

LEI: 213800ZPHCBDDSQH5447

3 August 2022

## **NextEnergy Solar Fund Limited**

("NESF" or the "Company")

### **86MW Additional Subsidised Solar Contracts Secured**

NextEnergy Solar Fund, the specialist solar and energy storage climate impact fund, with a combined installed power capacity of 865MW, is pleased to announce that it has successfully secured additional subsidised solar contracts in the UK. The Company has entered into contracts on 86MW of planned additional capacity through the fourth Contracts for Difference (CfD) Allocation Round (AR4) announced last month.

The CfD scheme is the government's main mechanism for supporting low-carbon electricity generation and further demonstrates the crucial role utility-scale solar plays in the UK's energy mix, helping drive forward net zero ambitions and increasing the UK's energy independence and energy security.

The CfDs have been secured for 100% of the generating capacity of Whitecross (36MW) and Hatherden (50MW), the Company's latest new-build UK solar projects. The CfDs last for 15-years, are index linked to inflation (CPI) annually, and are scheduled to commence from 31 March 2025 at the AR4 solar PV strike price of £45.99/MWh (set in 2012 equivalent prices).

Whitecross solar farm is currently under construction in Lincolnshire and is expected to be energised in the first quarter of 2023. Grid connection and construction mobilisation works are underway for Hatherden solar farm in Hampshire, which is anticipated to be energised in the first half of 2023.

#### **Ross Grier, UK Managing Director, NextEnergy Group commented:**

*"The inclusion of solar PV in AR4 demonstrates the importance of this source of clean energy generation to the transition to net zero and we are delighted to have secured CfDs for NESF through the competitive auction process. By providing long term revenue stability for the new solar plants, the CfDs complement NESF's continued delivery of attractive, risk-adjusted returns for investors whilst also achieving low-cost price security for energy consumers. Our ability to secure CfDs further underlines our market-leading position in the UK solar sector."*

For further information:

#### **NextEnergy Capital Group**

Michael Bonte-Friedheim

Aldo Beolchini

Ross Grier

Peter Hamid (Investor Relations)

020 3746 0700

ir@nextenergysolarfund.com

<b>RBC Capital Markets</b> Matthew Coakes Kathryn Deegan	020 7653 4000
<b>Cenkos Securities</b> James King William Talkington	020 7397 8900
<b>Camarco</b> Owen Roberts Eddie Livingstone-Learmonth	020 3757 4980
<b>Ocorian Administration (Guernsey) Limited</b> Kevin Smith	014 8174 2642

#### Notes to Editors<sup>1</sup>:

##### About NextEnergy Solar Fund

NESF is a specialist solar and energy storage climate impact fund. The Company is structured as a renewable energy investment company listed on the premium segment of the London Stock Exchange that invests in utility-scale solar power plants and energy storage. The Company may invest up to 30% of its gross asset value in non-UK OECD countries, 15% in solar-focused private infrastructure funds, and 10% in energy storage.

NESF currently has a diversified portfolio comprising of the following:

##### *Solar PV:*

- 100 operating solar assets across the UK and Italy (primarily on agricultural, industrial, and commercial sites)
- A 50MW co-investment into a Spanish solar project alongside NextPower III ESG, currently under construction
- A 210MW co-investment into a Portuguese solar project alongside NextPower III ESG, currently under construction
- A UK solar project under construction (Whitecross 36MW)
- A ready-to-build UK solar project (Hatherden 50MW)
- A \$50m commitment into NextPower III ESG (a private solar infrastructure fund providing exposure to both operating and under construction, international solar assets)

##### *Energy Storage:*

- A 50MW standalone battery storage project in Fife, Scotland, currently under construction (part of a 250MW joint venture with Eelpower)
- A 6MW co-located battery storage project at North Norfolk Solar Farm

The NESF portfolio has a combined installed power capacity of 865MW (excluding NextPower III MW on an equivalent look-through basis).

As at 31 March 2022, the Company had a gross asset value of £1,150 million, being the aggregate of the net asset value of the ordinary shares, the fair value of the preference shares and the amount of NESF Group debt outstanding, and a net asset value of £668.5 million.

NESF's investment objective is to provide ordinary shareholders with attractive risk-adjusted returns, principally in the form of regular dividends, by investing in a diversified portfolio of solar energy and energy storage infrastructure assets. The majority of NESF's long-term cash flows are inflation-linked via UK government subsidies.

