loss. We therefore have determined that the Valuations have a high degree of estimation uncertainty giving rise to a potential range of	Our audit procedures included: **Internal Controls:** We have obtained an understanding of the valuation process and tested the design and implementation of the valuation process control. We performed the procedures below rather than seeking to rely on the control as the nature of the balance is such that we would expect to obtain audit evidence primarily through the detailed procedures described. **Managements independent valuation specialist valuation report:** • We assessed the objectivity, capabilities and competence of management’s independent valuation specialist; • We assessed the scope of management’s independent valuation specialist review of the Valuations and read their valuation report and the investment valuation memoranda produced by the Investment Manager; and • We held discussions with management’s independent valuation specialist to understand the nature of the procedures performed by them in arriving at their opinion on the appropriateness of the Valuations. **Challenging managements’ assumptions and inputs including use of KPMG valuation specialists** With the support of KPMG valuation specialists we challenged the appropriateness of the Company’s valuation methodology and key assumptions such as discount rates, power price forecasts, inflation rates, and other macroeconomic assumptions applied, by:

<table>
<tr>
<td>reasonable outcomes greater than our materiality for the financial statements as a whole.</td>
<td>
i) assessing the appropriateness of the valuation methodology applied;
ii) benchmarking the discount rates applied against independent market data and relevant peer group companies;
iii) assessing the reasonableness of the power price forecasts used by reference to power price curves supplied to management by external consultants;
iv) challenging inflation rates and other macroeconomic assumptions used, by reference to observable market data and market forecasts;
v) agreeing significant additions of operational and non-operational environmental infrastructure projects to supporting documentation;
vi) comparing, where appropriate, the valuation of the underlying environmental infrastructure projects to the price of recent transactions and to any indicative non-binding offers received by management; and
vii) using our KPMG valuation specialists' experience in valuing similar investments.

For a risk based sample of the cash flow valuation models:

• we tested their mathematical accuracy including, but not limited to, material formulae errors;
• we challenged the generation output assumptions, by reference to due diligence reports prepared by third-party engineers or historical performance, where available;
• we agreed other key inputs, such as contracted revenue to supporting documentation;
• we assessed the appropriateness of changes to operational assumptions and cash flows in the underlying models, with reference to third-party support and historical experience where required; and
• in order to assess the reliability of management's forecasts, we assessed the historical accuracy of the cash flow forecasts against actual results and project disposals in the year.

Assessing disclosures:
We considered the appropriateness and adequacy of the disclosures made in the financial statements (see notes 2(f), 9 and 16) in relation to the use of estimates and judgements regarding the fair value of investments, the valuation estimation techniques inherent therein and fair value disclosures for compliance with UK-adopted international accounting policies.
</td>
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Our application of materiality and an overview of the scope of our audit

Materiality for the financial statements as a whole was set at £14.4 million, determined with reference to a benchmark of net assets of £678.7 million, of which it represents approximately 2% (2024: 2%).

In line with our audit methodology, our procedures on individual account balances and disclosures were performed to a lower threshold, performance materiality, so as to reduce to an acceptable level the risk that individually immaterial misstatements in individual account balances add up to a material amount across the financial statements as a whole. Performance materiality for the Company was set at 75% (2024: 65%) of materiality for the financial statements as a whole, which equates to £10.8 million. We applied this percentage in our determination of performance materiality because we did not identify any factors indicating an elevated level of risk.

We reported to the Audit Committee any corrected or uncorrected identified misstatements exceeding £0.72 million, in addition to other identified misstatements that warranted reporting on qualitative grounds.

Our audit of the Company was undertaken to the materiality level specified above, which has informed our identification of significant risks of material misstatement and the associated audit procedures performed in those areas as detailed above.

Going concern

The Directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Company or to cease its operations, and as they have concluded that the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements (the "going concern period").

In our evaluation of the Directors' conclusions, we considered the inherent risks to the Company's business model and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period.

The risks that we considered most likely to affect the Company's financial resources or ability to continue operations over this period were:

- availability of capital to meet operating costs and other financial commitments; and
- the outcome of the upcoming discontinuation vote.

We considered whether these risks could plausibly affect the liquidity in the going concern period by comparing severe, but plausible downside scenarios that could arise from these risks individually and collectively against the level of available financial resources indicated by the Company's financial forecasts.

We also considered the risk that the outcome of the discontinuation vote could affect the Company over the going concern period, by considering the outcome of previous votes held by the Company, inspecting summaries of discussions held with the broker, and considering key financial metrics including the discount of the Company's share price against its reported net asset value per share, in comparison to its peers over the last 12 months.

We considered whether the going concern disclosure in note 2 (b) to the financial statements gives a full and accurate description of the Directors' assessment of going concern.

Our conclusions based on this work:

- we consider that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the Directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for the going concern period; and
- we have nothing material to add or draw attention to in relation to the Directors' statement in the notes to the financial statements on the use of the going concern basis of accounting with no material uncertainties that may cast significant doubt over the Company's use of that basis for the going concern period, and that statement is materially consistent with the financial statements and our audit knowledge.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Company will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- enquiring of management as to the Company's policies and procedures to prevent and detect fraud as well as enquiring whether management have knowledge of any actual, suspected or alleged fraud;
- reading minutes of meetings of those charged with governance; and
- using analytical procedures to identify any unusual or unexpected relationships.

As required by auditing standards, and taking into account possible incentives or pressures to misstate performance and our overall knowledge of the control environment, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries, and the risk of bias in accounting estimates such as valuation of unquoted investments. On this audit we do not believe there is a fraud risk related to revenue recognition because the Company's revenue streams are simple in nature with respect to accounting policy choice, and are easily verifiable to external data sources or agreements with little or no requirement for estimation from management. We did not identify any additional fraud risks.

We performed procedures including:

- identifying journal entries and other adjustments to test based on risk criteria and comparing any identified entries to supporting documentation;
- incorporating an element of unpredictability in our audit procedures; and
- assessing significant accounting estimates for bias.

Further detail in respect of valuation of unquoted investments is set out in the key audit matter section of this report.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience and through discussion with management (as required by auditing standards), and from inspection of the Company's regulatory and legal correspondence, if any, and discussed with management the policies and procedures regarding compliance with laws and regulations.

As the Company is regulated, our assessment of risks involved gaining an understanding of the control environment including the entity's procedures for complying with regulatory requirements.

The Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

The Company is subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation or impacts on the Company's ability to operate. We identified financial services regulation as being the area most likely to have such an effect, recognising the regulated nature of the Company's activities and its legal form. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of management and inspection of regulatory and legal correspondence, if any. Therefore if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards.
For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remains a higher risk of non-detection of fraud, as this may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement.

We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Annual Report but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Disclosures of emerging and principal risks and longer term viability

We are required to perform procedures to identify whether there is a material inconsistency between the Directors' disclosures in respect of emerging and principal risks and the viability statement, and the financial statements and our audit knowledge. We have nothing material to add or draw attention to in relation to:

- the Directors' confirmation within the long-term viability statement (pages 140 and 141 of the 2025 Annual Report) that they have carried out a robust assessment of the emerging and principal risks facing the Company, including those that would threaten its business model, future performance, solvency or liquidity;
- the emerging and principal risks disclosures describing these risks and explaining how they are being managed or mitigated; and
- the Directors' explanation in the long-term viability statement (pages 140 and 141 of the 2025 Annual Report) as to how they have assessed the prospects of the Company, over what period they have done so and why they consider that period to be appropriate, and their statement as to whether they have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the period of their assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

We are also required to review the long-term viability statement, set out on pages 140 and 141 of the 2025 Annual Report under the Listing Rules. Based on the above procedures, we have concluded that the above disclosures are materially consistent with the financial statements and our audit knowledge.

Corporate governance disclosures

We are required to perform procedures to identify whether there is a material inconsistency between the Directors' corporate governance disclosures and the financial statements and our audit knowledge.

Based on those procedures, we have concluded that each of the following is materially consistent with the financial statements and our audit knowledge:

- the Directors' statement that they consider that the Annual Report and financial statements taken as a whole is fair, balanced and understandable, and provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy;
- the section of the Annual Report describing the work of the Audit Committee, including the significant issues that the Audit Committee considered in relation to the financial statements, and how these issues were addressed; and
- the section of the Annual Report that describes the review of the effectiveness of the Company's risk management and internal control systems.

We are required to review the part of Corporate Governance Statement relating to the Company's compliance with the provisions of the UK Corporate Governance Code specified by the Listing Rules for our review. We have nothing to report in this respect.

We have nothing to report on other matters on which we are required to report by exception
We have nothing to report in respect of the following matters where the Companies (Guernsey) Law, 2008 requires us to report to you if, in our opinion:

- the Company has not kept proper accounting records; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations, which to the best of our knowledge and belief are necessary for the purpose of our audit.

Respective responsibilities
Directors' responsibilities
As explained more fully in their statement set out on page 144 of the 2025 Annual Report, the Directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at **www.frc.org.uk/auditorsresponsibilities**.

The purpose of this report and restrictions on its use by persons other than the Company's members as a body
This report is made solely to the Company's members, as a body, in accordance with section 262 of the Companies (Guernsey) Law, 2008. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Barry Ryan
For and on behalf of KPMG Channel Islands Limited
Chartered Accountants and Recognised Auditors
Guernsey

23 June 2025

INCOME STATEMENT
for the year ended 31 March 2025

	Notes	**2025** **£'000s**	2024 £'000s
Operating income and loss on fair value of investments	4	**5,958**	(3,827)
Operating expenses	5	**(8,793)**	(10,110)
Operating loss		**(2,835)**	(13,937)
Loss before tax		**(2,835)**	(13,937)

Loss for the year		**(2,835)**	(13,937)
Loss per share			
Basic and diluted (pence)	8	**(0.4)**	(2.1)

The accompanying notes form an integral part of the financial statements.

All results are derived from continuing operations.

There is no other comprehensive income in either the current year or the preceding year, other than the loss for the year, and therefore no separate statement of comprehensive income has been presented.

