Generating a more sustainable future

NEXTENERGY SOLAR FUND

Interim Results Presentation

Period ended 30 September 2023

NEXT IS NOW®

NextEnergy Group

PREMIUM MAIN MARKET LONDON STOCK EXCHANGE

GREEN ECONOMY MARK LONDON STOCK EXCHANGE

GUERNSEY GREEN FUND

SUSTAINABLE DEVELOPMENT GOALS

PRI Principles for Responsible Investment

TCFD TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

aic The Association of Investment Companies

Speakers & contents

Helen Mahy
Chair
NextEnergy Solar Fund

Ross Grier
Chief Operating Officer & Head of UK Investments
NextEnergy Capital

Stephen Rosser
Investment Director & UK Counsel
NextEnergy Capital

NEXTENERGY SOLAR FUND

Why NextEnergy Solar Fund ("NESF")

Active Management

Specialist Adviser

Revenue Security

Diversified Portfolio

NEXTENERGY SOLAR FUND

- A Specialist Solar Energy & Energy Storage Fund
- Diversified portfolio of operating solar assets
- Strong inflation-linked revenues
- Attractive dividend yield & dividend target
- Proactive management to drive shareholder value
- Attractive growth prospects for continued platform evolution

NESF Key Highlights

Key highlights (as at 30 September 2023)

Financial Highlights	**Gross Asset Value** **£1,194m** (31 March 2023: £1,218m)	**Ordinary Shareholders' NAV** **£640.0m** (31 March 2023: £674.4m)	**NAV Per Ordinary Share** **108.3p** (31 March 2023: 114.3p)
Attractive Dividend	**Dividend Target FY23/24** **8.35p** (31 March 2023: 7.52p)	**Dividend Cover In Period** **1.8x** (31 March 2023: 1.4x)	**Dividend Declared Since IPO** **£318m** (31 March 2023: £305.8m)
Disciplined Capital Structure	**Total Gearing[1]** **46.4%** (31 March 2023: 45%)	**Fixed Rate Debt** **67%** (Includes Preference Shares)	**Preference Shares** **£200m** (Fixed 4.75% preferred dividend)

(1) Total gearing is the aggregate of financial debt, look through debt and £200m of preference shares. The preference shares are equivalent to non-amortising debt with repayment in shares
(2) Forecasted target dividend cover

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Dividend track record

10 Year Dividend Growth CAGR

4.75%

FY23/24 forecasted dividend cover[1]

1.3x

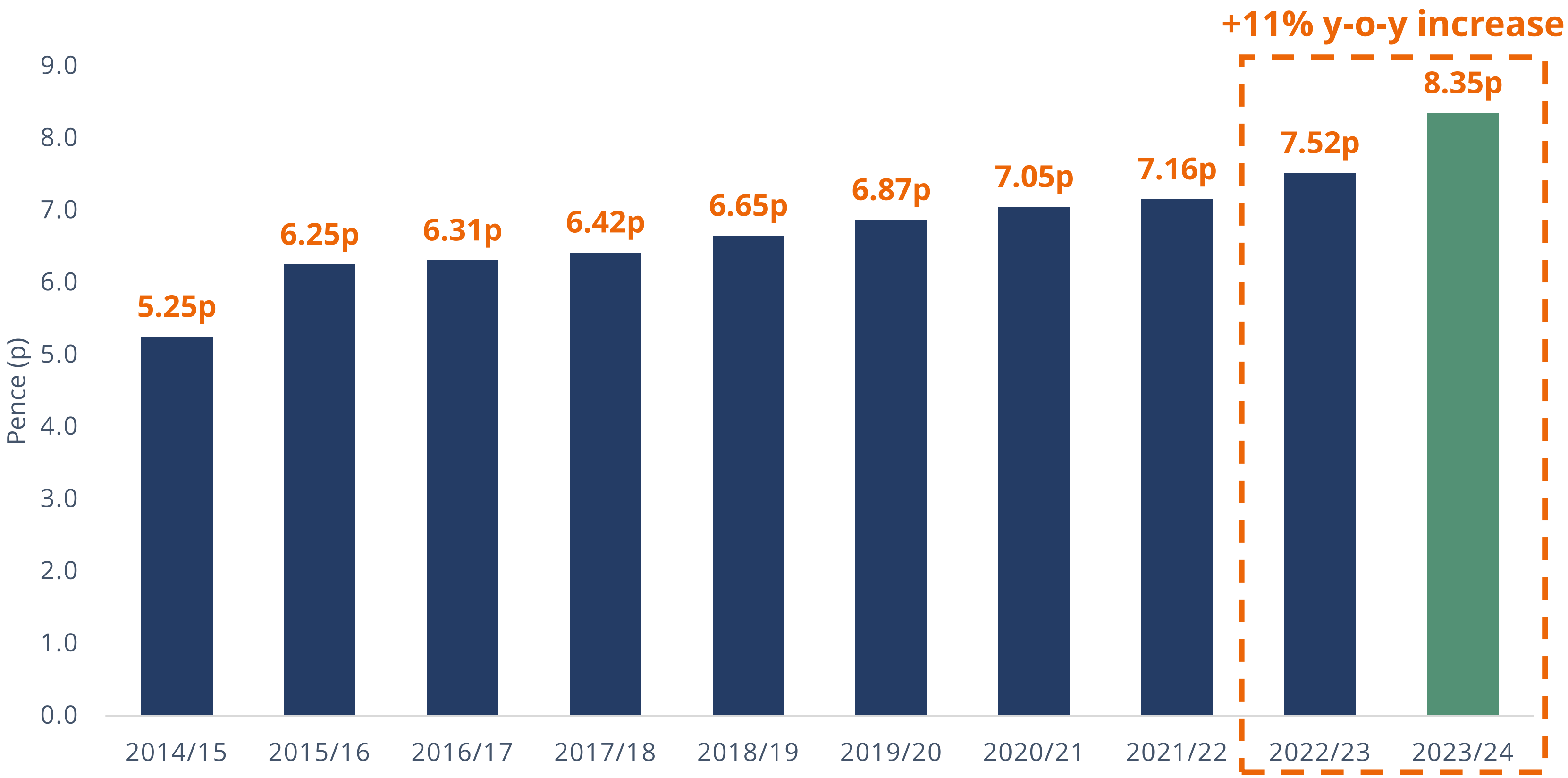
FY23/24 dividend target[1]

8.35p

Total Dividend Declared since IPO

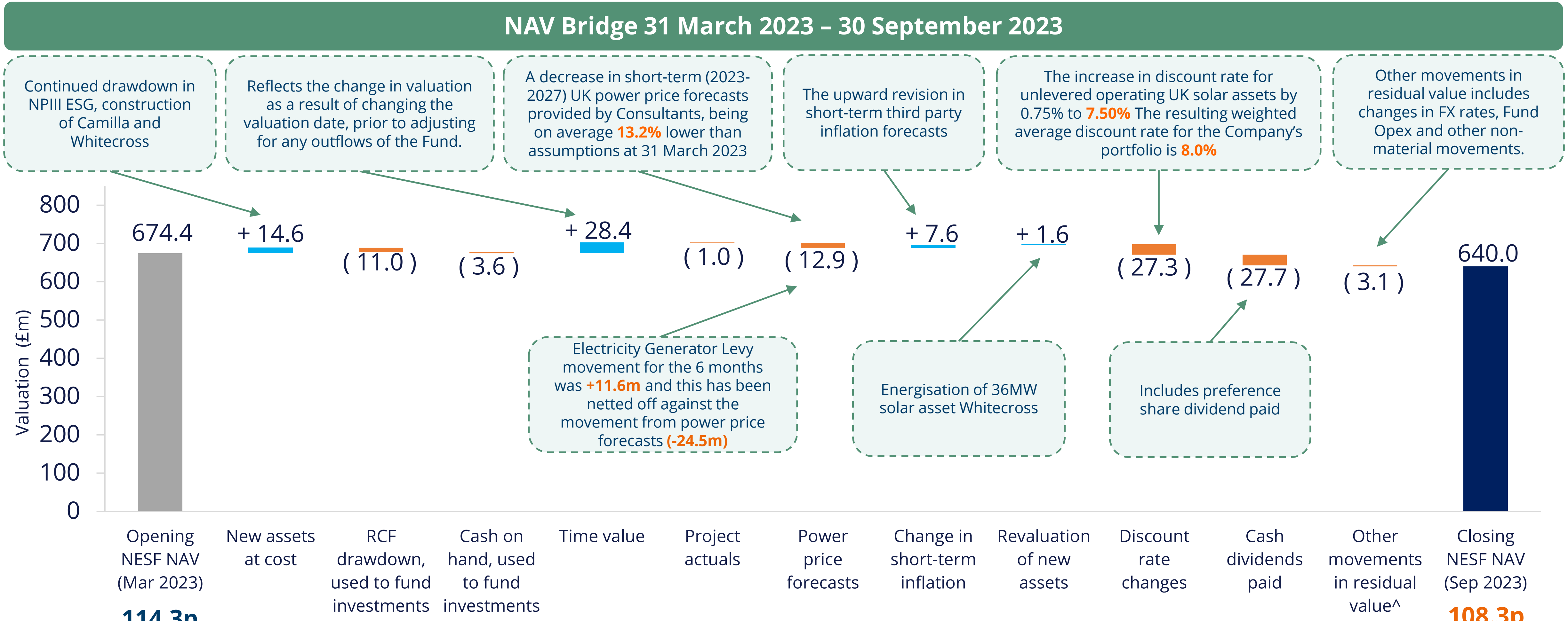
£318m

Dividend growth track record



(1) Target dividend for the financial year ending 31 March 2024

NAV bridge: six-month period



114.3p
per ordinary share
(31 March 23)

108.3p
per ordinary share
(30 Sept 23)

(1) Full breakdown of NAV bridge available on page 29

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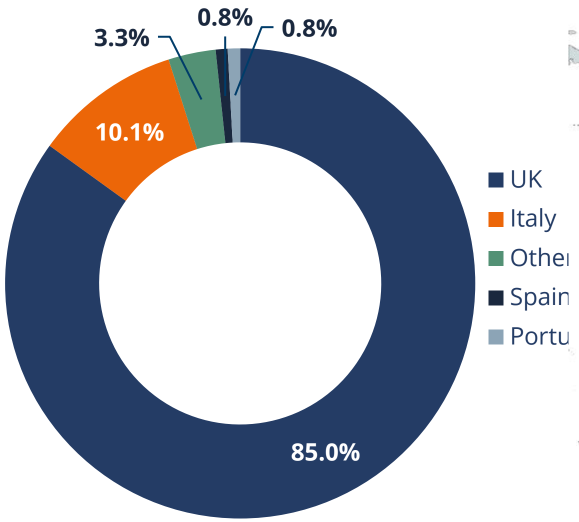
Portfolio & Strategy Update

