



NS Net Asset Value(s)

Downing Renewables
& Infrastructure Trust

NET ASSET VALUE UPDATE

[DOWNING RENEWABLES & INFRASTRUCTURE TRUST PLC](#)

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Downing Renewables & Infrastructure Trust plc

Net Asset Value update

The Board of Downing Renewables & Infrastructure Trust plc (the "**Company**" or "**DORE**") is pleased to announce the Company's unaudited Net Asset Value ("**NAV**") as at 31 December 2022 and an update on operational performance.

Net Asset Value as at 31 December 2022

The Company's unaudited NAV was £218.9 million or 118.6 pence per share ("pps") as at 31 December 2022. This is an increase of 0.8% to the Company's NAV as at 30 September 2022, which was £217.2 million or 117.7pps. The NAV uplift is presented after the payment of the dividend of 1.25 pence per share, equivalent to £2.3 million.

The movement in NAV during the quarter was attributable to several factors:

- Portfolio performance (+£4.3m, +2.3pps);
- Update to reflect actual inflation in 2022 and increased inflation forecast for 2023 (+£4.4m, +2.4pps).
- Update to the long-term power price forecasts (-£1.4m, -0.8pps);
- Foreign currency exchange movement (-£3.4m, -1.8pps); and
- Other movements including dividend (-£2.2m, -1.3pps).

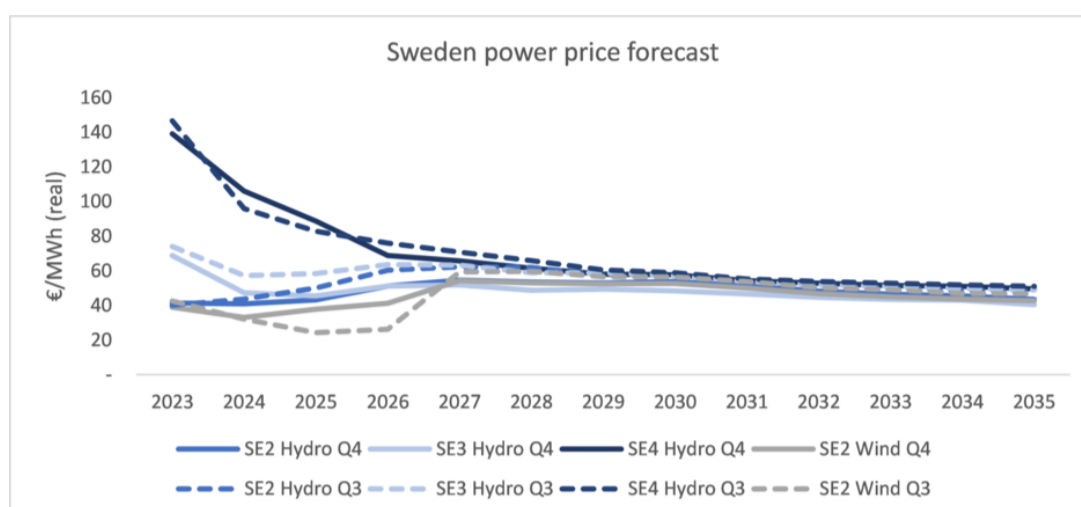
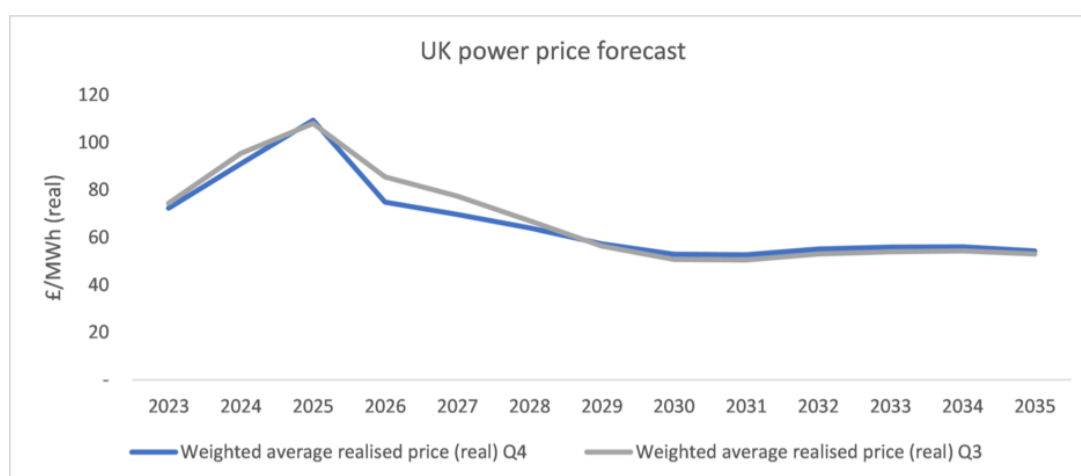
The NAV total return for the year ending 31 December 2022, including dividends paid of 5.00pps (£8.0 million in total), was 19.5%. Excluding fundraising, the NAV growth was c.£24m and of this, £9m was attributable to the Company's accretive acquisitions in the period.