STATEMENT OF FINANCIAL POSITION

as at 31 March 2025

	Notes	**2025 £'000s**	2024 £'000s
Non-current assets			
Investments at fair value through profit or loss	9	**678,157**	753,572
Total non-current assets		**678,157**	753,572
Current assets			
Trade and other receivables	10	**21**	25
Cash and cash equivalents		**2,617**	271
Total current assets		**2,638**	296
Total assets		**680,795**	753,868
Current liabilities			
Trade and other payables	11	**(2,094)**	(2,654)
Total current liabilities		**(2,094)**	(2,654)
Total liabilities		**(2,094)**	(2,654)
Net assets		**678,701**	751,214
Equity			
Share capital account	13	**664,401**	664,401
Treasury shares	13	**(19,156)**	—
Retained earnings	14	**33,456**	86,813
Equity attributable to owners of the Company		**678,701**	751,214
Net assets per share (pence per share)		**106.5**	113.6

The accompanying notes form an integral part of the financial statements.

The financial statements were approved by the Board of Directors and authorised for issue on 23 June 2025.

They were signed on its behalf by:

Ed Warner
Chair

Stephanie Coxon
Director

STATEMENT OF CHANGES IN EQUITY

for the year ended 31 March 2025

		Year ended 31 March 2025			
	Notes	**Share capital account £'000s**	**Treasury shares £'000s**	**Retained earnings £'000s**	**Total £'000s**
Balance at 1 April 2024		**664,401**	**—**	**86,813**	**751,214**
Loss for the year		**—**	**—**	**(2,835)**	**(2,835)**
Loss and total comprehensive income/(expense) for the year		**—**	**—**	**(2,835)**	**(2,835)**
Treasury shares purchased	13	**—**	**(19,156)**	**—**	**(19,156)**
Dividends paid	7	**—**	**—**	**(50,522)**	**(50,522)**
Balance at 31 March 2025		**664,401**	**(19,156)**	**33,456**	**678,701**

		Year ended 31 March 2024			
	Notes	Share capital account £'000s	Treasury shares £'000s	Retained earnings £'000s	Total £'000s
Balance at 1 April 2023		664,401	—	150,167	814,568
Loss for the year		—	—	(13,937)	(13,937)
Loss and total comprehensive income/(expense) for the year		—	—	(13,937)	(13,937)
Dividends paid	7	—	—	(49,417)	(49,417)
Balance at 31 March 2024		664,401	—	86,813	751,214

The accompanying notes form an integral part of the financial statements.

CASH FLOW STATEMENT

for the year ended 31 March 2025

	Notes	**2025 £'000s**	2024 £'000s
Cash flows from operating activities			
Loss from operations		**(2,835)**	(13,937)
Adjustments for:			
Investment interest		**(31,073)**	(31,401)
Dividends received		**(32,300)**	(28,000)
Net loss on investments at fair value through profit or loss		**57,415**	63,228
Operating cash flows before movements in working capital		**(8,793)**	(10,110)
Decrease in receivables		**4**	118
(Decrease)/increase in payables		**(560)**	136
Net cash outflow used in operating activities		**(9,349)**	(9,856)
Investing activities			
Loan repayment from subsidiary		**18,000**	—
Investment interest		**31,073**	31,401
Dividends received		**32,300**	28,000
Net cash from investing activities		**81,373**	59,401
Financing activities			
Purchase of treasury shares		**(19,156)**	—
Dividends paid	7	**(50,522)**	(49,417)
Net cash used in financing activities		**(69,678)**	(49,417)
Net increase in cash and cash equivalents		**2,346**	128
Cash and cash equivalents at beginning of the year		**271**	143
Cash and cash equivalents at end of the year		**2,617**	271

The accompanying notes form an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2025

1. General information

Foresight Environmental Infrastructure Limited (the "Company" or "FGEN", formerly known as JLEN Environmental Assets Group Limited, "JLEN") is a closed-ended investment company domiciled and incorporated in Guernsey, Channel Islands, under Section 20 of the Companies (Guernsey) Law, 2008. The shares are publicly traded on the London Stock Exchange under a premium listing. The audited financial statements of the Company are for the year ended 31 March 2025 and have been prepared on the basis of the accounting policies set out below. The financial statements comprise only the results of the Company as its investment in Foresight Environmental Infrastructure (UK) Limited ("UK HoldCo", formerly known as JLEN Environmental Assets Group (UK) Limited) is measured at fair value as detailed in the significant accounting policies below. The Company and its subsidiaries invest in environmental infrastructure that utilises natural or waste resources or supports more environmentally friendly approaches to economic activity.

2. Accounting policies

(a) Basis of preparation

The financial statements, which give a true and fair view, were approved and authorised for issue by the Board of Directors on 23 June 2025. The set of financial statements included in this financial report has been prepared in accordance with UK-adopted international accounting standards as applicable to companies reporting under those standards and complies with the Companies (Guernsey) Law, 2008.

As a result of adopting the amendments to IFRS 10, IFRS 12 and IAS 28 first adopted in the Company's Annual Report to 31 March 2015, the Company is required to hold its subsidiaries that provide investment services at fair value, in accordance with IFRS 9 Financial Instruments Recognition and Measurement, and IFRS 13 Fair Value Measurement. The Company accounts for its investment in its wholly owned direct subsidiary UK HoldCo at fair value. The Company, together with its wholly owned direct subsidiary UK HoldCo and the intermediate holding subsidiary HWT Limited, comprise the Group (the "Group") investing in environmental infrastructure assets.

The net assets of the intermediate holding companies (comprising UK HoldCo and HWT Limited), which at 31 March 2025 principally comprise working capital balances, the revolving credit facility ("RCF") and investments in projects, are required to be included at fair value in the carrying value of investments.

Consequently, the Company does not consolidate its subsidiaries or apply IFRS 3 Business Combinations when it obtains control of another entity as it is considered to be an investment entity under UK-adopted international accounting standards. Instead, the Company measures its investment in its subsidiary at fair value through profit or loss.

The financial statements incorporate the financial statements of the Company only.

UK HoldCo is itself an investment entity. Consequently, the Company need not have an exit strategy for its investment in UK HoldCo.

Each investment indirectly held has a finite life. For the PPP assets, the shareholder debt will mature towards the end of the concession, and at the end of the concession the investment will be dissolved. In the case of renewable energy assets, the life of the project is based on the expected asset life and the land lease term, after which the investment will also be dissolved. The exit strategy is that investments will normally be held to the end of the concession, unless the Company sees an opportunity in the market to dispose of investments. Foresight Group, the Company's Investment Manager, and the Company's Board regularly consider whether any disposals should be made.

The Directors continue to consider that the Company demonstrates the characteristics and meets the requirements to be considered as an investment entity.

The following relevant standards which have not been applied in these financial statements were in issue but not yet effective:

- Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures (applicable for annual periods beginning on or after 1 January 2026);
- Annual Improvements to IFRS Accounting Standards (applicable for annual periods beginning on or after 1 January 2026) – Amendments to:
  - IFRS 1 First-time Adoption of International Financial Reporting Standards;
  - IFRS 7 Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7;
  - IFRS 9 Financial Instruments;
  - IFRS 10 Consolidated Financial Statements; and
  - IAS 7 Statement of Cash flows;
- Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7; and
- IFRS 18 Presentation and Disclosure in Financial Statements (applicable for annual periods beginning on or after 1 January 2027).

The Company is currently assessing the impact of IFRS 18 on its financial statements. Particular focus is being given to potential changes in the structure of the income statement, the statement of cash flows, and the enhanced disclosure requirements related to management performance measures ("MPMs"). The assessment also includes a review of how information is grouped and presented within the financial statements.

The following relevant standards became effective during the year and did not have a material impact on the Company's reported results:

- Lease Liability in a Sale and Leaseback – Amendments to IFRS 16 Leases (applicable for annual periods beginning on or after 1 January 2024);
- Classification of Liabilities as Current or Non-Current and Non-current Liabilities with Covenants – Amendments to IAS 1 Presentation of Financial Statements (applicable for annual periods beginning on or after 1 January 2024);
- Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures – Supplier Finance Arrangements (applicable for annual periods beginning on or after 1 January 2024); and
- Lack of Exchangeability – Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates (applicable for annual periods beginning on or after 1 January 2025).

(b) Going concern

The Directors, in their consideration of going concern, have reviewed comprehensive cash flow forecasts prepared by the Company's Investment Manager, Foresight Group, which are based on prudent market data and a reasonable worst case scenario, and believe, based on those forecasts and an assessment of the Company's subsidiary's banking facilities, that it is appropriate to prepare the financial statements of the Company on the going concern basis.

In reaching their decision, the Directors considered several key risks, including the volatility of energy prices and the potential impact of the principal risks (as documented in the strategic report).

Additionally, the Directors have assessed sustainability-related risks, including environmental, social and governance ("ESG") factors, with a particular focus on climate change. In line with the recommendations of the Task Force on Climate-related Financial Disclosures ("TCFD"), which is integrated throughout the Sustainability and ESG report, the Investment Manager has reviewed the portfolio's exposure to these risks. The conclusion is that such risks are not currently material to the Company, although they continue to be monitored closely.

The Board considers the going concern assessment period of 18 months to 30 September 2026 to be appropriate. A longer period than the typical requirement of 12 months has been adopted to factor in the full payment of the declared dividend in year 2025/26.

The Directors also considered that the Company has adequate financial resources, and were mindful that the Group had unrestricted cash of £7.8 million as at 31 March 2025. Additionally, the Group had an RCF and uncommitted accordion facility in total of £180 million, available until June 2027 with an uncommitted option to extend for a further year, for investment in new or existing projects and working capital. As at 31 March 2025, the Company's wholly owned subsidiary UK HoldCo had borrowed £99.3 million under the facility, leaving £50.7 million undrawn under the current committed amount. All key financial covenants under this facility are forecast to continue to be complied with for the duration of the going concern assessment period.