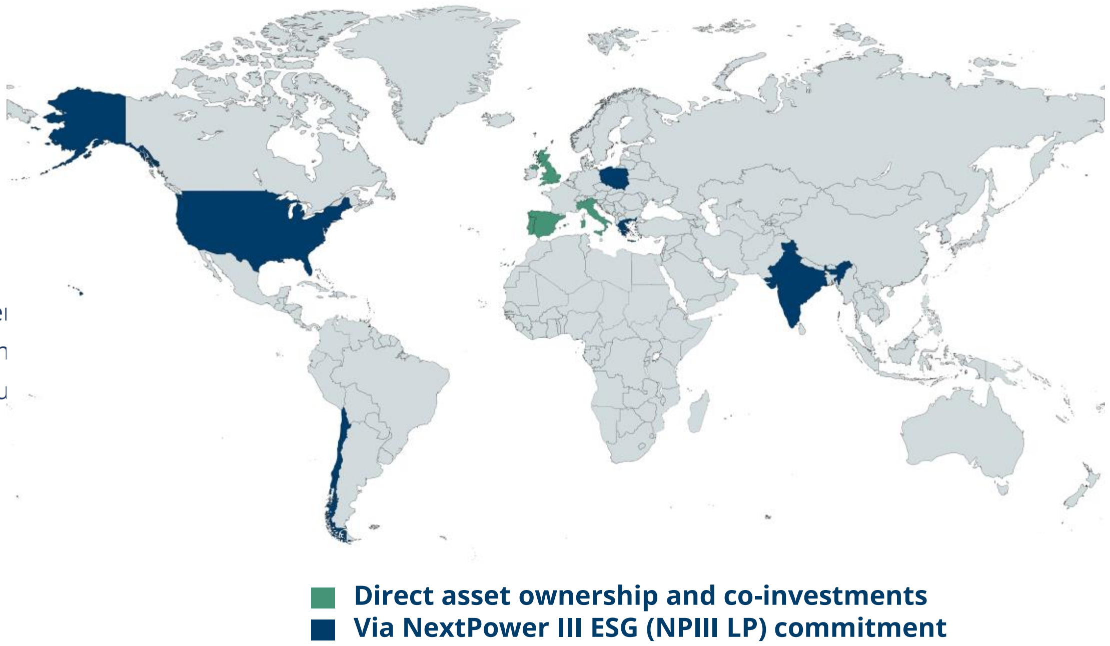
Operating portfolio

Operating Solar Assets	Installed capacity[2]	Commitment to NPIII ESG[1]	Weighted average asset life
100	933MW	$50m	26.4 years
(31 March 2023: 99)	(31 March 2023: 889MW)		

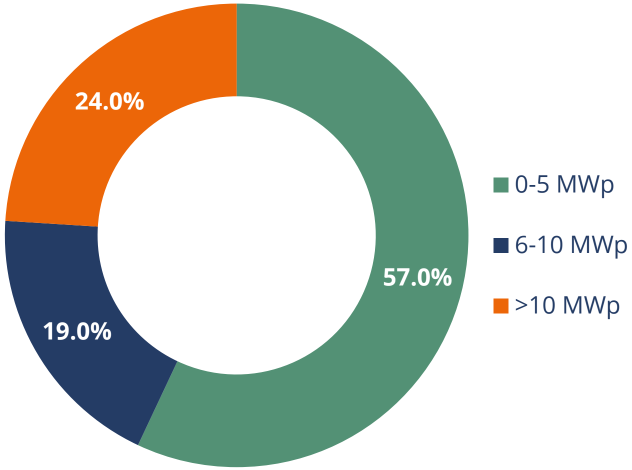
By Location[3]



% of invested capital



By Installed Capacity[3]



% of assets

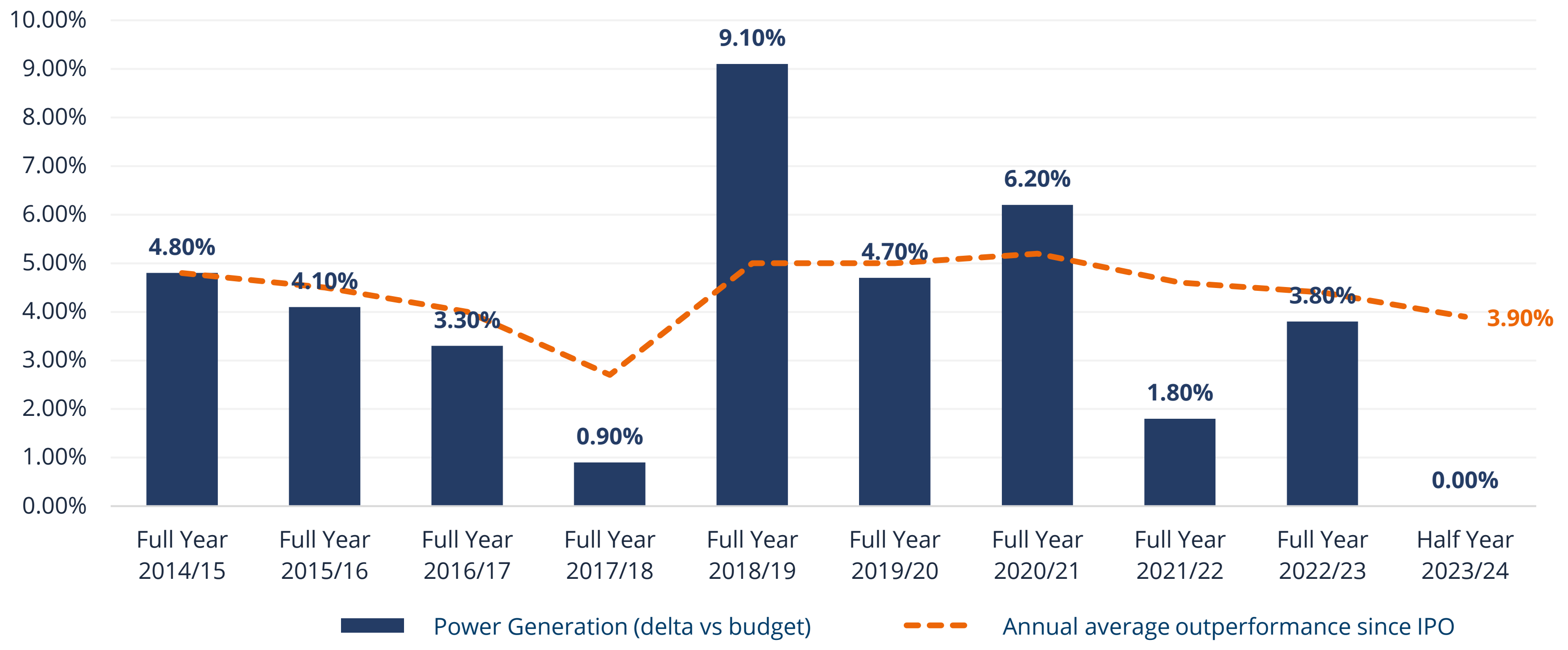
(1) NextPower III ESG = NPIII
(2) Excluding NextPower III
(3) Figures are stated to the nearest 0.1% which may lead to rounding differences

Track record of operating outperformance

- Energy generated during the period was **599GWh** (31 March 2023: 639GWh)
- During the period, solar irradiation across the portfolio was **6.1%** above budget (2022: 9.9%)
- Portfolio generation **in line** with budget for the period ended 30 September 2023 although has been impacted by Distribution Network Operators ("DNOs") outages[1] which remain elevated due to backlogs
- Without DNO outages, portfolio generation for the period would have been **c.3.4%** above budget (30 September 2022: 6.1%)
- Consistently generated more electricity than acquisition budget (**+3.9% p.a. since IPO**)
- Opportunity to continue the Company's asset improvement works focusing on:

  - **Inverter refresh programme** to drive asset performance
  - **Repowering assets programme** to extend asset life whilst introducing the latest technologies

Power Generation Performance against Budget (%)



(1) Distribution Network Operators complete rolling programmes of preventative maintenance and upgrade works. This ensures stability of the energy supplied to consumers and expansion of the networks, which contributes to the grids ability to connect more distributed generation and improve the UKs energy security. In order to keep their staff safe, they often need to de-energise power lines to complete these works.

Protecting future cash flows

- NESF continues to lock in power price hedges over a rolling **36-month period**
- This proactive risk mitigation helps secure and underpin both dividend commitments and dividend cover, whilst reducing volatility and increasing visibility of cash flow.
- **Sustained high power price environment** continues to offer attractive hedging opportunities
- NESF has a specialist energy sales desk that **mitigates market price volatility** whilst locking in weighted average prices by **forward hedging above forecast prices**
- **c.50%** of revenues typically **RPI-linked government-backed subsidies**

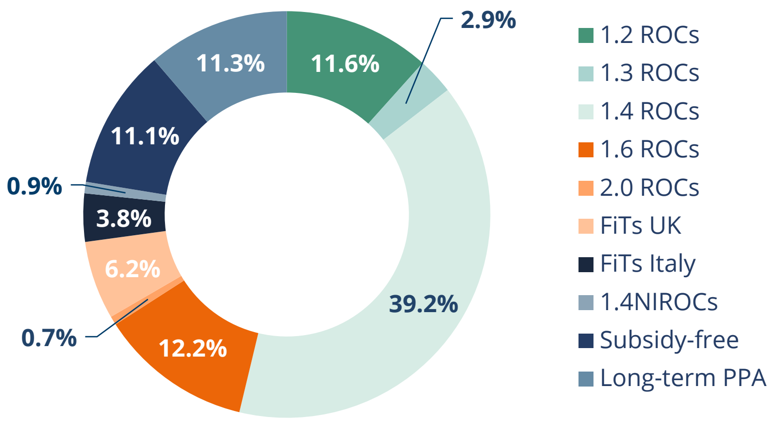
Weighted Average Subsidy Life

11.4 years

Hedging position of budgeted generation on c.50% revenue through sales desk[1]