Inflation

Inflation forecasts for 2023 have been increased to 6.42% (from 2.75%) in the UK and 3.78% (from 2%) in Sweden. There has been no change to long term inflation assumptions (2024 onwards) of 3% in the UK and 2% in Sweden.

Power Prices

The Company's power price forecasts in the UK were largely consistent with the prior quarter with prices forecast to return towards more normalised levels a little sooner in the medium term. In Sweden, the power price forecasts have reduced in the period 2023-2026 with the longer-term assumptions (2027 onwards) consistent with those of the prior quarter.



Discount Rates

The discount rates were unchanged in the quarter and remain at 8.0% for the operational levered UK solar and Swedish hydropower portfolios and 6.3% for the unlevered Swedish wind farm, resulting in a portfolio discount rate of 7.7%.

Operational Performance

The diversified operating portfolio continues to perform well. Revenue for the quarter to 31 December 2022 was 63% over budget.

Generation across the hydro portfolio was 21% below budget, mainly driven by low levels of precipitation as well as the strategic decision to hold back water in the reservoirs for the winter months. The Company believes that this decision contributed to hydropower revenues being c.80% above expectations for the quarter.

Wind and solar revenues were also significantly higher than budget (c.80% and c.38% respectively), with the UK solar portfolio benefiting from higher than expected receipts from Renewable Obligation Mutualisation.

Operating profit for the portfolio was 78% above expectations for the quarter.

Pipeline

The Company is delighted with the strength and variety of the near-term pipeline in the UK and Nordics. These opportunities span the hydropower, battery, solar, wind, electricity distribution and grid ancillary services sectors and, should they be realised, would significantly increase diversification in the Company's portfolio.

Electricity Generator Levy and EU price cap

The Company reiterates its guidance that the EGL is not anticipated to have a material impact on the Company's profitability. Whilst the UK portfolio's generation is forecast to fall within the now reduced threshold of 50GWh, the Company's receipts from sales of wholesale power at an average price in excess of £70/MWh are not forecast to exceed the £10m allowance.

The Company also reiterates that the proposed EU price cap of EUR180/MWh will have an immaterial impact on valuations.

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About Downing Renewables & Infrastructure Trust plc (DORE)

DORE is a closed-end investment trust that aims to provide investors with an attractive and sustainable level of income, with an element of capital growth, by investing in a diversified portfolio of renewable energy and infrastructure assets in the UK and Northern Europe. DORE has been awarded the London Stock Exchange's Green Economy Mark in recognition of its contribution to the global 'Green Economy' and also in 2022 DORE won 'Renewables Fund of the Year' at the Sustainable Investment Awards.

The Board classifies DORE as a sustainable fund with a core objective of accelerating the transition to net zero through its investments, compiling and operating a diversified portfolio of renewable energy and infrastructure assets to help facilitate the transition to a more sustainable future. The Company believes that this directly contributes to climate change mitigation.

DORE's strategy, which focuses on diversification by geography, technology, revenue and project stage, is designed to increase the stability of revenues and the consistency of income to shareholders. For further details please visit www.doretrust.com

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About Downing LLP

Downing is a responsible investment manager established in London in 1986. We currently manage £1.9 billion of assets under a broad range of investment mandates across our funds, investment trusts and tax-efficient products. As a certified B Corporation, we are focussed on creating a sustainable future, our key investment areas are renewable energy, infrastructure, property and healthcare.

Downing has c.55 professionals dedicated to renewable energy and infrastructure and a proven track record in renewables. Since 2010, Downing has made more than 176 investments and has c.£800 million of assets under management in solar, wind, hydro, battery storage and other infrastructure sectors.

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