The RCF provides the Fund with the flexibility to meet its existing funding commitments to portfolio assets. Additionally, the Company has sufficient headroom in its RCF to finance its hard commitments related to construction assets within the portfolio.

The RCF covenants have been stress-tested under downside risk scenarios. These scenarios include a 10% reduction in power price projections relative to the base case, lower generation levels assuming a P90, a portion of the portfolio not yielding, and combinations of these factors. In all scenarios, including the combined downside case, the Company remained compliant with its key covenants.

At the Annual General Meeting ("AGM") in September 2024, shareholders were presented with a discontinuation vote, triggered by the Company's shares trading at an average discount of more than 10% to the Net Asset Value ("NAV") per share during the financial year under review. The Directors are pleased with the overwhelming support from shareholders, who voted against the proposed discontinuation of the Company.

The Company will face another discontinuation vote at the September 2025 AGM after trading at a discount of more than 10% during the 2024/25 financial year. There have been no indications of concern from shareholders that the vote will pass and the Investment Manager and the Directors have no reason to believe that the special resolution (75% of the total voting members) will be passed by the shareholders.

Following the September 2024 vote, both the Investment Manager and the Directors are confident that FGEN's discount to NAV is not attributable to the individual performance of FGEN, its Investment Manager, or its Board of Directors.

In light of this, the Directors are satisfied that the Company has sufficient resources to continue operating for the foreseeable future, defined as a period of no less than 12 months from the date of this report. Accordingly, they have continued to adopt the going concern basis in the preparation of these financial statements.

(c) Revenue recognition – Operating income and loss on fair value of investments

Operating income and loss on fair value of investments in the income statement represents gains or losses that arise from the movement in the fair value of the Company's investment in UK HoldCo, dividend income and interest received from UK HoldCo. Dividends from UK HoldCo are recognised when the Company's right to receive payment has been established. Interest income is accrued by reference to the loan principal outstanding, applicable interest rate and in accordance with the loan note agreement. Refer to note 9 for details.

(d) Taxation

Under the current system of taxation in Guernsey, the Company itself is exempt from paying taxes on income, profits or capital gains. Dividend income and interest income received by the Company may be subject to withholding tax imposed in the country of origin of such income. The underlying intermediate holding companies and project companies in which the Company invests provide for and pay taxation at the appropriate rates in the countries in which they operate. This is taken into account when assessing the fair value of the Company's investments.

(e) Cash and cash equivalents

Cash and cash equivalents comprise cash balances, deposits held on call with banks and other short-term highly liquid deposits with original maturities of three months or less. Bank overdrafts that are repayable on demand are included as a component of cash and cash equivalents for the purpose of the cash flow statements. Deposits held with original maturities of greater than three months are included in other financial assets.

(f) Financial instruments

Financial assets and financial liabilities are recognised on the Company's statement of financial position when the Company becomes a party to the contractual provisions of the instrument. Financial assets are derecognised when the contractual rights to the cash flows from the instrument expire or the asset is transferred and the transfer qualifies for derecognition in accordance with IFRS 9 Financial Instruments.

I) Financial assets

The Company classifies its financial assets as either investments at fair value through profit or loss or financial assets at amortised cost. The classification depends on the results of the "solely payments of principal and interest" and the business model test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how management are compensated. Monitoring is part of the Company's continuous assessment of whether the business model, for which the remaining financial assets are held, continues to be appropriate and, if it is not appropriate, whether there has been a change in business model and so a prospective change to the classification of those assets.

<u>i) Investments at fair value through profit or loss</u>

Investments at fair value through profit or loss are recognised upon initial recognition as financial assets at fair value through profit or loss in accordance with IFRS 10. In these financial statements, investments at fair value through profit or loss is the fair value of the Company's subsidiary, UK HoldCo, which comprises the fair value of UK HoldCo and HWT Limited and the environmental infrastructure investments.

The intermediate holding companies' net assets (UK HoldCo and HWT Limited) are mainly composed of cash, working capital balances and borrowings under the Company's wholly owned direct subsidiary's RCF, and are recognised at fair value, which is equivalent to their net assets. Although the working capital and the RCF outstanding balance are measured at amortised cost, their fair values do not materially differ from their amortised costs.

The Company's investment in UK HoldCo comprises both equity and loan notes. Both elements are exposed to the same primary risk, being performance risk. This performance risk is taken into consideration when determining the discount rate applied to the forecast cash flows.

In determining fair value, the Board considered observable market transactions and has measured fair value using assumptions that market participants would use when pricing the asset, including assumptions regarding risk. The loan notes and equity are considered to have the same risk characteristics. As such, the debt and equity form a single class of financial instrument for the purposes of disclosure. The Company measures its investment as a single class of financial asset at fair value in accordance with IFRS 13 Fair Value Measurement.

<u>ii) Financial assets at amortised cost</u>

Trade receivables, loans and other receivables that are non-derivative financial assets and that have fixed or determinable payments that are not quoted in an active market are classified as "loans and other receivables". Loans and other receivables are measured at amortised cost using the effective interest method, less any impairment. They are included in current assets, except where maturities are greater than 12 months after the reporting date, in which case they are classified as non-current assets. The Company's loans and receivables comprise "trade and other receivables" and "cash and cash equivalents" in the statement of financial position.

The loan notes issued by the Company's wholly owned subsidiary UK HoldCo are held at fair value, which is included in the balance of the investments at fair value through profit or loss in the statement of financial position.

II) Financial liabilities and equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

<u>i) Equity instruments</u>

Ordinary shares are classified as equity. Costs directly attributable to the issue of new shares that would otherwise have been avoided are written off against the balance of the share capital account as permitted by Companies (Guernsey) Law, 2008.

<u>ii) Financial liabilities</u>

Financial liabilities are classified as other financial liabilities, comprising:

- loans and borrowings which are recognised initially at the fair value of the consideration received, less transaction costs. Subsequent to initial recognition, loans and borrowings are stated at amortised cost, with any difference between cost and redemption value being recognised in the income statement over the period of the borrowings on an effective interest basis; and
- other non-derivative financial instruments, including trade and other payables, which are measured at amortised cost using the effective interest method less any impairment losses.

In accordance with IFRS 9, financial guarantee contracts are recognised as a financial liability. The liability is measured at fair value and subsequently in accordance with the expected credit loss model under IFRS 9.

The fair value of financial guarantees is determined based on the present value of the difference in cash flows between contracted payments required under the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.

III) Effective interest method
The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the relevant asset's carrying amount.

IV) Fair value estimation for investments at fair value
The Company's investments at fair value are not traded in active markets.

Fair value is calculated by discounting at an appropriate discount rate future cash flows expected to be received by the Company's intermediate holdings, from investments in both equity (dividends and equity redemptions), shareholder and inter-company loans (interest and repayments). The discount rates used in the valuation exercise represent the Investment Manager's and the Board's assessment of the rate of return in the market for assets with similar characteristics and risk profile. The discount rates are reviewed on a regular basis and updated, where appropriate, to reflect changes in the market and in the project risk characteristics. The discount rates that have been applied to the financial assets at 31 March 2025 were in the range of 7.0% to 18.4% (31 March 2024: 7.0% to 17.7%). Refer to note 9 for details of the areas of estimation in the calculation of the fair value.

For subsidiaries which provide management/investment-related services, the fair value is estimated to be the net assets of the relevant companies, which principally comprise cash, loans and working capital balances.

(g) Segmental reporting
The Board is of the opinion that the Company is engaged in a single segment of business, being investment in environmental infrastructure to generate investment returns while preserving capital. The financial information used by the Board to allocate resources and manage the Company presents the business as a single segment comprising a homogeneous portfolio.

(h) Statement of compliance
Pursuant to the Protection of Investors (Bailiwick of Guernsey) Law, 2020, the Company is a registered closed-ended investment scheme. As a registered scheme, the Company is subject to certain ongoing obligations to the Guernsey Financial Services Commission, and is governed by the Companies (Guernsey) Law, 2008, as amended.

(i) Seasonality
Neither operating income nor profit are impacted significantly by seasonality. While meteorological conditions resulting in fluctuation in the levels of wind and sunlight can affect revenues of the Company's environmental infrastructure projects, due to the diversified mix of projects, these fluctuations do not materially affect the Company's operating income or profit.

3. Critical accounting judgements, estimates and assumptions
In the application of the Company's accounting policies, which are described in note 2, the Directors are required to make judgements, estimates and assumptions about the fair value of assets and liabilities that affect reported amounts. Actual results may differ from these estimates.

Key sources of estimation uncertainty
The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Investments at fair value through profit or loss
The fair value of environmental infrastructure investments is calculated by discounting at an appropriate discount rate future cash flows expected to be received by the Company's intermediate holdings, from investments in both equity (dividends and equity redemptions), shareholder and inter-company loans (interest and repayments). Estimates such as the cash flows are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about the fair value of assets not readily available from other sources. Actual results may differ from these estimates.

The project cash flows used in the portfolio valuation at 31 March 2025 reflect contractual fixed price arrangements under PPAs, where they exist, and short-term market forward prices for the next two years where they do not.

After the initial two-year period, the project cash flows assume future electricity and gas prices in line with a blended curve informed by the central forecasts from three established market consultants, adjusted by the Investment Manager for project-specific arrangements and price cannibalisation.

For the Italian investment, project cash flows assume future electricity prices informed by a leading independent market consultant's long-term projections.

The power price assumptions, including the discount to the near-term power price assumptions, are a key source of estimation and uncertainty. Information on the sensitivity of the portfolio to movement in power price is disclosed in note 16.

Discount rates used in the valuation represent the Investment Manager's and the Board's assessment of the rate of return in the market for assets with similar characteristics and risk profile. The discount rate is deemed to be one of the most significant unobservable inputs and any change could have a material impact on the fair value of investments. Underlying assumptions and discount rates are disclosed in note 9 and sensitivity analysis is disclosed in note 16.

Due to the current economic environment, the Investment Manager and the Board believe that the rate of inflation should also be considered a key source of estimation uncertainty. Information on the sensitivity of the portfolio valuation to movements in inflation rates is disclosed in note 16.