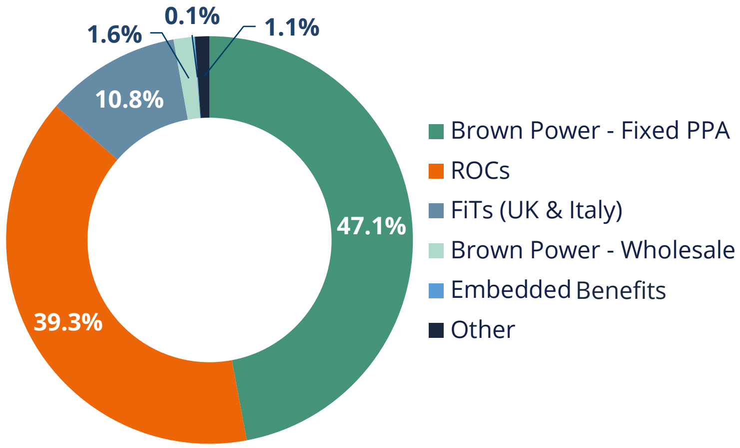
2023/24	2024/25	2025/26
94%	**44%**	**13%**
Average fix price of **£79.2MWh**	Average fix price of **£91.4MWh**	Average fix price of **£147.2MWh**

By Subsidy/PPA[2, 3]



% of assets by MW capacity

By Revenue Type[2, 3]



% of total revenue for the period ended 30 September 2023

(1) As at 30 September 2023, the Company has agreed pricing covering 88% of the total portfolio (716MW)
(2) As at 30 September 2023
(3) Figures are stated to the nearest 0.1% which may lead to rounding differences

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Strategic growth & pipeline

- Pursue international **Solar PV** and **UK energy storage**
- **Actively recycle capital** through capital recycling programme
- Continue to maintain its **disciplined approach to capital allocation** to ensure investment activity is accretive and in line with the Company's strategy

Portfolio benefits:

- Provide **NAV-accretive growth opportunities**
- **Add diversification benefits** from a geographic, asset, technology and revenues perspective
- Strengthen dividend cover and **enhance returns**

Solar PV

Capital recycling programme – X1 asset sold
+
International expansion – Via co-investments
+
Co-investment opportunities – X2 assets

Energy Storage

Stand-alone batteries – 300MW secured
+
Co-located batteries – Retrofit programme

Immediate pipeline identified

>£500m

(1) Gross Asset Value (GAV) investment policy limits: 10% of GAV into Standalone Energy Storage / 15% of GAV into Solar Private Equity structure / 30% of GAV into International OECD Solar Assets

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Active management – Capital Recycling Programme

- Post period end, **first phase** of the Capital Recycling Programme successfully **complete**
- Sale of Hatherden[1] a **60MW** ready-to-build solar asset for **£15.2m** (£8.7m is consideration for the acquisition and £6.5m is the reimbursement of invested capital)
- The Transaction is NAV accretive and will generate an estimated uplift of **1.27p**, which will be reflected in the Company's NAV per share as at 31 December 2023
- The Transaction represents a **100% premium** to its holding value (**2.0x** Multiple on Invested Capital) and an attractive **57%** IRR
- The proceeds will be immediately used to **reduce** the Company's drawn short-term debt via its Revolving Credit Facilities ("RCF")

Subsidy-free solar asset	Installed Capacity	Status	Location	Update
Hatherden	60MW	Ready-to-build	Hampshire, UK	Sold in Phase 1
Whitecross	36MW	Operational	Lincolnshire, UK	In third party sales process
Staughton	50MW	Operational	Bedfordshire, UK	In third party sales process
The Grange	50MW	Operational	Nottinghamshire, UK	In third party sales process
South Lowfield	50MW	Operational	Yorkshire, UK	In third party sales process

Maximising value

1. Capital Recycling Programme announced
2. **36MW** solar asset **Whitecross** energised
3. **Hatherden:** secured an import connection and associated rights for installation of the 7MW co-located energy storage project
4. **Hatherden:** securing a Contract for Difference ("CfD") contract under Auction Round 4 for 100% of its generation capacity.
5. **Hatherden:** increased the installed capacity of the project from **50MW** to **60MW** through technical optimisation
6. Sale of **Hatherden** a **60MW** ready-to-build solar asset
7. Ongoing phased sale process for **186MW** portfolio

(1) Due to the sale of Hatherden being classified as a smaller related party transaction under the FCA's Listing Rules, the Board appointed Deloitte to undertake an independent valuation. The Board also obtained a written confirmation from the Company's Sponsor ("Cavendish"), that the Transaction was fair and reasonable as afar as the shareholders are concerned as required under Listing Rule 11.1.10R. All related-party disposals are at the Board's discretion and, in the case of any related party transaction, compliance with the FCA's Listing Rules, and there are no exclusivity arrangements in place between NESF and any member of the NextEnergy Group in relation to the Transaction or future disposals. The Transaction constitutes a smaller related party transaction as set out in Listing Rule 11.1.10R.

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Capital Structure

Disciplined capital structure (as at 30 September 2023)

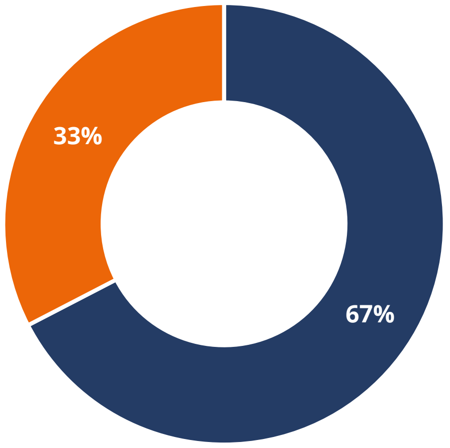
Total Gearing to GAV[1]
46.4%
(Gearing level limit of 50% GAV)

Preference Shares
c.£200m
(Fixed preferred dividend of 4.75% p.a)

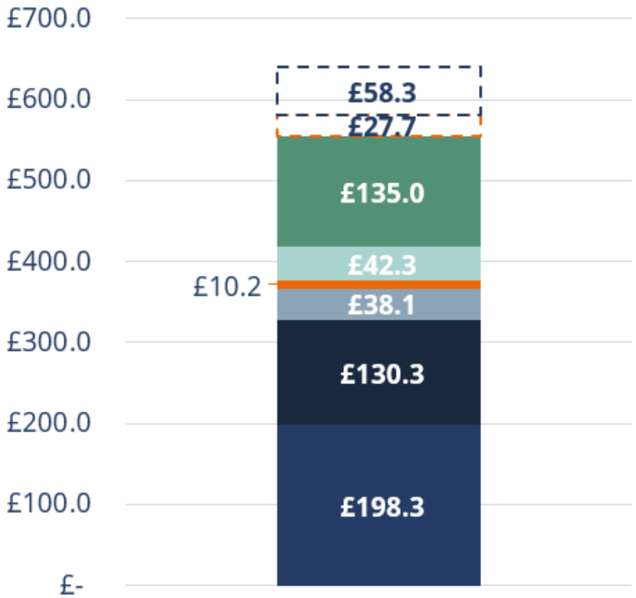
Weighted Average Cost of Debt
4.2%
(3.9% excluding preference shares)

Weighted Average Cost of Capital[2]
6.3%
(31 March 2023: 5.7%)

% Fixed Vs Floating Debt



Total Debt (£m)



The **£15.2m cash** proceeds from the Hatherden transaction will be used to reduce the Group's £177m of short-term debt levels

Available capital **does not include** proceeds from the Hatherden transaction and committed capital

Available Firepower[5] including cash proceeds from the Hatherden transaction **£47.7m**

Long term debt outstanding[3]
c.£168.3m

Short term debt outstanding[3]
c.£177m
(£205m short term debt facilities available)

Available Capital[4]
£32.5m
(£24m committed capital)

(1) Includes preference shares, see page 42 for full details on financial debt outstanding
(2) Pre-Tax WACC
(3) Figures are stated to the nearest 0.1% which may lead to rounding differences
(4) Out of the total £205m immediate RCF available to the Company, c.£27.7m remains undrawn and available, the Company also has c.£4.8m immediate cash balance available at Fund level as at 30 September 2023 (this is separate from the cash currently held at Holdco/SPV level).
(5) Assuming Hatherden cash proceeds alongside available capital balance as at 30 September 2023

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ESG, Sustainability & Outlook

An impact ESG investment

- NESF is classified as **Article 9 fund** under EU SFDR and Taxonomy
- Establishment of **ESG Board Committee**, chaired by Josephine Bush, Non-Executive Director of NESF
- Released second dedicated **standalone ESG report** in July 2023 (first at November 2022)
- Benefits from a **leading biodiversity team** that includes a specialist environmental impact manager

Green Impact Data Track Record

Metric	Units	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	HY2023
GHG avoided	ktCO$_2$e	30.6	110	191.4	211.2	299.4	307.7	317.6	328.7	363	**252.5**
NOx avoided	tonnes	41.3	108.3	176.3	193.1	276.5	274.4	283.4	296.3	331.1	**227.8**
Sox avoided	tonnes	94.1	214.4	335.8	365.9	499.2	511.9	527.5	549.7	612.4	**419.2**
PM2,5	tonnes	2.4	8.4	14.5	15.9	22.6	23.2	24	25.2	28.3	**19.6**
PM10	tonnes	0.9	2.3	3.7	4	5.6	5.8	5.9	6.2	56.9	**4.8**
Fossil Fuels avoided	tonnes oil equivalent	13	46.9	81.6	90	127.7	131.2	135.9	142.8	160.3	**111.1**
	million barrels	0.1	0.34	0.6	0.66	0.94	0.96	1	1.05	1.2	**0.8**

NESF ktCO2e avoided since IPO[2]
2,181

Estimated UK homes powered
334,200
(30 September 2023: 354,300)

Tonnes of CO2e emissions avoided
252,500
(30 September 2023: 266,500)

Clean electricity generated
599GWh
(30 September 2022: 639GWh)

(1) GHG emissions data provided by Green Investment Group calculated using their Green Impact methodology based on information provided by NextEnergy Capital for the period ending 30 September 2023
(2) Estimations provided by Green Investment Group using an annual average figure of the entire portfolio's (operational and pre-operational projects) GHG emissions of NESF based on the portfolio's forecast renewable electricity generation

Going forward

- Deliver the Capital Recycling Programme & reduce debt
- Drive growth through Solar PV & Energy Storage strategy
- Provide an ongoing attractive dividend to shareholders
- Focus on adding NAV-accretive value to shareholders
- Continue to optimise the running of the existing large portfolio
- Maintain a defensive capital structure
- Continue to identify opportunities to add value

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Q&A

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Appendix: About NextEnergy Solar Fund

