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17 August 2023

<b>Price (p)</b>	<b>91.70</b>
Shares in issue (m)	590
Mkt Cap (£m)	541
Net debt (£m)	200
EV (£m)	741
BVPS (p)	109.3

#### Share price performance

1m	-1.9%
3m	-12.3%
12m	-22.4%
12 m high/low	123/91.6
Ave daily vol (30D)	719,262

#### Shareholders

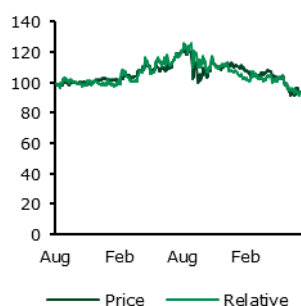
Om Residual UK	14.1%
Valu-Trac	9.0%
Prudential	8.5%
Artemis Investment	7.8%
Hargreaves Lansd'n	6.8%
Legal & General	5.3%
Investec	4.5%
Privium Fund M	3.8%
Capita	3.5%
Fundrock Partners	3.2%
Total for top 10	66.3%

Source: Bloomberg 16 Aug 23

Next news Ints Q3

#### Business description

Solar generation and energy storage investment fund



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## ASSET BASE DEVELOPS

NextEnergy Solar Fund continues to develop its asset base with a 36MW project completing in early Q2 with the company targeting this for sale under its Capital Recycling Programme. While the Q1 NAV reflects the current higher interest rate environment, the programme will give the company useful financial flexibility to develop its pipeline of c.£500m in solar and energy storage assets.

### NAV Reflects Higher Interest Rate Environment

NextEnergy Solar Fund (NESF) has issued its NAV for 30th June 2023 and an operational update. The NAV was 109.3p down from 114.3p at 31st March. By far the biggest impact was an increase in the unlevered discount rate assumption by 0.75% reflecting the Bank of England's base rate increases and long-term UK Gilt yields. The company's weighted average discount rate now stands at 8.0%. Inflation assumptions have slightly mitigated the interest rate impact and NESF continues to be one of the few yieldcos to consistently use the external ONS inflation assumptions. Power price assumption moves were a minor negative and the fund remains sensibly hedged.

### Energisation Adds to Assets in Capital Recycling Programme

A first interim dividend of 2.08p remains consistent with the full year target of 8.35p and coverage target of 1.3x – 1.5x. Coverage will be driven by operating performance which was 3.9% over budget in the first quarter and continues the funds strong operational record. A 50MW storage project in Fife has been delayed due to contractor insolvency but an alternative has recommenced the work and the project is expected to go live in Q1 2024. Total installed capacity was up only marginally to 889MW but post period end the fund has energised the 36MW Whitecross solar farm. This will be one of the five subsidy free assets for sales as part of the Capital Recycling Programme which will allow the fund to take advantage of demand for mature assets and recycle capital for balance sheet management or further investment into its pool of development opportunities.

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