Critical accounting judgements

Equity and debt investment in UK HoldCo

In applying their judgement, the Directors have satisfied themselves that the equity and debt investments in UK HoldCo share the same investment characteristics and, as such, constitute a single asset class for IFRS 7 disclosure purposes. Please refer to the accounting policies in note 2 for further detail.

Investment entities

The Directors consider that the Company demonstrates the characteristics and meets the requirements to be considered as an investment entity. Please refer to the accounting policies in note 2 for further detail.

4. Operating income and loss on fair value of investments

	Year ended 31 Mar 2025 £'000s	Year ended 31 Mar 2024 £'000s
Interest income	**31,073**	31,401
Dividend income	**32,300**	28,000
Net loss on investments at fair value through profit or loss	**(57,415)**	(63,228)
	5,958	(3,827)

5. Operating expenses

	Year ended 31 Mar 2025 £'000s	Year ended 31 Mar 2024 £'000s
Investment management fee	**7,208**	8,468
Directors' fees and expenses	**327**	343
Administration fee	**124**	104
Other expenses	**1,134**	1,195
	8,793	10,110

The Company had no employees during the year (31 March 2024: nil). There was no Directors' remuneration for the year other than Directors' fees as detailed in note 15 (31 March 2024: £nil).

Included within other expenses is an amount of £197,000 to KPMG Channel Islands Limited for the audit of the Company for the year ended 31 March 2025 (year ended 31 March 2024: £170,775).

The Company paid £48,904 during the year for non-audit services to KPMG Channel Islands Limited, all in relation to the Half-year Report (year ended 31 March 2024: £54,532).

6. Tax

Income tax expense

The Company has obtained exempt status from income tax in Guernsey under the Income Tax (Exempt Bodies) (Guernsey) Ordinance, 1989. FGEN is charged an annual exemption fee of £1,600 (year ended March 2024: £1,600).

The income from its investments is therefore not subject to any further tax in Guernsey, although the investments provide for and pay taxation at the appropriate rates in the countries in which they operate. The underlying tax within the subsidiaries and environmental infrastructure assets, which are held as investments at fair value through profit or loss, is included in the estimate of the fair value of these investments.

7. Dividends

	Year ended 31 Mar 2025 £'000s	Year ended 31 Mar 2024 £'000s
Amounts recognised as distributions to equity holders during the year (pence per share):		
Final dividend for the year ended 31 March 2024 of 1.89 (31 March 2023: 1.79)	**12,503**	11,841
Interim dividend for the quarter ended 30 June 2024 of 1.95 (30 June 2023: 1.89)	**12,858**	12,503
Interim dividend for the quarter ended 30 September 2024 of 1.95 (30 September 2023: 1.89)	**12,667**	12,503
Interim dividend for the quarter ended 31 December 2024 of 1.95 (31 December 2023: 1.90)	**12,494**	12,569
	50,522	49,417[1]

1. Total may not cast due to rounding.

A dividend for the quarter ended 31 March 2025 of 1.95 pence per share was approved by the Board on 29 May 2025 and is payable on 27 June 2025.

8. (Loss)/earnings per share

Earnings per share is calculated by dividing the profit attributable to equity shareholders of the Company by the time weighted average number of ordinary shares in issue during the year:

	Year ended 31 Mar 2025 £'000s	Year ended 31 Mar 2024 £'000s
(Loss)/earnings		
(Loss)/earnings for the purposes of basic and diluted earnings per share, being net profit attributable to owners of the Company	**(2,835)**	(13,937)
Number of shares		
Time weighted average number of ordinary shares for the purposes of basic and diluted earnings per share	**653,841,890**	661,531,229

The denominator for the purposes of calculating both basic and diluted earnings per share is the same, as the Company has not issued any share options or other instruments that would cause dilution. Shares held in treasury are excluded from the calculation.

	Pence	Pence
Basic and diluted (loss)/earnings per share	**(0.4)**	(2.1)

9. Investments at fair value through profit or loss

As set out in note 2, the Company accounts for its interest in its 100% owned subsidiary UK HoldCo as an investment at fair value through profit or loss. UK HoldCo in turn owns investments in intermediate holding companies and environmental infrastructure projects.

The table below shows the movement in the Company's investment in UK HoldCo as recorded on the Company's statement of financial position:

	31 Mar 2025 £'000s	31 Mar 2024 £'000s
Fair value of environmental infrastructure investments	**765,674**	891,927
Fair value of intermediate holding companies	**(87,517)**	(138,355)
Total fair value of investments	**678,157**	753,572

Reconciliation of movement in fair value of portfolio of assets

The table below shows the movement in the fair value of the Company's portfolio of environmental infrastructure assets. These assets are held through other intermediate holding companies. The table also presents a reconciliation of the fair value of the asset portfolio to the Company's statement of financial position as at 31 March 2025, by incorporating the fair value of these intermediate holding companies.

	Portfolio value 31 Mar 2025 £'000s	Cash, working capital and debt in intermediate holdings 31 Mar 2025 £'000s	Total 31 Mar 2025 £'000s	Portfolio value 31 Mar 2024 £'000s	Cash, working capital and debt in intermediate holdings 31 Mar 2024 £'000s	Total 31 Mar 2024 £'000s
Opening balance	**891,927**	**(138,355)**	**753,572**	898,539	(81,739)	816,800
Acquisitions						
Portfolio of assets acquired	**30,722**	**—**	**30,722**	69,221	—	69,221

Disposal of assets	**(89,137)**	**—**	**(89,137)**	—	—	—
	(58,415)	**—**	**(58,415)**	69,221	—	69,221
Growth in portfolio[1]	**22,585**	**—**	**22,585**	11,181	—	11,181
Yields from portfolio to intermediate holding companies	**(90,423)**	**90,423**	**—**	(87,014)	87,014	—
Yields from intermediate holding companies						
Interest on loan notes[1]	**—**	**(31,073)**	**(31,073)**	—	(31,401)	(31,401)
Dividend payments from UK HoldCo to the Company[1]	**—**	**(32,300)**	**(32,300)**	—	(28,000)	(28,000)
	—	**(63,373)**	**(63,373)**	—	(59,401)	(59,401)
Other movements						
Movement in working capital in UK HoldCo	**—**	**(19,512)**	**(19,512)**	—	(13,425)	(13,425)
Expenses borne by intermediate holding companies[1]	**—**	**(16,626)**	**(16,626)**	—	(15,008)	(15,008)
Repayment/(drawdown) of UK HoldCo revolving credit facility borrowings	**—**	**59,926**	**59,926**	—	(55,796)	(55,796)
Fair value of the Company's investment in UK HoldCo	**765,674**	**(87,517)**	**678,157**	891,927	(138,355)	753,572

1. The net loss on investments at fair value through profit or loss for the year ended 31 March 2025 is £57,415,000 (31 March 2024: net loss of £63,228,000). This, together with interest received on loan notes of £31,073,000 (31 March 2024: £31,401,000) and dividend income of £32,300,000 (31 March 2024: £28,000,000) comprises operating income and gains/(losses) on fair value of investments in the income statement.

The balances in the table above represent the total net movement in the fair value of the Company's investment. The "cash, working capital and debt in intermediate holdings" balances reflect investment in, distributions from or movements in working capital and are not value generating.

Fair value of portfolio of assets

The Investment Manager has carried out fair market valuations of the investments as at 31 March 2025. The Directors have satisfied themselves as to the methodology used and the discount rates applied for the valuation. Investments are all investments in environmental infrastructure projects and are valued using a discounted cash flow methodology, being the most relevant and most commonly used method in the market to value similar assets to the Company's. The Company's holding of its investment in UK HoldCo represents its interest in both the equity and debt instruments. The equity and debt instruments are valued as a whole using a blended discount rate and the value attributed to the equity instruments represents the fair value of future dividends and equity redemptions in addition to any value enhancements arising from the timing of loan principal and interest receipts from the debt instruments, while the value attributed to the debt instruments represents the principal outstanding and interest due on the loan at the valuation date.

The valuation techniques and methodologies have been applied consistently with the valuations performed since the launch of the Fund in March 2014.

Discount rates applied to the portfolio of assets range from 7.0% to 18.4% (31 March 2024: 7.0% to 17.7%). The weighted average discount rate of the portfolio at 31 March 2025 is 9.7% (31 March 2024: 9.4%).

The following economic assumptions have been used in the discounted cash flow valuations:

	31 Mar 2025	31 Mar 2024
UK – inflation rates	**3.5% for 2025, decreasing to 3% until 2030, decreasing to 2.25% from 2031**	3.5% for 2024, decreasing to 3% until 2030, decreasing to 2.25% from 2031
Italy – inflation rates	**2.0% from 2025 onwards**	2.0% from 2024 onwards
UK – deposit interest rates	**2.0% from 2025 onwards**	2.0% from 2024 onwards
Italy – deposit rates	**0%**	0%
UK – corporation tax rates	**25% from April 2025 onwards**	25% from April 2024 onwards
Italy – corporation tax rates	**National rate of 24%, plus applicable regional premiums**	National rate of 24%, plus applicable regional premiums
Euro/sterling exchange rate	**1.19**	1.17

Refer to note 16 for details of the sensitivity of the portfolio to movements in the discount rate and economic assumptions.

The assets in the intermediate holding companies substantially comprise working capital, cash balances and the outstanding RCF debt; therefore, the Directors consider the fair value to be equal to the amortised cost.