Key Facts

Fund Structure	▪ Guernsey-domiciled closed-end investment
Issue / Listing	▪ Launched in 2014 ▪ Premium listing of ordinary shares on the London Stock Exchange ▪ Stock ticker code: NESF
Governance / Management	▪ Board of Directors: 6 Independent Board Members ▪ Investment Manager: NextEnergy Capital IM Limited ▪ Investment Adviser: NextEnergy Capital Limited ▪ Operational Asset Manager: WiseEnergy Limited
Ongoing charge	▪ 1.1% as calculated by the AIC: https://www.theaic.co.uk/companydata/0P00012KIL/charges
Investment Policy	▪ 10% of GAV may be invested in standalone energy storage systems ▪ 15% of GAV may be invested in solar assets through private equity structures ▪ 30% of GAV may be invested in OECD countries outside the UK ▪ 3% of GAV may be invested in non-OECD countries ▪ 10% of GAV may constitute assets that are under development ▪ No single investment in any one asset will constitute more than 30% of GAV ▪ The four largest solar assets will not constitute more than 75% of GAV ▪ Leverage may not exceed 50% of GAV
Contact	▪ Investor Relations: peter.hamid@nextenergycapital.com ▪ Website: www.nextenergysolarfund.com

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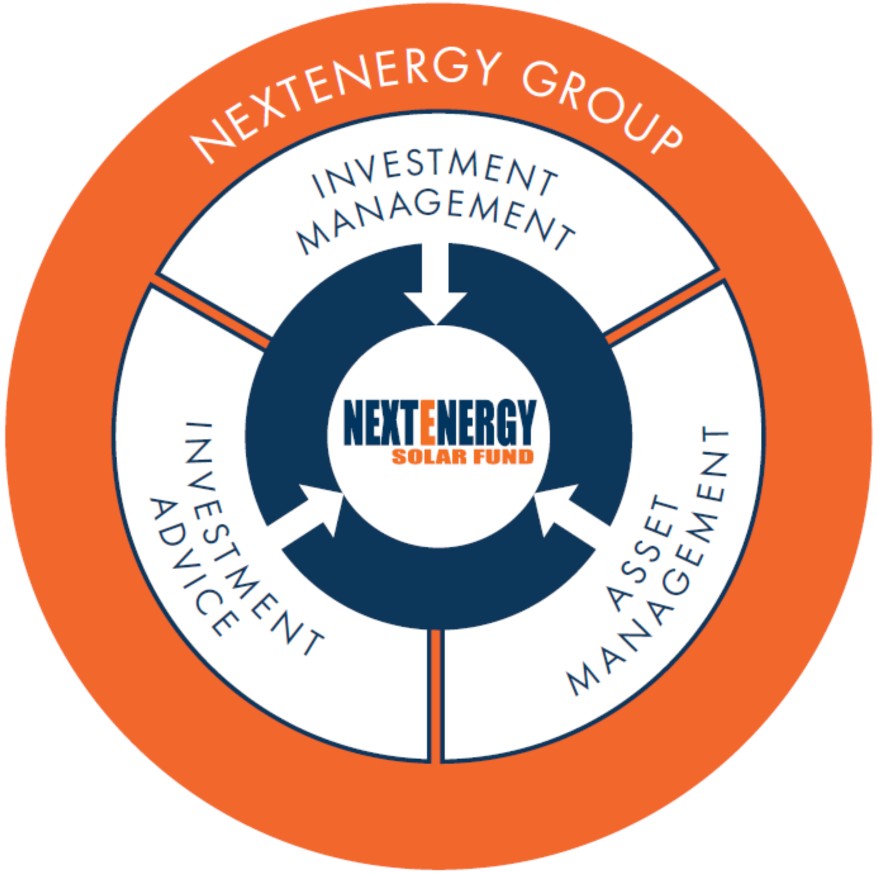
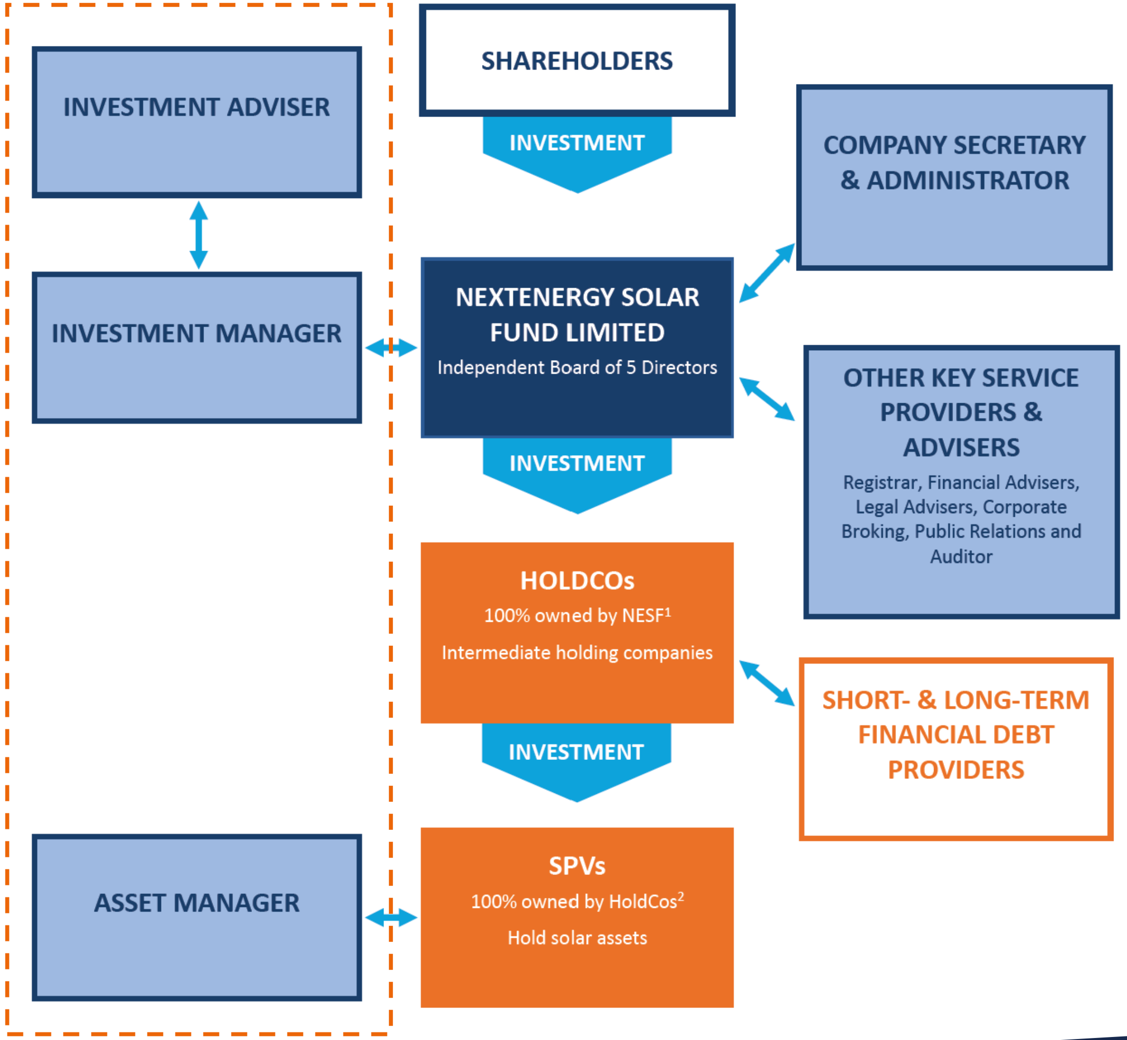
NextEnergy Solar Fund structure





NextEnergy Solar Fund Board of Directors

Helen Mahy

Chair

Patrick Firth

Non-executive Director

Jo Peacegood

Non-executive Director

Vic Holmes

Senior Independent Director

Josephine Bush

Non-executive Director

Paul Le Page

Non-executive Director

NextEnergy Capital Investment Committee

Michael Bonte-Friedheim

Founding Partner and Group CEO of NextEnergy Group

Giulia Guidi

Head of Environmental, Social and Governance (ESG) at NextEnergy Capital

Ross Grier

COO, Head of UK Investment NextEnergy Capital

Aldo Beolchini

Managing Partner and Chief Investment Officer of NextEnergy Group

NextEnergy Capital Investment Management Board of Directors

Joseph D'Mello

Jeremy Thompson

Charlotte Denton

Value add of NextEnergy Group

NextEnergy Group

NextEnergy Capital — Investment Management

- c.**$3.9bn Solar** AUM
- Over **400** solar assets acquired
- **3GW+** portfolio across UK, Italy, US, Portugal, Spain, Chile, Poland, Greece, and India
- **111** team members[1]

Wise Energy — Asset Management

- **1,250+** solar and battery assets managed and/or monitored
- **1.6GW+** installed capacity under management
- **163** team members[1]
- Global presence

Starlight — Development

- Green and brownfield project development across geographies
- Over **100** utility-scale projects developed internationally
- Current pipeline **c.10GW** under development
- **25** team members[1]

NextSTEP (A NextEnergy Group Company) — Incubator

- Targeting startups focused on sustainability and environmental technologies
- In partnership with the leading sustainability accelerator programme VeniSIA
- NextEnergy Group to provide initial **€3m** funding

NextEnergy Foundation — Foundation

- International charity founded in 2016
- Participate proactively to reduce carbon emissions, provide clean power, and contribute to poverty alleviation
- NextEnergy Group donates **5%** of its yearly profits to NEF

cfi.co 2023 Best Solar Asset Manager Winner UK

Environmental Finance IMPACT Awards 2022 Winner — Impact initiative of the year: Europe

Environmental Finance Sustainable Investment Awards 2023 Winner — ESG investment initiative of the year – Europe

(1) As at 03/07/2023

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Value add of WiseEnergy

WiseEnergy is NESF's operating asset manager

- WiseEnergy is a global solar asset manager part of the NextEnergy Group, with **over 11 years experience monitoring and delivering operating optimisation and outperformance**
- WiseEnergy oversees all elements of the solar asset's life from as early as the project construction phase up into the operational stage. Its dedicated global teams are split across the three main pillars of asset management: technical, commercial and financial, to deliver operating optimisation and outperformance. It does so through the following areas:

1. Increasing asset revenue
2. Minimising asset risk
3. Minimising asset opex

cfi.co 2021 BEST SOLAR ASSET MANAGER WINNER UK

cfi.co 2022 BEST SOLAR ASSET MANAGER WINNER UK

cfi.co 2023 BEST SOLAR ASSET MANAGER WINNER UK

WiseEnergy consistently drives superior results through:

- Continuous investment in research and development and a long-term commitment to innovation
- A proprietary technology platform that delivers rapid and high-quality data driven insights and results, irrespective of asset size or location
- A leading commitment to ESG, including biodiversity