For further information on NESF please visit [www.nextenergysolarfund.com](http://www.nextenergysolarfund.com)

### **Commitment to ESG**

NESF is committed to ESG principles and responsible investment which make a meaningful contribution to reducing CO2 emissions through the generation of clean solar power. NESF will only select investments that meet the requirements of NEC Group's Sustainable Investment Policy. Based on this policy, NESF benefits from NEC's rigorous ESG due diligence on each investment. NESF is committed to reporting on its ESG performance in accordance with the UN Sustainable Development Goals framework and the EU Sustainable Finance Disclosure Regulation.

NESF has been awarded the London Stock Exchange's Green Economy Mark and has been designated a Guernsey Green Fund by the Guernsey Financial Services Commission.

### **Article 9**

NESF is classified under Article 9 of the EU Sustainable Finance Disclosure Regulation and EU Taxonomy Regulation.

NESF's sustainability-related disclosures in the financial services sector in accordance with Regulation (EU) 2019/2088 can be accessed on the ESG section of both the NESF website ([nextenergysolarfund.com/esg/](http://nextenergysolarfund.com/esg/)) & NEC Group website ([nextenergycapital.com/sustainability/transparency-and-reporting/](http://nextenergycapital.com/sustainability/transparency-and-reporting/)).

### **About NextEnergy Group**

NESF is managed by NextEnergy Capital, part of the NextEnergy Group. NextEnergy Group was founded in 2007 to become a leading market participant in the international solar sector. Since its inception, it has been active in the development, construction, and ownership of solar assets across multiple jurisdictions. NextEnergy Group operates via its three business units: NextEnergy Capital (Investment Management), WiseEnergy (Operating Asset Management) and Starlight (Asset Development).

### **NextEnergy Capital**

NextEnergy Capital comprises the Group's investment management activities. To date, NEC has invested in over 325 individual solar plants for a capacity in excess of 2.3GW across institutional funds.

[www.nextenergycapital.com](http://www.nextenergycapital.com)

- **NextEnergy Solar Fund (“NESF”)** is a solar infrastructure investment company focused on the UK and other OECD countries, which is listed on the premium segment of the London Stock Exchange. It currently owns 865MW spread among 100 individual operating assets in the UK and Italy, comprising a gross asset value of £1,150m. NESF is one of the largest listed solar energy investment companies in the world.
- **NextPower II (“NP2”)** a private fund made up of 105 individual operating solar power plants and an installed capacity of 149MW, focused on consolidating the substantial, highly fragmented Italian solar market. NP2 was successfully divested in January 2022, a 2016 vintage vehicle that generated net IRRs in excess of its gross target of 10-12%.
- **NextPower III ESG (“NP3 ESG”)** is a private fund exclusively focused on the international solar infrastructure sector, principally targeting projects in carefully selected OECD countries, including the US, Portugal, Spain, Chile, Poland and Italy. NP3 ESG is a fund that provides a positive social and environmental impact to the countries it has and will invest into. NP3 ESG completed its fundraise with a total of \$896m, including a SMA raised. The target of the fund was \$750m.
- **NextPower UK ESG (“NP UK ESG”)** is a private unlevered fund investing in greenfield subsidy-free solar projects, with PPA’s, in the UK. NP UK ESG was launched in December 2021. The UK Infrastructure Bank is providing financing to the initial seed assets of the fund, and plans to invest up to £250m, half of the fund’s total target fund size, on a match-funding basis.

### **WiseEnergy**

WiseEnergy® is NextEnergy Capital Group’s operating asset manager. WiseEnergy is a leading specialist operating asset manager in the solar sector. Since its founding, WiseEnergy has provided solar asset management, monitoring and technical due diligence services to over 1,400 utility-scale solar power plants with an installed capacity in excess of 1.8GW. WiseEnergy clients comprise leading banks and equity financiers in the energy and infrastructure sector.

[www.wise-energy.com](http://www.wise-energy.com)

### **Starlight**

Starlight is NextEnergy Group’s development company that is active in the development phase of solar projects. It has developed over 100 utility-scale projects internationally and continues to progress a large pipeline of c.5GW of both green and brownfield project developments across global geographies.

### *Notes:*

*<sup>1:</sup> All financial data is at 31 March 2022, being the latest date in respect of which NESF has published financial information*