	% holding at 31 Mar 2025		% holding at 31 Mar 2024	
Project name	**Equity**	**Shareholder loan**	Equity	Shareholder loan

Amber	**100%**	**100%**	100%	100%
Bilsthorpe	**100%**	**100%**	100%	100%
Bio Collectors	**100%**	**100%**	100%	100%
Biogas Meden	**49%**	**49%**	100%	100%
Branden	**100%**	**100%**	100%	100%
Burton Wold Extension	**100%**	**100%**	100%	100%
Carscreugh	**100%**	**100%**	100%	100%
Castle Pill	**100%**	**100%**	100%	100%
Clayfords	**50%**	**50%**	50%	50%
CNG Foresight	**25%**	**25%**	25%	25%
Codford	**100%**	**100%**	100%	100%
Cramlington	**100%**	**100%**	100%	100%
CSGH	**100%**	**100%**	100%	100%
Dungavel	**100%**	**100%**	100%	100%
Egmere Energy	**49%**	**49%**	100%	100%
ELWA	**80%**	**80%**	80%	80%
ETA Manfredonia	**45%**	**45%**	45%	45%
Ferndale	**100%**	**100%**	100%	100%
Glasshouse	**10%**	**100%**	10%	100%
Grange Farm	**49%**	**49%**	100%	100%
Hall Farm	**100%**	**100%**	100%	100%
Icknield	**53%**	**100%**	53%	100%
Llynfi	**100%**	**100%**	100%	100%
Lunanhead	**50%**	**50%**	50%	50%
Merlin Renewables	**49%**	**49%**	100%	100%
Moel Moelogan	**100%**	**100%**	100%	100%
Monksham	**100%**	**100%**	100%	100%
New Albion Wind Farm	**100%**	**100%**	100%	100%
Northern Hydro	**100%**	**n/a**	100%	n/a
Panther	**—**	**—**	100%	100%
Peacehill	**49%**	**100%**	49%	100%
Pylle Southern	**100%**	**100%**	100%	100%
Rainworth	**100%**	**100%**	100%	100%
Rjukan	**25%**	**33%**	25%	33%
Sandridge	**50%**	**50%**	50%	50%
Tay	**33%**	**33%**	33%	33%
Thierbach	**36%**	**25%**	36%	25%
Lubmin	**30%**	**5%**	30%	5%
Vulcan	**49%**	**49%**	100%	100%
Warren	**49%**	**49%**	100%	100%
Wear Point	**100%**	**100%**	100%	100%
West Gourdie	**100%**	**100%**	100%	100%
Yorkshire Hydro	**100%**	**n/a**	100%	n/a

Additionally, the fair value of the portfolio of assets includes the Fund's investment into FEIP, details of which can be found on page 45 of the 2025 Annual Report.

Details of investments made during the year

During the year, £2.4 million was injected into CNG Foresight Limited. As at 31 March 2025, the portfolio held 16 natural gas refuelling stations, including the sites in construction phase.

The Group funded a capital call of €5.3 million to Foresight Energy Infrastructure Partners SCSp ("FEIP"), in line with its existing commitment to the fund.

The Group also invested £14.2 million into Rjukan Holdings Limited, £2.9 million into Cramlington, £2.3 million into Sandridge Battery Storage, £1.1 million into Vulcan Renewables Limited, £0.9 million into the Glasshouse project, and £2.5 million to various other projects.

10. Trade and other receivables

	31 Mar 2025 £'000	31 Mar 2024 £'000
Prepayments	**19**	25
Other debtors	**2**	—
Balance at 31 March	**21**	25

11. Trade and other payables

	31 Mar 2025	31 Mar 2024
	£'000	£'000
Accruals	**2,094**	2,654
Balance at 31 March	**2,094**	2,654

12. Loans and borrowings

The Company had no outstanding loans or borrowings at 31 March 2025 (31 March 2024: £nil), as shown in the Company's statement of financial position.

As at 31 March 2025, the Company held loan notes of £330.9 million which were issued by UK HoldCo (31 March 2024: outstanding amount of £348.9 million).

As at 31 March 2025, UK HoldCo had an outstanding balance of £99.3 million under a revolving credit facility (31 March 2024: £159.3 million). The loan bears interest of SONIA + 205 to 215 bps.

There were no other outstanding loans and borrowings in either the Company, UK HoldCo or HWT at 31 March 2025.

13. Share capital account

	Number of shares	**31 Mar 2025 £'000**	31 Mar 2024 £'000
Opening balance at 1 April	661,531,229	**664,401**	664,401
Treasury shares	(24,088,171)	**(19,156)**	—
Balance at 31 March	637,443,058	**645,245**	664,401

The number of voting shares at 31 March 2025 was 637,443,058 and 24,088,171 shares were kept in treasury as a result of the share buyback programme that started on 30 August 2024.

14. Retained earnings

	31 Mar 2025	31 Mar 2024
	£'000	£'000
Opening balance	**86,813**	150,167
Loss for the year	**(2,835)**	(13,937)
Dividends paid	**(50,522)**	(49,417)
Balance at 31 March	**33,456**	86,813

15. Transactions with the Investment Manager and related parties

Transactions between the Company and its subsidiaries, which are related parties of the Company, are fair valued and are disclosed within note 9. Details of transactions between the Company and related parties are disclosed below. This note also details the terms of the Company's engagement with Foresight Group as Investment Manager.

Transactions with the Investment Manager

Foresight Group ("Foresight") is the Company's Investment Manager. Foresight's appointment as Investment Manager is governed by an Investment Management Agreement.

For the first half of the financial year Foresight was entitled to a base fee equal to:

a) 1.0% per annum of the Adjusted Portfolio Value[1] of the Fund[2] up to and including £500 million; and
b) 0.8% per annum of the Adjusted Portfolio Value of the Fund in excess of £500 million.

The Board approved a reduction in the management fee payable to Foresight Group LLP by changing the basis of calculating the fee from adjusted NAV to NAV.

With effect from 1 October 2024, the management fee was calculated as follows:

a) 0.95% per annum of the portfolio Net Asset Value of the Fund[2] up to and including £500 million;
b) 0.80% per annum of the portfolio Net Asset Value of the Fund on the balance above £500 million up to and including £1 billion; and
c) 0.75% per annum of the portfolio Net Asset Value of the Fund in excess of £1 billion.

The total Investment Manager fee charged to the income statement for the year ended 31 March 2025 was £7,208,000 (31 March 2024: £8,468,000), of which £1,530,000 remained payable as at 31 March 2025 (31 March 2024: £2,147,000). In addition, the Investment Manager charged a fee of £125,000 in respect of additional management obligations, of which £62,500 remained payable as at 31 March 2025 (31 March 2024: £nil).

1. "Adjusted Portfolio Value" is defined in the Investment Management Agreement as:
    a. the fair value of the investment portfolio; plus
    b. any cash owned by or held to the order of the Fund; plus
    c. the aggregate amount of payments made to shareholders by way of dividend in the quarterly period ending on the relevant valuation day, less:
        i. any other liabilities of the Fund (excluding borrowings); and
        ii. any uninvested cash.
2. "Fund" means the Company and Foresight Environmental Infrastructure (UK) Limited together with their wholly owned subsidiaries or subsidiary undertakings (including companies or other entities wholly owned by them together, individually or in any combination, as appropriate) but excluding project entities.

Transactions with related parties

During the year, the Directors of the Company, who are considered to be key management, received fees of £323,335 (31 March 2024: £334,500) for their services. The Directors of the Company were also paid £3,780 of expenses (31 March 2024: £8,495).

The Directors held the following shares:

	Ordinary shares of no par value each held at 31 Mar 2025	Ordinary shares of no par value each held at 31 Mar 2024
Ed Warner	**75,000**	60,000
Alan Bates	**25,000**	12,500
Stephanie Coxon	**45,000**	15,000
Jo Harrison	**8,066**	8,066
Hans Joern Rieks	**—**	95,000
Nadia Sood	**—**	—

All of the above transactions were undertaken on an arm's length basis. Hans Joern Rieks retired from the Board on 13 September 2024.

The Directors were paid dividends in the year of £8,811 (31 March 2024: £14,235).

16. Financial instruments

Financial instruments by category

The Company held the following financial instruments at 31 March 2025. There have been no transfers of financial instruments between levels of the fair value hierarchy. There are no non-recurring fair value measurements.

	31 Mar 2025				
	Cash and bank balances £'000s	**Financial assets held at amortised cost £'000s**	**Financial assets at fair value through profit or loss £'000s**	**Financial liabilities at amortised cost £'000s**	**Total £'000s**
Non-current assets					
Investments at fair value through profit or loss (Level 3)	**—**	**—**	**678,157**	**—**	**678,157**
Current assets					
Trade and other receivables	**—**	**21**	**—**	**—**	**21**
Cash and cash equivalents	**2,617**	**—**	**—**	**—**	**2,617**
Total financial assets	**2,617**	**21**	**678,157**	**—**	**680,795**
Current liabilities					
Trade and other payables	**—**	**—**	**—**	**(2,094)**	**(2,094)**
Total financial liabilities	**—**	**—**	**—**	**(2,094)**	**(2,094)**
Net financial instruments	**2,617**	**21**	**678,157**	**(2,094)**	**678,701**

	31 Mar 2024				
		Financial	Financial		

	Cash and bank balances £'000s	assets held at amortised cost £'000s	assets at fair value through profit or loss £'000s	Financial liabilities at amortised cost £'000s	Total £'000s
Non-current assets					
Investments at fair value through profit or loss (Level 3)	—	—	753,572	—	753,572
Current assets					
Trade and other receivables	—	25	—	—	25
Cash and cash equivalents	271	—	—	—	271
Total financial assets	271	25	753,572	—	753,868
Current liabilities					
Trade and other payables	—	—	—	(2,654)	(2,654)
Total financial liabilities	—	—	—	(2,654)	(2,654)
Net financial instruments	271	25	753,572	(2,654)	751,214

The Company's investments at fair value through profit or loss are classified at Level 3 within the IFRS fair value hierarchy.

The Level 3 fair value measurements derive from valuation techniques that include inputs to the asset or liability that are not based on observable market data (unobservable inputs).

In the tables above, financial instruments are held at carrying value as an approximation to fair value unless stated otherwise.

Reconciliation of Level 3 fair value measurement of financial assets and liabilities

An analysis of the movement between opening and closing balances of the investments at fair value through profit or loss is given in note 9.

The fair value of the investments at fair value through profit or loss includes the use of Level 3 inputs. Please refer to note 9 for details of the valuation methodology.

Sensitivity analysis of the portfolio

The sensitivities below include the impact of the EGL.