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Appendix: NAV

NAV bridge breakdown: 6-month period to 30 September 2023

- Increase of 0.75% in the discount rate for unlevered operating UK solar assets
- Inflation assumptions updated to reflect the latest available third-party inflation data
- Updated power price forecasts capturing the latest available third-party advisor long-term power curves

NAV bridge[1]: 31 March 2023 – 30 September 2023

	NAV p/share	NAV
At 31 March 2023	**114.3p**	**£674.4m**
New assets at cost	2.5p	£14.6m
RCF drawdown, used to fund investments	(1.9p)	(£11.0m)
Cash on hand, used to fund investments	(0.6p)	(£3.6m)
Time value	4.8p	£28.4m
Project actuals	(0.2p)	(£1.0m)
Power price forecasts	(2.3p)	(£12.9m)
Changes in short-term inflation	1.3p	£7.6m
Revaluation of new assets	0.3p	£1.6m
Discount rate changes	(4.6p)	(£27.3m)
Cash dividends paid	(4.7p)	(£27.7m)
Other movements in residual value[2]	(0.6p)	(£3.1m)
At 30 September 2023	**108.3p**	**£640.0m**

Footnotes:

1) The movement in the NAV over the six-month period was driven primarily by the following factors:
   - The increase in discount rate for unlevered operating UK solar assets. As announced on 17 August 2023, during the period, the Company increased the discount rate for unlevered operating UK solar assets by 0.75% to 7.50% The resulting weighted average discount rate for the Company's portfolio was 8.0% (31 March 2023: 7.3%);
   - A decrease in short-term (2023-2027) UK power price forecasts provided by Consultants, being on average 13.2% lower than assumptions at 31 March 2023;
   - The upward revision in short-term inflation forecasts;
   - Revaluation of new assets in the Company's portfolio;
   - The operating results achieved by the Company's solar assets; The dividends declared and operating costs incurred during the year.
2) Other movements in residual value includes changes in FX rates, Fund Opex and other non-material movements

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Discount rate assumptions (30 September 2023)

- Increase of **0.75%** in the discount rate for unlevered operating UK solar assets over the last six-months (31 March 2023: 6.75%)

Discount Rates

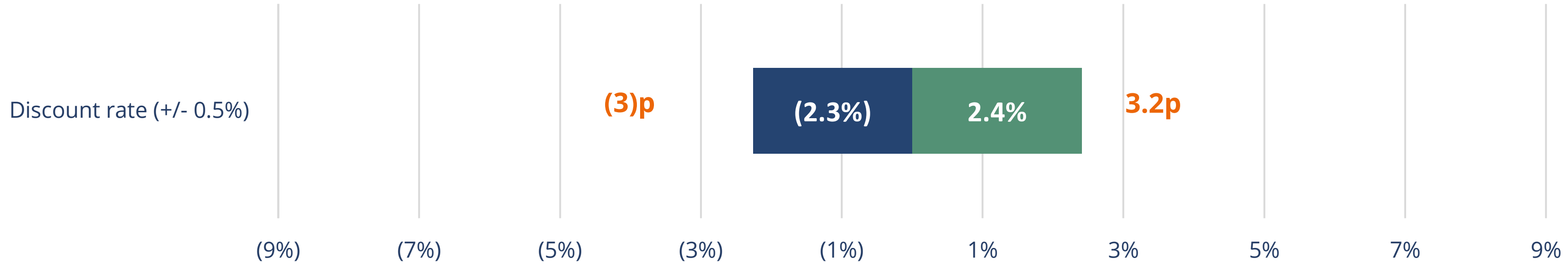
Discount rate assumptions	As at 30 September 2023	As at 31 March 2023
UK unlevered	**7.50%**	6.75%
UK levered	**8.20 - 8.50%**	7.45 - 7.75%
Italy unlevered [1]	**9.00%**	8.25%
Subsidy-free (uncontracted) [2]	**8.50%**	7.75%
Life extensions [3]	**8.50%**	7.75%

Weighted average discount rate

8.0%

(31 March 2023: 7.3%)

Discount Rates Sensitivities as at 30 September 2023 (+/- 0.5%)



(1) Unlevered discount rate for Italian operating assets implying 1.50% country risk premium
(2) Unlevered discount rate for subsidy-free uncontracted operating assets implying 1.0% risk premium
(3) 1.0% risk premium for cash flows after 30 years where leases have been extended
NAV sensitivities provided on a semi annual basis as at 30 September and 31 March

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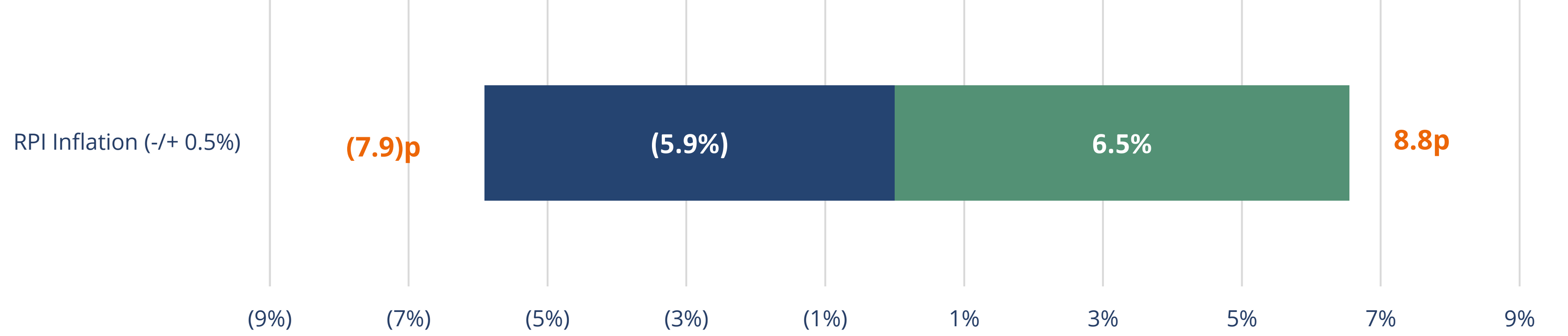
Inflation assumptions (30 September 2023)

- The Company continues to take a consistent approach to its inflation assumptions, using external third-party, independent inflation data from HM Treasury Forecasts and long-term implied rates from the Bank of England for its UK assets. For international assets, IMF forecasts are used

Inflation update breakdown

Calendar Year	2023/24	2024/25	2025/26	2026/27	2027/28	2028-2030	2030 onwards
30 Sept 2022	5.90%	3.60%	3.40%	3.90%	3.00%	3.00%	2.25%
31 Dec 2022	7.00%	4.20%	3.90%	3.80%	3.00%	unchanged	unchanged
31 Mar 2023	4.90%	3.40%	3.30%	3.20%	3.70%	unchanged	unchanged
30 June 2023	6.30%	3.50%	2.60%	3.00%	3.40%	unchanged	unchanged
30 Sept 2023	**6.80%**	**3.90%**	**2.80%**	**2.70%**	**3.30%**	**unchanged**	**unchanged**

RPI Inflation NAV Sensitivities[1] as at 30 September 2023 (-/+ 1%)



(1) NAV sensitivities provided on a semi annual basis as at 30 September and 31 March

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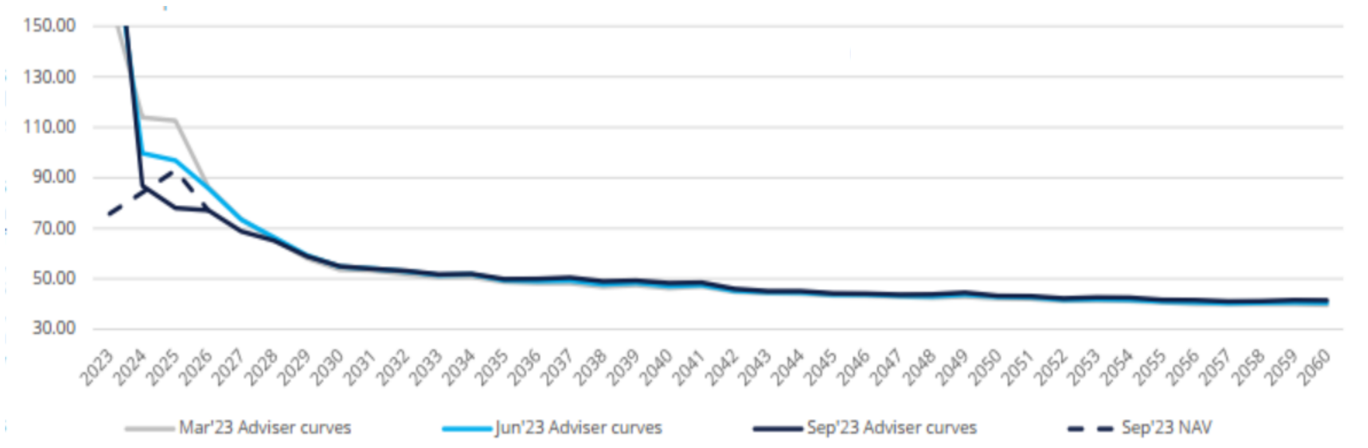
Forecast power prices (real 2023)

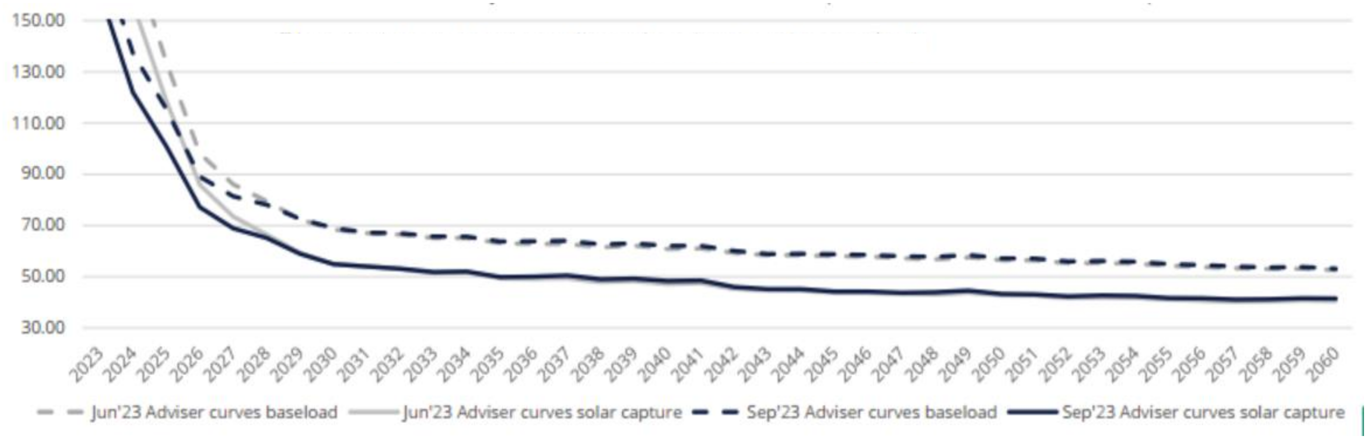
- Forward power prices significantly above previous forecasts
- The Company's current UK 20-year average power price forecast represents an increase of 8.4% compared to that used at the end of the previous financial period (and 39.5% below the average price used at IPO)

