

11 February 2019

NextEnergy Solar Fund Limited

("NESF" or "Company")

NESF partners with Zestec for commercial rooftop solar rollout

NextEnergy Solar Fund, the specialist investment company that primarily invests in operating solar power plants in the UK, has entered into a partnership with Zestec Asset Management Limited ("Zestec") for the future acquisition of operating solar plants to be installed on commercial properties.

- Framework agreement ("Framework Agreement") signed between NESF and Zestec
- Zestec to develop and build out solar projects on UK commercial rooftops
- Target up to £20m investment in 2019 to construct a portfolio of solar projects on commercial properties
- NESF has the option both to acquire operational assets and to fund construction of new assets
- NESF to monetise electricity generated principally from power purchase agreements ("PPAs") with commercial landlords

NESF has agreed a Framework Agreement with Zestec to install commercial solar PV across the UK using a PPA model developed jointly with Zestec. Zestec will source, develop and install solar power plants on commercial properties throughout the UK. Commercial landlords will buy the electricity produced by the solar PV system installed on their roofs under a PPA with NESF, at a reduced tariff compared to their normal electricity import cost. Projects constructed prior to 1 April 2019 will receive a 20-year RPI linked feed-in-tariff ("FIT").

Under the Framework Agreement, NESF has agreed to invest up to £20m in new solar installations in 2019, of which £5m has been committed to the initial batch of installations to be acquired during early 2019. NESF's status as a London Stock Exchange listed entity makes it attractive to landlords looking to ensure an identifiable counterparty and maintain a long-term relationship. NESF will enter into agreements ranging between 15 and 25 years with commercial business owners and landlords, receiving revenue from the PPA and, where assets are constructed before 1 April 2019, a supplemental FIT payment.

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Notes to Editors:

NESF is a specialist investment company that invests primarily in operating solar power plants in the UK. It is able to invest up to 15% of its Gross Asset Value in operating solar power plants in OECD countries outside the UK. The Company's objective is to secure attractive shareholder returns through RPI-linked dividends and long-term capital growth. The Company achieves this by acquiring solar power plants on agricultural, industrial and commercial sites.

As at 31 December 2018, NESF has raised equity proceeds of £692m (including £100m of preference shares) since its initial public offering on the main market of the London Stock Exchange in April 2014. It also has credit facilities outstanding of c.£296m in place (£148m from a syndicate including MIDIS, NAB and CBA; MIDIS: £52m; Santander £40m; and Bayerische Landesbank £56m).

NESF is differentiated by its access to NextEnergy Capital Group (NEC Group), its Investment Manager, which has a strong track record in sourcing, acquiring and managing operating solar assets. WiseEnergy is NEC Group's specialist operating asset management division and over the course of its activities has provided operating asset management, monitoring, technical due diligence and other services to over 1,300 utility-scale solar power plants with an installed capacity in excess of 1.9 GW.

Further information on *NESF*, *NEC Group* and *WiseEnergy* is available at nextenergysolarfund.com, nextenergycapital.com and wise-energy.eu.