The sensitivity of the portfolio to movements in the discount rate is as follows:

31 March 2025			
Discount rate	**Minus 0.5%**	**Base 9.7%**	**Plus 0.5%**
Change in portfolio valuation	**Increases £18.0m**	**£765.7m**	**Decreases £17.2m**
Change in NAV per share	**Increases 2.8p**	**106.5p**	**Decreases 2.7p**

31 March 2024			
Discount rate	Minus 0.5%	Base 9.4%	Plus 0.5%
Change in portfolio valuation	Increases £20.7m	£891.9m	Decreases £19.8m
Change in NAV per share	Increases 3.1p	113.6p	Decreases 3.0p

The sensitivity of the portfolio to movements in long-term inflation rates is as follows:

31 March 2025			
Inflation rates	**Minus 0.5%**	**Base 3.5% (2025), then 3% to 2030, then 2.25%**	**Plus 0.5%**
Change in portfolio valuation	**Decreases £20.4m**	**£765.7m**	**Increases £20.6m**
Change in NAV per share	**Decreases 3.2p**	**106.5p**	**Increases 3.2p**

31 March 2024			
Inflation rates	Minus 0.5%	Base 3.5% (2024), then 3% to 2030, then 2.25%	Plus 0.5%
Change in portfolio valuation	Decreases £18.9m	£891.9m	Increases £19.3m
Change in NAV per share	Decreases 2.9p	113.6p	Increases 2.9p

The fair value of the investments is based on a "P50" level of electricity generation for the renewable energy assets, being the expected level of generation over the long term.

Wind, solar and hydro assets are subject to electricity generation risks.

The sensitivity of the portfolio to movements in energy yields based on an assumed “P90” level of electricity generation (i.e. a level of generation that is below the “P50”, with a 90% probability of being exceeded) and an assumed “P10” level of electricity generation (i.e. a level of generation that is above the “P50”, with a 10% probability of being achieved) is as follows:

31 March 2025			
Energy yield: wind	**P90 (10 year)**	**Base P50**	**P10 (10 year)**
Change in portfolio valuation	**Decreases £21.8m**	**£765.7m**	**Increases £21.2m**
Change in NAV per share	**Decreases 3.4p**	**106.5p**	**Increases 3.3p**
Energy yield: solar	**P90 (10 year)**	**Base P50**	**P10 (10 year)**
Change in portfolio valuation	**Decreases £7.9m**	**£765.7m**	**Increases £8.1m**
Change in NAV per share	**Decreases 1.2p**	**106.5p**	**Increases 1.3p**
Energy yield: hydro	**P90 (10 year)**	**Base P50**	**P10 (10 year)**
Change in portfolio valuation	**Decreases £1.2m**	**£765.7m**	**Increases £1.3m**
Change in NAV per share	**Decreases 0.2p**	**106.5p**	**Increases 0.2p**

31 March 2024			
Energy yield: wind	P90 (10 year)	Base P50	P10 (10 year)
Change in portfolio valuation	Decreases £28.3m	£891.9m	Increases £27.0m
Change in NAV per share	Decreases 4.3p	113.6p	Increases 4.1p
Energy yield: solar	P90 (10 year)	Base P50	P10 (10 year)
Change in portfolio valuation	Decreases £9.3m	£891.9m	Increases £9.5m
Change in NAV per share	Decreases 1.4p	113.6p	Increases 1.4p
Energy yield: hydro	P90 (10 year)	Base P50	P10 (10 year)
Change in portfolio valuation	Decreases £1.3m	£891.9m	Increases £1.4m
Change in NAV per share	Decreases 0.2p	113.6p	Increases 0.2p

Agricultural anaerobic digestion facilities do not suffer from similar deviations as their feedstock input volumes (and consequently biogas production) are controlled by the site operator.

For the waste & bioenergy projects, forecasts are based on projections of future input volumes and are informed by both forecasts and independent studies where appropriate. Revenues in the PPP projects are generally not very sensitive to changes in volumes due to the nature of their payment mechanisms.

Electricity and gas price assumptions are based on the following: for the first two years, cash flows for each project use forward electricity and gas prices based on market rates unless a contractual fixed price exists, in which case the model reflects the fixed price followed by the forward price for the remainder of the two-year period. For the remainder of the project life, a long-term blend of central case forecasts from three established market consultants and other relevant information is used, and adjusted by the Investment Manager for project-specific arrangements and price cannibalisation.

The sensitivity assumes a 10% increase or decrease in power prices relative to the base case for each year of the asset life after the first two-year period. While power markets can experience movements in excess of +/-10% on a short-term basis, as has been the case recently, the sensitivity is intended to provide insight into the effect on the NAV of persistently higher or lower power prices over the whole life of the portfolio. The Directors feel that +/-10% remains a realistic range of outcomes over this very long time horizon, notwithstanding that significant movements will occur from time to time.

The sensitivity of the portfolio to movements in electricity and gas prices is as follows:

31 March 2025			
Energy prices	**Minus 10%**	**Base**	**Plus 10%**
Change in portfolio valuation	**Decreases £35.3m**	**£765.7m**	**Increases £35.9m**
Change in NAV per share	**Decreases 5.5p**	**106.5p**	**Increases 5.6p**

31 March 2024			
Energy prices	Minus 10%	Base	Plus 10%
Change in portfolio valuation	Decreases £37.4m	£891.9m	Increases £37.0m
Change in NAV per share	Decreases 5.7p	113.6p	Increases 5.6p

Waste & bioenergy assets (excluding Bio Collectors) do not have significant volume and price risks and therefore are not included in the above volume and price sensitivities.

The sensitivity of the portfolio to movements in AD feedstock prices is as follows:

31 March 2025			
Feedstock prices	**Minus 10%**	**Base**	**Plus 10%**
Change in portfolio valuation	**Increases £6.8m**	**£765.7m**	**Decreases £6.5m**

Change in NAV per share	**Increases 1.1p**	**106.5p**	**Decreases 1.0p**

31 March 2024			
Feedstock prices	Minus 10%	Base	Plus 10%
Change in portfolio valuation	Increases £8.7m	£891.9m	Decreases £8.9m
Change in NAV per share	Increases 1.3p	113.6p	Decreases 1.3p

No such sensitivity is applicable to FGEN's biomass investment, where fuel costs are tied under long-term contract.

The sensitivity of the portfolio to movements in corporation tax rate is as follows:

31 March 2025			
Corporation tax	**Minus 2%**	**Base 25%**	**Plus 2%**
Change in portfolio valuation	**Increases £11.4m**	**£765.7m**	**Decreases £11.3m**
Change in NAV per share	**Increases 1.8p**	**106.5p**	**Decreases 1.8p**

31 March 2024			
Corporation tax	Minus 2%	Base 25%	Plus 2%
Change in portfolio valuation	Increases £13.6m	£891.9m	Decreases £13.9m
Change in NAV per share	Increases 2.1p	113.6p	Decreases 2.1p

Euro/sterling exchange rate sensitivity

As the proportion of the portfolio assets with cash flows denominated in euros represents a small proportion of the portfolio value at 31 March 2025, the Directors consider the sensitivity to changes in euro/sterling exchange rates to be insignificant.

The Directors consider that the carrying value amounts of financial assets and financial liabilities recorded at amortised cost in the financial statements are approximately equal to their fair values.

Uncontracted revenues on non-energy generating portfolio sensitivity

Non-energy generating assets, such as batteries and controlled environment agriculture and aquaculture, make up a growing proportion of the portfolio. These assets are not materially affected by either scarcity of natural resource nor power price markets. Therefore the Investment Manager has presented a sensitivity illustrating an assumed 10% increase or decrease on all uncontracted revenues for each year of the asset lives.

An increase in uncontracted revenues of 10% would result in an upward movement in the portfolio valuation of £23.6 million (3.7 pence per share) (2024: £17.9 million, 2.7 pence per share) compared to a decrease in value of £23.4 million (3.7 pence per share) (2024: £20.2 million, 3.0 pence per share) if those revenues were reduced by the same amount.

Capital risk management

Capital management

The Group, which comprises the Company and its non-consolidated subsidiaries, manages its capital to ensure that it will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balances. The capital structure of the Group principally consists of the share capital account and retained earnings as detailed in notes 13 and 14, and debt as detailed in note 12. The Group aims to deliver its objective by investing available cash and using leverage whilst maintaining sufficient liquidity to meet ongoing expenses and dividend payments.

Gearing ratio

The Company's Investment Manager reviews the capital structure of the Company and the Group on a semi-annual basis. The Company and its subsidiaries intend to make prudent use of leverage for financing acquisitions of investments and working capital purposes. Under the Company's Articles, and in accordance with the Company's investment policy, the Company's outstanding borrowings, excluding the debts of underlying assets, will be limited to 30% of the Company's Net Asset Value ("NAV").

As at 31 March 2025, the Company had no outstanding debt. However, as set out in note 12, as at 31 March 2025, the Company's subsidiary UK HoldCo had an outstanding balance of £99.3 million under a revolving credit facility (31 March 2024: £159.3 million).

Financial risk management

The Group's activities expose it to a variety of financial risks: capital risk, liquidity risk, market risk (including interest rate risk, inflation risk and power price risk) and credit risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

For the Company and the intermediate holding companies, financial risks are managed by the Investment Manager, which operates within the Board-approved policies. For the environmental infrastructure investments, due to the nature of the investments, certain financial risks (typically interest rate and inflation risks) are hedged at the inception of a project. All risks continue to be managed by the Investment Manager. The various types of financial risk are managed as follows:

Financial risk management – Company only
The Company accounts for its investments in its subsidiaries at fair value. Accordingly, to the extent there are changes as a result of the risks set out below, these may impact the fair value of the Company's investments.

Capital risk
The Company has implemented an efficient financing structure that enables it to manage its capital effectively. The Company's capital structure comprises equity only (refer to the statement of changes in equity). As at 31 March 2025, the Company had no recourse debt, although as set out in note 17, the Company is a guarantor for the RCF of UK HoldCo.