	31 March 2023	**30 September 2023**
UK short-term power price average (2023-27)	£105.2/MWh (real 2023)	**£91.4/MWh (real 2023)**
UK long-term power price average (2028-42)	£50.9/MWh (real 2023)	**£52.2/MWh (real 2023)**

Blended power curves (capture price)



Blended power curves (baseload vs capture price)

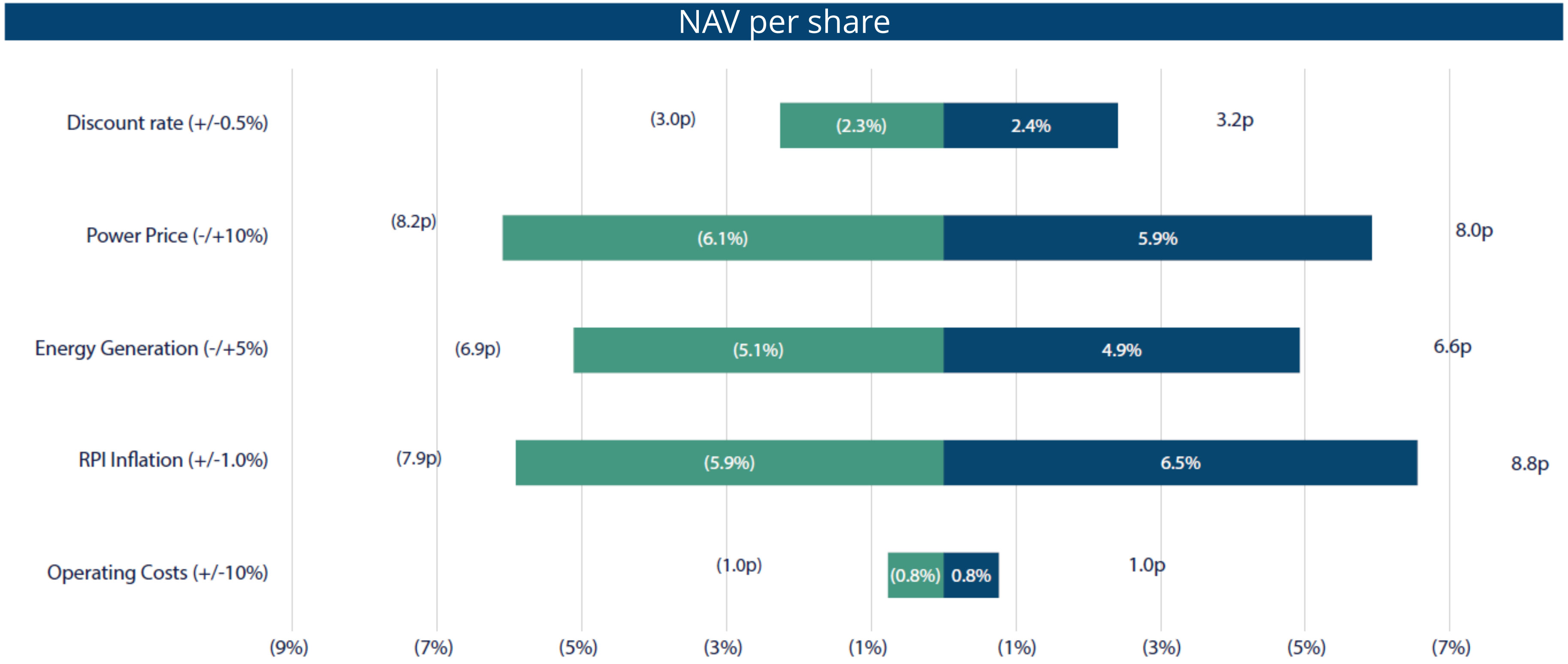


(1) Source: Independent Energy Market Consultants

NEXTENERGY SOLAR FUND

NAV sensitivities (30 September 2023)

- NAV sensitivities updated every six months at interim and full-year results
- The sensitivity highlights the percentage change in the portfolio valuation resulting from a change in the underlying variables
- It also shows the impact on the NAV per share



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Appendix: Portfolio

Evolution of portfolio since IPO

IPO
- £85.6m raised at IPO in April 2014 and 100% deployed within five months
- Focused on subsidised UK solar

2014
- £99.6m raised November/December 2014, 100% deployed six weeks later
- 127MW total installed capacity

2015
- £100.2m raised, 100% deployed six weeks later
- 276MW total installed capacity

2016
- £180m raised (£64.7m used to repay debt facility and £115.3m 100% deployed within ten months)
- 424MW total installed capacity

2017
- £126.5m raised,100% deployed within 14 months
- 569MW total installed capacity
- Government stops solar subsidies
- First international subsidised solar assets added in Italy (34.5MW)

2018
- £100m raised, used to partially repay debt facility, remaining funds deployed in two months
- £100m preference share issues
- 691MW total installed capacity
- First sub-free asset energised

2019
- 755MW total installed capacity
- Awarded LSE's Green Economy Mark
- Largest UK sub-free solar asset energised in UK
- First co-located battery assets
- £100m preference share issues

2020
- 763MW total installed capacity
- Promoted to FTSE 250
- Investment policy change: unlocking
  - ✓ 10% energy storage,
  - ✓ 15% solar PE funds,
  - ✓ 30% international solar
- Sells first dev sub-free assets (115MW)

2021
- 865MW total installed capacity
- New corporate broker
- £100m JV with EelPower
- First 50MW standalone battery
- First $50m commitment to NPIII ESG
- 150MW Sub-free target reached

2022
- £200m JV with EelPower
- 250MW standalone battery
- Succession to Chairman
- First standalone sustainability report
- Article 9 status
- First co-located battery
- First solar co-investments (Spain & Portugal

2023
- Capital Recycling Programme ("CRP") introduced
- Helen Mahy appointed Chair
- Phase 1 of CRP complete
- Energy storage strategy details released

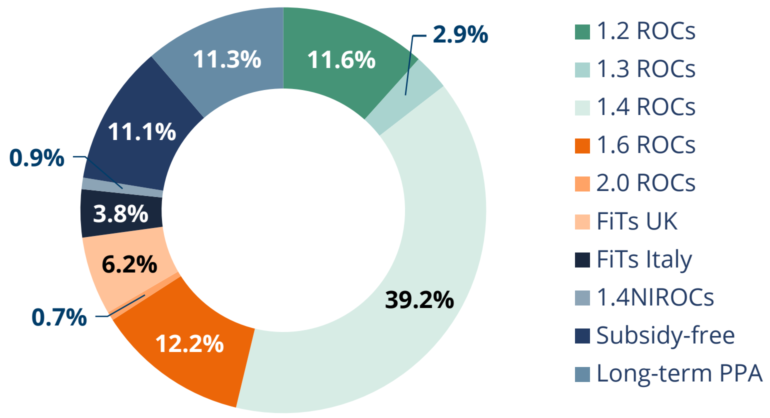
NEXTENERGY SOLAR FUND

Investment policy limits (30 September 2023)

Technological Limit	▪ The Company may also invest in standalone energy storage systems (not ancillary to or co-located with solar PV assets owned by the Company) up to an aggregate limit of **10%** of the Gross Asset Value (calculated at the time of investment)	▪ **4.6%** of GAV currently invested
Private Equity Limit	▪ **15%** of the Gross Asset Value may be invested in solar assets through private equity structures (calculated at the time of investment)	▪ **3.2%** of GAV currently invested
Geographical Limit	▪ The Company is permitted to invest up to **30%** of GAV (at the time of investment) in OECD countries outside the UK ▪ The Company may acquire an interest in solar PV assets located in non-OECD countries where those assets form part of a portfolio of solar PV assets in which the Company acquires an interest and where the Company's aggregate investment in any such assets is, at the time any such investment is made, not greater than **3%** of the Gross Asset Value	▪ **14.0%** of GAV currently invested non-UK ▪ **0.2%** of GAV currently invested outside OECD through NPIII
Development Limit	▪ The Company mostly acquires operating solar assets, but it may also invest in solar assets that are under development (that is, at the stage of origination, project planning or construction) when acquired ▪ Such assets in aggregate will not constitute (at the time of investment) more than **10%** of GAV	▪ Currently constitutes **5.0%** of GAV
Single Asset Limit	▪ No single investment by the Company in any one solar asset will constitute (at the time of investment) more than **30%** of GAV ▪ In addition, the four largest solar assets will not constitute (at the time of investment) more than **75%** of GAV	▪ The largest investment in one solar asset currently constitutes **3.6%** of GAV
Gearing Level	▪ Leverage of up to **50%** of GAV	▪ Gearing (including preference shares) stands at **44.6%**

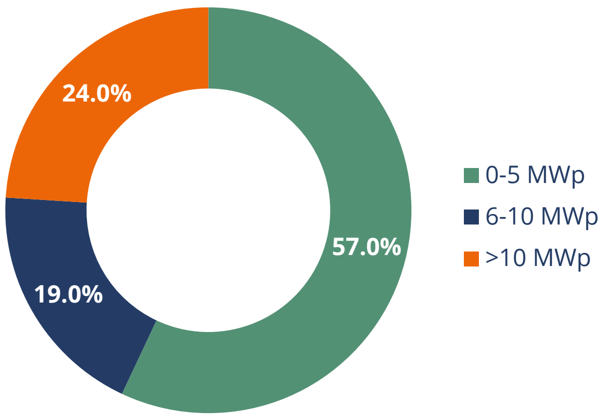
Portfolio breakdown (30 September 2023)

By Subsidy/PPA[1]



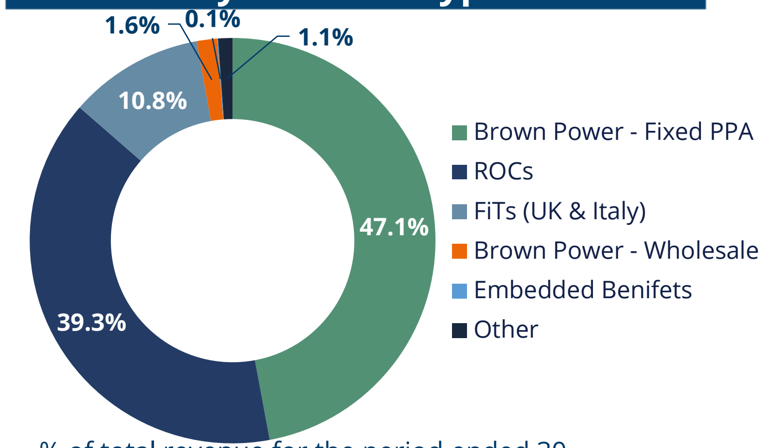
% of assets by MW capacity

By Installed Capacity[1]



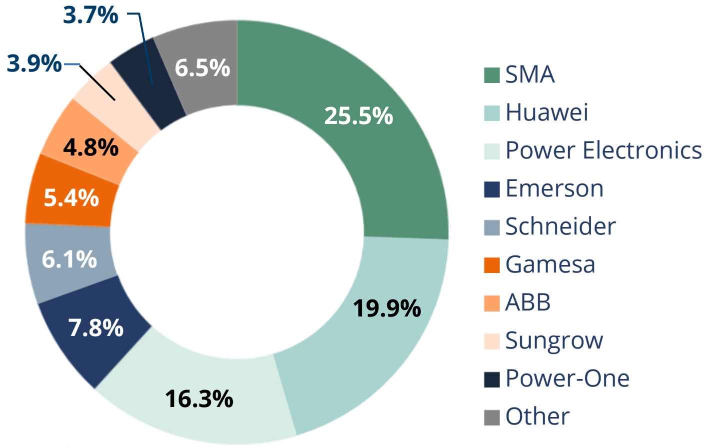
% of assets

By Revenue Type[1]



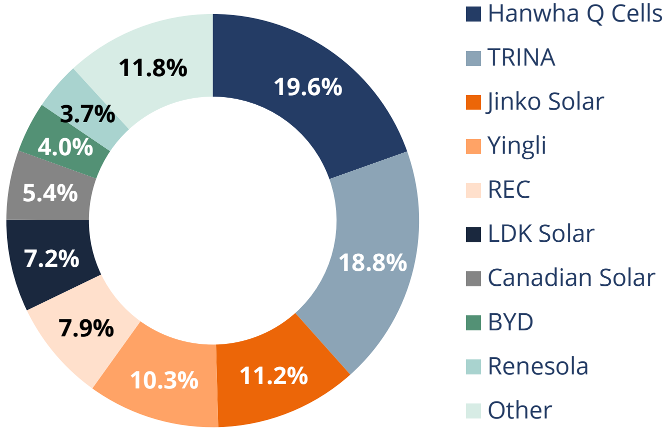
% of total revenue for the period ended 30 September 2023

By Inverter Manufacturer[1]



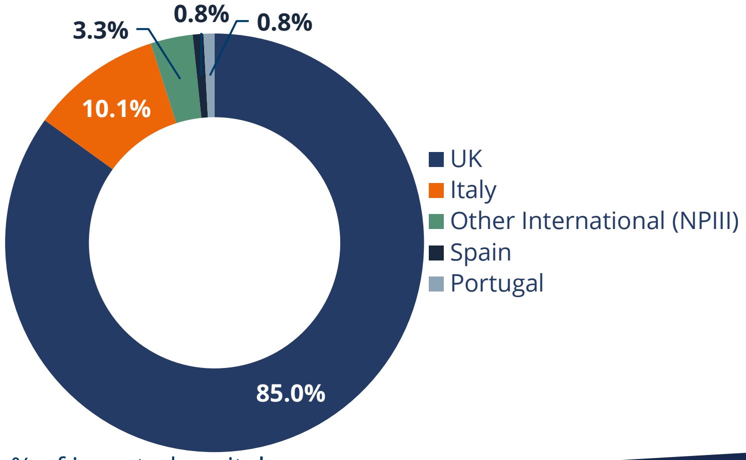
% of assets by MW capacity

By Solar Module Manufactuer[1]



% of assets by MW capacity

By Location[1]



% of invested capital

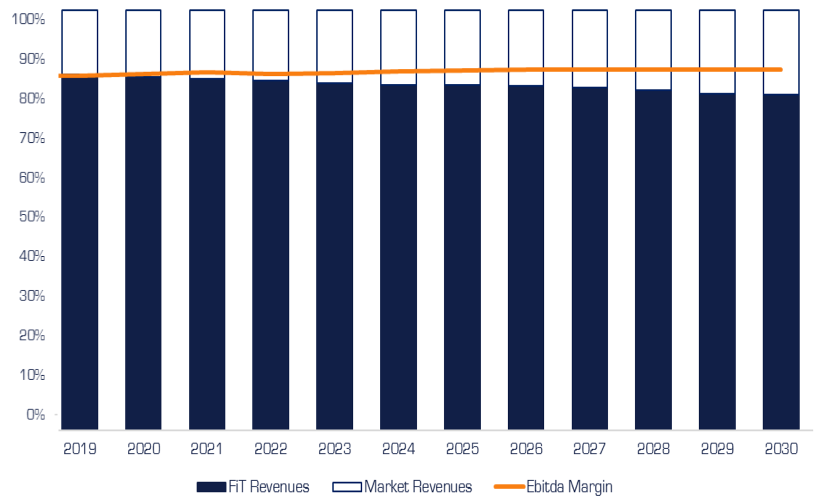
(1) Figures are stated to the nearest 0.1% which may lead to rounding differences

The Italian Solis portfolio

- High risk-adjusted returns (9.4% at acquisition)
- Positive contribution to dividend cover – 1.4x supporting the Company's overall dividend targets
- NAV accretion – Solis portfolio is valued with a discount rate of 7.75% (31 March 2022: 7.25%) as a result of deleverage and increased market value of solar PV assets in Italy
- Low risk profile – c.85% of revenues are subsidised, debt fully repaid, stable EBITDA margins in excess of 80% and efficient currency hedge
- Diversify market risk – Italy is one of the ten largest solar markets globally

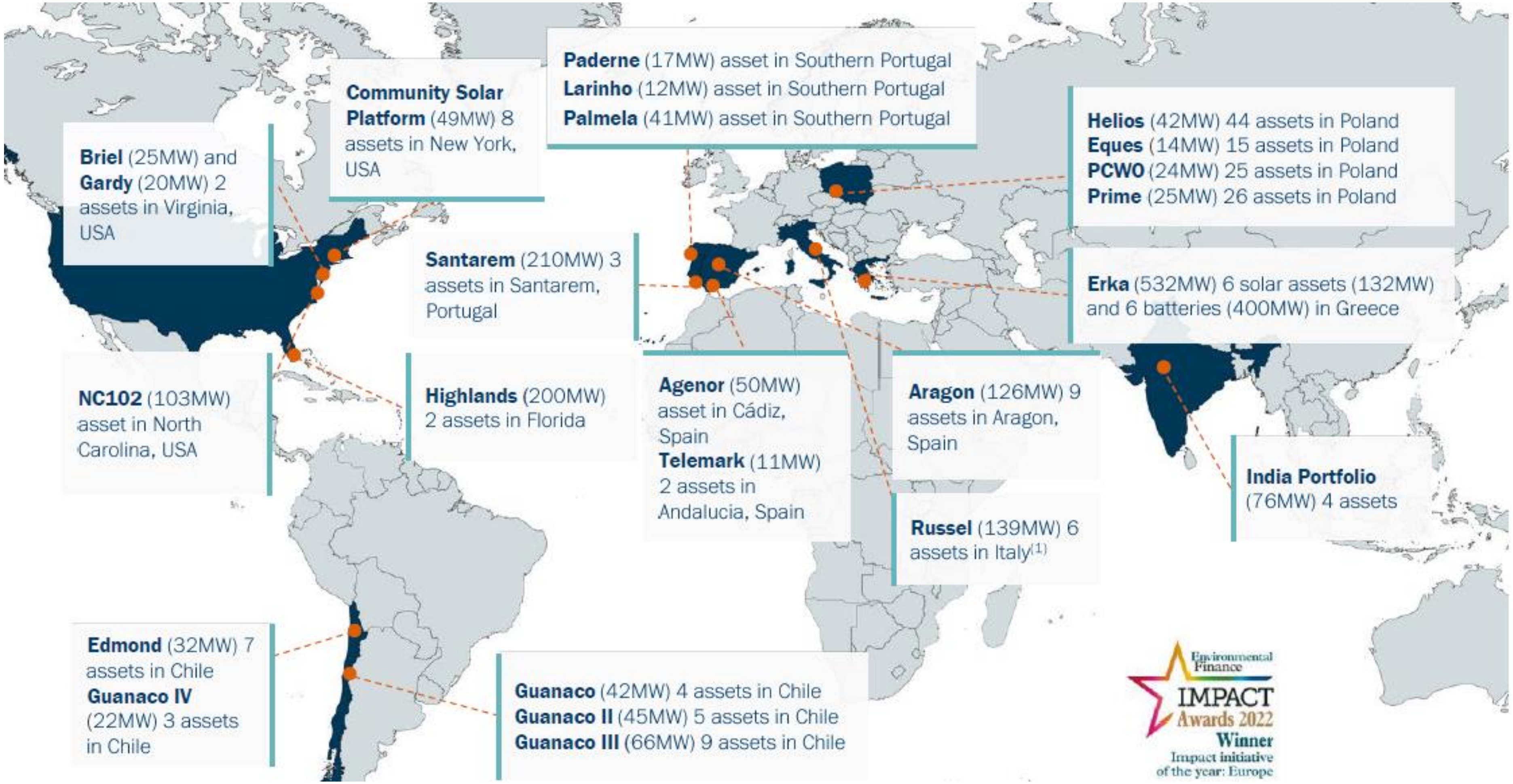
Business Case: Solis Acquisition and Performance

- Acquisition of eight solar plants in Italy in December 2017 for a total installed capacity of 34.5MW and total value of €132m
- The €74.7m long term project financing in place was fully repaid following issuance of the preference shares in November 2018
- FX hedging structure extended - 92% of the expected cashflows generated by the Solis portfolio are fully hedged until 2032 at an average FX rate of 0.89 EUR/GBP inclusive of all hedging costs
- Positive generation outperformance of 1.6% for the period ending 30 September 2022



Private Solar Fund Investment: NextPower III ESG

- NextPower III ESG ("NPIII") was launched by NextEnergy Capital in 2018 to target utility-scale solar in OECD countries
- NESF made a **$50m** commitment to NPIII in June 2021
- NPIII is targeting a gross investor IRR of between **13%** and **15%**
- The Fund has acquired **1.9GW with 179 individual assets** across the USA, India, Chile, Portugal, Spain, Greece, and Poland



Notes, as 01/09/23
(1) Under Binding Agreement
(2) Including a majority stake held in the storage portfolio in Greece
Please note that NextPower III ESG is closed.