Liquidity risk
The Directors monitor the Company's liquidity requirements to ensure there is sufficient cash to meet the Company's operating needs.

The Company's liquidity management policy involves projecting cash flows and forecasting the level of liquid assets necessary to meet these. Due to the nature of its investments, the timing of cash outflows is reasonably predictable and, therefore, is not a major risk to the Company.

The Company was in a net cash position and had no outstanding debt at the balance sheet date. At the balance sheet date, the Group had debt of £99.3 million, being the amount drawn on the RCF.

Market risk – foreign currency exchange rate risk
As the proportion of the portfolio assets with cash flows denominated in euros represents a small proportion of the portfolio value at 31 March 2025, the Directors consider the sensitivity to changes in the euro/sterling exchange rate to be insignificant.

Where investments are made in currencies other than pounds sterling, the Company will consider whether to hedge currency risk in accordance with the Company's currency and hedging policy as determined from time to time by the Directors. A portion of the Company's underlying investments may be denominated in currencies other than pounds sterling. However, any dividends or distributions in respect of the ordinary shares will be made in pounds sterling and the market prices and NAV of the ordinary shares will be reported in pounds sterling.

Currency hedging may be carried out to seek to provide some protection for the level of pounds sterling dividends and other distributions that the Company aims to pay on the ordinary shares, and in order to reduce the risk of currency fluctuations and the volatility of returns that may result from such currency exposure. Such currency hedging may include the use of foreign currency borrowings to finance foreign currency assets and forward foreign exchange contracts.

Financial risk management – Company and non-consolidated subsidiaries
The following risks impact the Company's subsidiaries and in turn may impact the fair value of investments held by the Company.

Market risk – interest rate risk
Interest rate risk arises in the Company's subsidiaries on the RCF borrowings and floating rate deposits. Borrowings issued at variable rates expose those entities to variability of interest payment cash flows. Interest rate hedging may be carried out to seek to provide protection against increasing costs of servicing debt drawn down by UK HoldCo as part of its RCF. This may involve the use of interest rate derivatives and similar derivative instruments.

Each infrastructure investment hedges their interest rate risk at the inception of a project. This will either be done by issuing fixed rate debt or variable rate debt which will be swapped into fixed rate by the use of interest rate swaps.

Market risk – inflation risk
Some of the Company's investments will have part of their revenue and some of their costs linked to a specific inflation index at inception of the project. In most cases this creates a natural hedge, meaning a derivative does not need to be entered into in order to mitigate inflation risk.

Market risk – power price risk
The wholesale market price of electricity and gas is volatile and is affected by a variety of factors, including market demand for electricity and gas, the generation mix of power plants, government support for various forms of power generation, as well as fluctuations in the market prices of commodities and foreign exchange. Whilst some of the Company's renewable energy projects benefit from fixed prices, others have revenue which is in part based on wholesale electricity and gas prices.

A decrease and/or prolonged deterioration in economic activity in the UK, for any reason, could result in a decrease in demand for electricity and gas in the market. Short-term and seasonal fluctuations in electricity and gas demand will also impact the price at which the investments can sell electricity and gas. The supply of electricity and gas also impacts wholesale electricity and gas prices. Supply of electricity and gas can be affected by new entrants to the wholesale power market, the generation mix of power plants in the UK, government support for various generation technologies, as well as the market price for fuel commodities.

Volume risk – electricity generation risk
Meteorological conditions poorer than forecast can result in generation of lower electricity volumes and lower revenues than anticipated.

Credit risk
Credit risk is the risk that a counterparty of the Company or its subsidiaries will default on its contractual obligations it entered into with the Company or its subsidiaries. Credit risk arises from cash and cash equivalents, derivative financial instruments and deposits with banks and financial institutions, as well as credit exposures to customers. The Company and its subsidiaries mitigate their risk on cash investments and derivative transactions by only transacting with major international financial institutions with high credit ratings assigned by international credit rating agencies.

The Company's infrastructure investments receive regular, long-term, partly or wholly index-linked revenue from government departments, local authorities or clients under the Renewables Obligation Certificates and Feed-in Tariff regimes. The Directors believe that the Group is not significantly exposed to the risk that the customers of its investments do not fulfil their regular payment obligations because of the Company's policy to invest in jurisdictions with satisfactory credit ratings.

Given the above factors, the Board does not consider it appropriate to present a detailed analysis of credit risk.

The Company's maximum exposure to credit risk is the £330.9 million owed by HoldCo, detailed in note 12.

Liquidity risk
Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group adopts a prudent approach to liquidity management by ensuring it maintains adequate reserves and banking facilities by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The Directors monitor the Company's liquidity requirements to ensure there is sufficient cash to meet the Company's operating needs.

The Company's liquidity management policy involves projecting cash flows and forecasting the level of liquid assets required to meet its obligations. Due to the nature of its investments, the timing of cash outflows is reasonably predictable and, therefore, is not a major risk to the Group.

Debt raised by asset investments from third parties is without recourse to the Group.

17. Guarantees and other commitments
As at 31 March 2025, the Company provided a guarantee over the Company's wholly owned subsidiary UK HoldCo's obligations under the £200 million RCF.

On 13 June 2024, UK HoldCo refinanced the £200 million revolving credit facility with a three-year agreement with ING, HSBC, National Australia Bank, Royal Bank of Scotland International and Clydesdale Bank. The contract includes an uncommitted accordion facility of up to £30 million and an uncommitted option to extend for a further year. Subsequently, the committed facility of £200 million was voluntarily reduced to £150 million with effect from 25 April 2025 with no change on the accordion facility.

As at 31 March 2025, the Group has the following future investment obligations over a 12-month horizon: £2.1 million to Cramlington, £1.6 million to Sandridge battery storage, €1.2 million (equivalent to £1.0 million) to FEIP, 12.7 million NOK (equivalent to £0.9 million) to the Rjukan project and £0.5 million in other projects. The Company had no other commitments or guarantees.

18. Subsidiaries and associates
The following subsidiaries and associates have not been consolidated in these financial statements as a result of applying the requirements of "Investment Entities: Applying the Consolidation Exception (Amendments to IFRS 10, IFRS 12 and IAS 27)":

Name	Category	Place of business	Registered office	Ownership interest	Voting rights
Foresight Environmental Infrastructure (UK) Limited[1]	Intermediate holding	UK	A	100%	100%
HWT Limited	Intermediate holding	UK	B	100%	100%
Easton PV Limited	Project holding company	UK	A	100%	100%
Pylle Solar Limited	Project holding company	UK	A	100%	100%
Second Energy Limited	Operating subsidiary	UK	A	100%	100%
JLEAG Wind Holdings Limited	Project holding company	UK	A	100%	100%
JLEAG Wind Limited	Project holding company	UK	A	100%	100%
Amber Solar Parks (Holdings) Limited	Project holding company	UK	C	100%	100%
Amber Solar Park Limited	Operating subsidiary	UK	C	100%	100%
Bilsthorpe Wind Farm Limited	Operating subsidiary	UK	D	100%	100%
Ferndale Wind Limited	Project holding company	UK	K	100%	100%
Castle Pill Wind Limited	Project holding company	UK	K	100%	100%
Wind Assets LLP	Operating subsidiary	UK	D	100%	100%
Hall Farm Wind Farm Limited	Operating subsidiary	UK	D	100%	100%
Branden Solar Parks (Holdings) Limited	Project holding company	UK	A	100%	100%

Branden Solar Parks Limited	Operating subsidiary	UK	A	100%	100%
KS SPV 3 Limited	Operating subsidiary	UK	A	100%	100%
KS SPV 4 Limited	Operating subsidiary	UK	A	100%	100%
Carscreugh Renewable Energy Park Limited	Operating subsidiary	UK	D	100%	100%
Wear Point Wind Limited	Operating subsidiary	UK	D	100%	100%
Monksham Power Ltd	Project holding company	UK	A	100%	100%
Frome Solar Limited	Operating subsidiary	UK	A	100%	100%
BL Wind Limited	Operating subsidiary	UK	D	100%	100%
New Albion Wind Limited	Operating subsidiary	UK	D	100%	100%
Dreachmhor Wind Farm Limited	Operating subsidiary	UK	D	100%	100%
France Wind GP Germany GmbH[2]	Project holding company	DE	E	100%	100%
France Wind Germany GmbH & Co. KG[2]	Project holding company	DE	E	100%	100%
CSGH Solar Limited	Project holding company (dormant)	UK	A	100%	100%
CSGH Solar (1) Limited	Project holding company (dormant)	UK	A	100%	100%
sPower Holdco 1 (UK) Limited	Project holding company (dormant)	UK	C	100%	100%
sPower Finco 1 (UK) Limited	Project holding company (dormant)	UK	C	100%	100%
Higher Tregarne Solar (UK) Limited	Operating subsidiary	UK	A	100%	100%
Crug Mawr Solar Farm Limited	Operating subsidiary	UK	A	100%	100%
Golden Hill Solar (UK) Limited	Project holding company (dormant)	UK	C	100%	100%
Golden Hill Solar Limited	Operating subsidiary	UK	A	100%	100%
Shoals Hook Solar (UK) Limited	Operating subsidiary	UK	A	100%	100%
CGT Investment Limited	Project holding company	UK	F	100%	100%
CWMNI GWYNT TEG CYF	Operating subsidiary	UK	F	100%	100%
Moelogan 2 (Holdings) Cyfyngedig	Project holding company	UK	F	100%	100%
Moelogan 2 C.C.C.	Operating subsidiary	UK	F	100%	100%
Llynfi Afan Renewable Energy Park Limited	Operating subsidiary	UK	D	100%	100%
Bio Collectors Holdings Limited	Project holding company	UK	I	100%	100%
Bio Collectors Limited	Operating subsidiary	UK	I	100%	100%
Riverside Bio Limited	Operating subsidiary	UK	I	100%	100%
Riverside AD Limited	Operating subsidiary	UK	I	100%	100%
Yorkshire Hydropower Holdings Limited	Project holding company	UK	D	100%	100%
Yorkshire Hydropower Limited	Operating subsidiary	UK	D	100%	100%
Northern Hydropower Holdings Limited	Project holding company	UK	D	100%	100%
Northern Hydropower Limited	Operating subsidiary	UK	D	100%	100%
Codford Biogas Limited	Operating subsidiary	UK	L	100%	100%
Rainworth Energy Limited	Operating subsidiary	UK	J	100%	100%
FS West Gourdie Limited	Operating subsidiary	UK	A	100%	100%
Spruce Bioenergy Limited	Project holding company	UK	A	100%	100%
Cramlington Renewable Energy Developments Limited	Operating subsidiary	UK	K	100%	100%
Fryingdown Solar Park Limited	Non-trading entity	UK	C	100%	100%
Five Oaks Solar Parks Limited	Non-trading entity	UK	U	100%	100%
Warren Power Limited	Project holding company	UK	G	100%	100%
ELWA Holdings Limited	Project holding company	UK	K	80%	80%
ELWA Limited[3]	Operating subsidiary	UK	K	80%	81%
Green Gas Oxon Limited	Project holding company	UK	H	52.6%	52.6%
Icknield Gas Limited	Operating subsidiary	UK	H	52.6%	52.6%
Foresight Biomass Holding Italy S.r.l.	Project holding company	IT	M	45%	45%
Energie Tecnologie Ambiente S.r.l.	Operating associate	IT	M	45%	45%
Foresight Rjukan Holding Limited	Project holding company	UK	A	43%	43%
Catchment Tay Holdings Limited	Project holding company	UK	N	33.3%	33.3%
Catchment Tay Limited	Operating associate	UK	N	33.3%	33.3%
Foresight Hydrogen HoldCo GmbH	Project holding company	DE	O	40.1%	40.1%
Hima Seafood Rjukan AS	Operating associate	NO	P	25%	25%
HH2E Werk Thierbach GmbH	Operating associate	DE	Q	23%	23%
HH2E Werk Lubmin GmbH	Operating associate	DE	Q	23%	23%
HH2E AG	Project holding company	DE	Q	23%	23%
Foresight Battery Storage Holding Limited	Project holding company	UK	A	50%	50%
Sandridge Battery Storage Limited	Operating associate	UK	A	50%	50%

Clayfords Energy Storage Limited	Operating associate	UK	R	50%	50%
AD Holdco 1 Limited	Project holding company	UK	G	49%	49%
Egmere Energy Limited	Operating associate	UK	G	49%	49%
Warren Energy Limited	Operating associate	UK	G	49%	49%
Vulcan Renewables Limited	Operating associate	UK	G	49%	49%
Grange Farm Energy Limited	Operating associate	UK	G	49%	49%
Merlin Renewables Limited	Operating associate	UK	G	49%	49%
Biogas Meden Limited	Operating associate	UK	G	49%	49%
Foresight Battery Storage Holdings Limited	Project holding company	UK	A	50%	50%
Lunanhead Energy Storage Limited	Operating associate	UK	A	50%	50%
JLEAG AD Limited	Project holding company	UK	A	49%	49%
Peacehill Gas Limited	Operating associate	UK	S	49%	49%
CNG Foresight Holdings Limited	Project holding company	UK	A	25%	25%
CNG Foresight Limited	Operating associate	UK	T	25%	25%
CNG Newton Aycliffe Limited	Operating associate	UK	T	25%	25%
CNG Eurocentral Limited	Operating associate	UK	T	25%	25%
CNG Avonmouth North Limited	Operating associate	UK	T	25%	25%
CNG Corby Limited	Operating associate	UK	T	25%	25%
CNG Doncaster Limited	Operating associate	UK	T	25%	25%
CNG Bracknell Limited	Operating associate	UK	T	25%	25%
CNG Bangor Limited	Operating associate	UK	T	25%	25%
CNG Aylesford Limited	Operating associate	UK	T	25%	25%
CNG Station Holdings Limited	Operating associate	UK	T	25%	25%
CNG Leyland Limited	Operating associate	UK	T	25%	25%
CNG Knowsley Limited	Operating associate	UK	T	25%	25%
CNG Castleford Limited	Operating associate	UK	T	25%	25%
Lavant Down Northampton Limited	Operating associate	UK	T	25%	25%
Oxford Erdington Limited	Operating associate	UK	T	25%	25%
Hams Warrington Limited	Operating associate	UK	T	25%	25%
Nexus Newark Limited	Operating associate	UK	T	25%	25%

1. Foresight Environmental Infrastructure (UK) Limited ("UK HoldCo", formerly known as JLEN Environmental Assets Group (UK) Limited).
2. Underlying French wind assets were disposed of in January 2022.
3. ELWA Holdings Limited holds 81% of the voting rights and a 100% share of the economic benefits in ELWA Limited.

Registered offices

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19. Events after balance sheet date

A dividend for the quarter ended 31 March 2025 of 1.95 pence per share, amounting to £12.3 million, was approved by the Board on 29 May 2025 for payment on 27 June 2025.

On 25 April 2025, FGEN announced that it had reduced the size of its multi-currency revolving credit facility ("RCF") from £200 million to £150 million.

On 3 June 2025, FGEN announced an update to the Investment Manager fee structure. From 1 October 2025, investment management fees will be calculated 50% based on Net Asset Value and 50% on market capitalisation (the latter element capped at Net Asset Value).

ALTERNATIVE PERFORMANCE MEASURES ("APMs")

APM	Purpose	Calculation	APM value	Reconciliation to IFRS
Total shareholder return (since IPO and annualised)	Measure of financial performance, indicating the amount an investor reaps from investing since IPO and expressed as a percentage (annualised or total since IPO of the Fund)	Since IPO: closing share price as at 31 March 2025 plus all dividends since IPO assumed reinvested, divided by the share price at IPO, expressed as a percentage	41.0%	Calculation for total shareholder return since IPO: closing share price as at 31 March 2025, as per key investment metrics on page 110 of the 2025 Annual Report plus all dividends since IPO assumed reinvested, divided by the share price at IPO, expressed as a percentage
		Annualised: closing share price as at 31 March 2025 plus all dividends since IPO assumed reinvested, divided by the share price at IPO, to the power of one over the number of years since IPO, expressed as a percentage	3.2% annualised	Calculation for annualised total shareholder return: closing share price as at 31 March 2025 as per key investment metrics on page 110 of the 2025 Annual Report plus all dividends since IPO assumed reinvested, divided by the share price at IPO, to the power of one over the number of years since IPO, expressed as a percentage
Net Asset Value per share	Allows investors to gauge whether shares are trading at a premium or a discount by comparing the Net Asset Value per share with the share price	The net assets divided by the number of ordinary shares in issuance	106.5 pence	The calculation divides the net assets as per the statement of financial position on page 153 of the 2025 Annual Report by the closing number of ordinary shares in issue as per note 13 on page 166 of the 2025 Annual Report. Shares held in treasury are excluded from the calculation
Market capitalisation	Provides an indication of the size of the Company	Closing share price as at 31 March 2025 multiplied by closing number of ordinary shares in issuance	£457.0 million	The calculation uses the closing share price as at 31 March 2025 as per the key investment metric table on page 110 of the 2025 Annual Report and closing number of ordinary shares as per note 13 of the financial statements on page 166 of the 2025 Annual Report. Shares held in treasury are excluded from the calculation
Gross Asset Value ("GAV")	A measure of the value of the Company's total assets Gross Asset Value on investment basis including debt held at SPV level	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	£951.3 million	This is the total debt (RCF drawn: £99.3 million plus project-level debt: £173.3 million) plus the Net Asset Value as per the statement of financial position on page 153 of the 2025 Annual Report
Gearing	Ascertain financial risk in the Group's balance sheet	Total debt of the Group and underlying investments as a percentage of GAV	28.7%	The calculation uses the total debt (RCF drawn: £99.3 million plus project-level debt: £173.3 million) and shows this as a percentage of the GAV
Distributions, repayments and fees from portfolio	A measure of performance from the underlying portfolio	Total cash received from investments in the period	£90.4 million	As per "Cash flows of the Group for the year", also titled "Cash distributions from environmental infrastructure investments" on page 113 of the 2025 Annual Report
Cash flow from	Gauge operating revenues and expenses of the Group	As per the "Cash flows of the Group for the year" table on page 113 of the 2025 Annual Report, the calculation takes the	£66.9 million	Detailed breakdown as per page 113 of the 2025 Annual Report in the "Cash flows of the Group for the year"

operations of the Group		cash distributions from environmental infrastructure investments and subtracts the following: administrative expenses, Directors' fees and expenses, Investment Manager's fees, financing costs (net of interest income), Electricity Generator Levy		
Cash dividend cover	Investors can gauge the ability of the Group to generate cash surplus after payment of dividend	Cash flow from operations of the Group divided by dividend paid within the reporting period	1.32x	The calculation uses the cash flows from operations as per "Cash flows of the Group for the year" on page 113 of the 2025 Annual Report and the dividends paid in cash to shareholders as per the cash flow statement on page 155 of the 2025 Annual Report
Ongoing charges ratio	A measure of the annual reduction in shareholder returns due to operational expenses, based on historical data	The ongoing charges have been calculated, in accordance with AIC guidance, as annualised ongoing charges (i.e. excluding acquisition costs and other non-recurring items) divided by the average published undiluted Net Asset Value in the period. Total annualised ongoing charges include Investment Manager fees, legal and professional fees, administration fees, Directors' fees	1.24%	Annualised ongoing charges for the year ended 31 March 2025 have been calculated as £8.8 million. The ongoing charges ratio divides this by the published average Net Asset Value over the last four quarters (including 31 March 2025)
Annualised NAV total return since IPO	Measure of financial performance (annualised), which indicates the movement of the value of the Company since IPO	Closing NAV per ordinary share as at 31 March 2025 plus all dividends since IPO assumed reinvested, divided by the NAV at IPO, to the power of one, over the number of years since IPO	7.3%	Calculated using the closing NAV per ordinary share as per the statement of financial position on page 153 of the 2025 Annual Report

[ENDS]