NEXTENERGY SOLAR FUND

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Appendix: Capital Structure

Optimised capital structure – details (30 September 2023)

Equity

Ordinary Shareholders

- 590m Ordinary Shares in issue, targeting a total dividend of 8.35p per ordinary share for the financial period ending 30 September 2023

Preference shares

BAE SYSTEMS, USS

- Two £100m tranches issued in November 2018 and August 2019
- Non-redeemable and non-voting shares entitled to a fixed preferred dividend of 4.75% p.a. with conversion rights from 1 April 2036 at the nominal value
- Option to redeem at nominal value starting from 1 April 2030 for six years at sole discretion of the Company

Financial debt facilities

CommonwealthBank, nab, MACQUARIE

- Fully amortising facility (£131.4m outstanding) expiring in 2035 drawn to finance the Apollo portfolio
- Unique NAV-enhancing features (grace period, DSRF, flexible PPA)

Macquarie Infrastructure Debt Investment Solutions ("MIDIS")

- Fully amortising facility (£39.9m outstanding) expiring in 2034
- Debt in place at completion of Radius portfolio in April 2016
- Replacement of DSRA with LoC in November 2018

NatWest, AIB, Santander

- Santander RCF of £70m, partially drawn (£39m), recently extended (5 July 2022) until June 2024 with an option of a 12-month extension
- AIB RCF of £135m, fully drawn (£135m) and available until June 2024

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Financial debt outstanding (30 September 2023) [provided semi-annually]

Financial debt gearing	Total gearing
29.8%	46.4%

- In June 2022, the NESF Group signed a two-year extension to its £70m RCF with Santander UK, now available until July 2024
- In September 2022, the NESF Group secured £60m additional commitments under an existing RCF from £75m to £135m, available until June 2024. The weighted average cost of financial debt as at 30 September 2023 is 3.9% excluding preference shares, 4.3% including preference shares.
- Following the $50m commitment to NPIIII during the period, NESF accounts for the debt at NPIII on a look through equivalent basis

Provider / arranger	Type	Borrower	No. of power plants secured[(1)]	Loan to Value[(2)] (%)	Tranches	Facility Amount (£m)	Amount Outstanding (£m)	Termination (inc. options to extend)	Applicable rate
MIDIS / CBA / NAB	Fully-amortising long-term debt[(3)]	NESH	21 (241MW)	45.9%	Medium-term	48.4	34.4	Dec-26	2.91%[(4)]
					Floating long-term	24.2	24.2	Jun-35	3.68%[(4)]
					Index-linked long-term	38.7	30.0[(5)]	Jun-35	RPI + 0.36%
					Fixed long-term	38.7	38.7	Jun-35	3.82%
					Debt service reserve facility	7.5	-	Jun-26	1.50%
MIDIS	Fully-amortising long-term debt[(3)]	NESH IV	5 (84MW)	40.9%	Inflation-linked	27.5	17.3[(5)]	Sep-34	RPI + 1.44%
					Fixed long-term	27.5	20.8	Sep-34	4.11%
Total long-term debt						**212.5**	**168.3**		
Banco Santander	Revolving credit facility	NESH VI	13 (100MW)	N/a	N/a	70.0	31.3	Jun-24	SONIA + 1.60%
NatWest/AIB	Revolving credit facility	NESH III	19 (226MW)	N/a	N/a	135.0	135.0	Jun-24	SONIA + 1.20%
Total short-term debt						**205.0**	**177.3**		
NPIII look through debt		N/a	N/a	N/a	N/a	N/a	10.2 [(6)]	N/a	N/a
Total debt							**355.8**		

Footnote:
1) NESF has 326MW under long-term debt financing, 326MW under short-term debt financing and 214MW without debt financing (excludes NPIII look through debt).
2) Loan to Value defined as 'Debt outstanding / GAV'.
3) Long-term debt is fully amortised over the period secured assets receive subsidies (ROCs and others).
4) Applicable rate represents the swap rate.
5) Represents the "real" outstanding debt balance. The "nominal" outstanding debt balances are included in the debt balances provided in Note 23b to the financial statements
6) The total combined short and long-term debt in relation to NESF's commitment into NPIII (on a look through equivalent basis).

(1) NESF has 326MW under long-term debt financing, 198MW under short-term debt financing and 342MW without debt financing (excludes NPIII look through debt)
(2) Loan to Value defined as 'Debt outstanding / GAV'
(3) Long-term debt is fully amortised over the period secured assets receive subsidies (ROCs and others)
(4) Applicable rate represents the swap rate
(5) The total combined short and long-term debt including NESF's commitment into NPIII (on a look through equivalent basis)

Preference shares

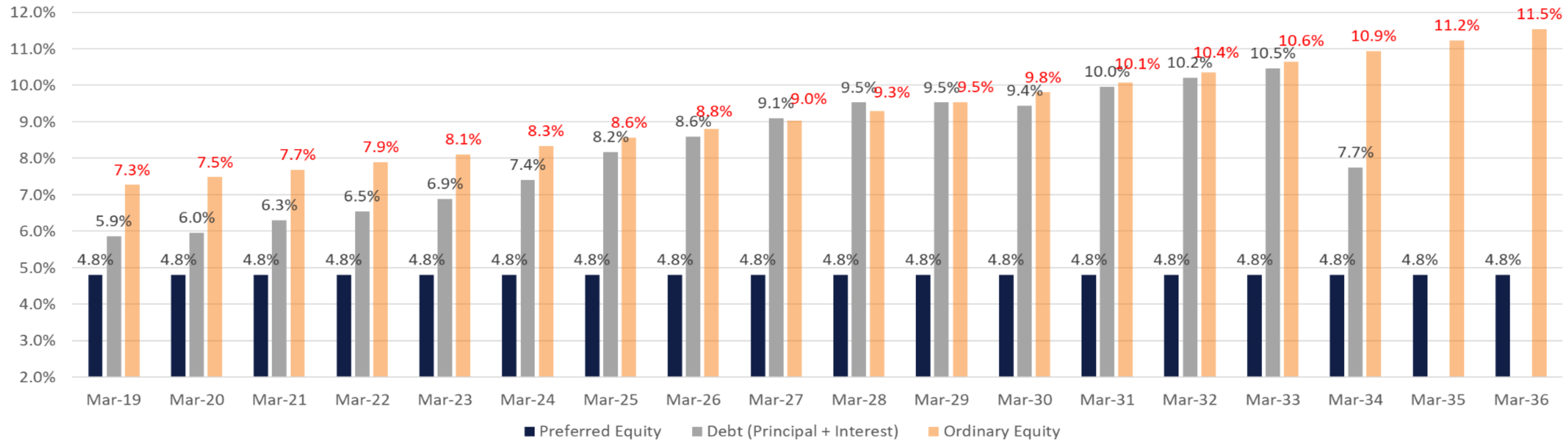
- The issuance of £200m preference shares is expected to increase dividend cover by 0.15x and returns by 1.09% for ordinary shareholders (2)
- Preference shares simplify the capital structure by reducing the exposure to secured debt financing
- Preference shares provide protection against diminishing power prices compared to traditional debt financing used by peers and have no refinancing risk
- Issuance of £200m preference estimated to have increased cashflows by c.£3.0m during the period compared to a proforma debt financing

On 8 November 2018, the Shareholders approved the issuance of £200m of Preference Shares. The Company issued the first tranche of £100m in November 2018, and the second tranche of £100m Preference Shares were issued in August 2019.

Value accretive features:

- lower issue cost of 1.1% compared to other capital raising avenues
- lower cash cost with a fixed preferred dividend of **4.75%** and no redemption requirements
- option to redeem at nominal value starting from 1 April 2030 for six years at sole discretion of the Company
- non-redeemable / non-voting shares(1) with holder's conversion right starting from 1 April 2036 at nominal value (plus unpaid dividend if any) relative to NAV per Ordinary Share at the date of conversion (thus no refinancing risk)

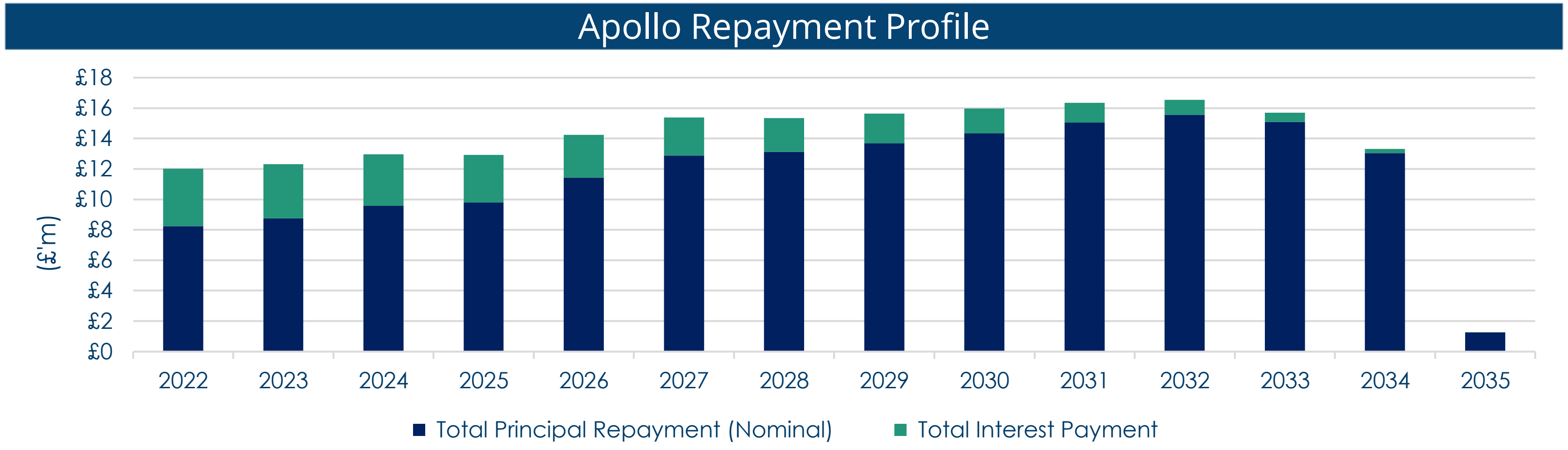
Alternative Funding Sources - Comparison of Fully-Costed Cost of Capital

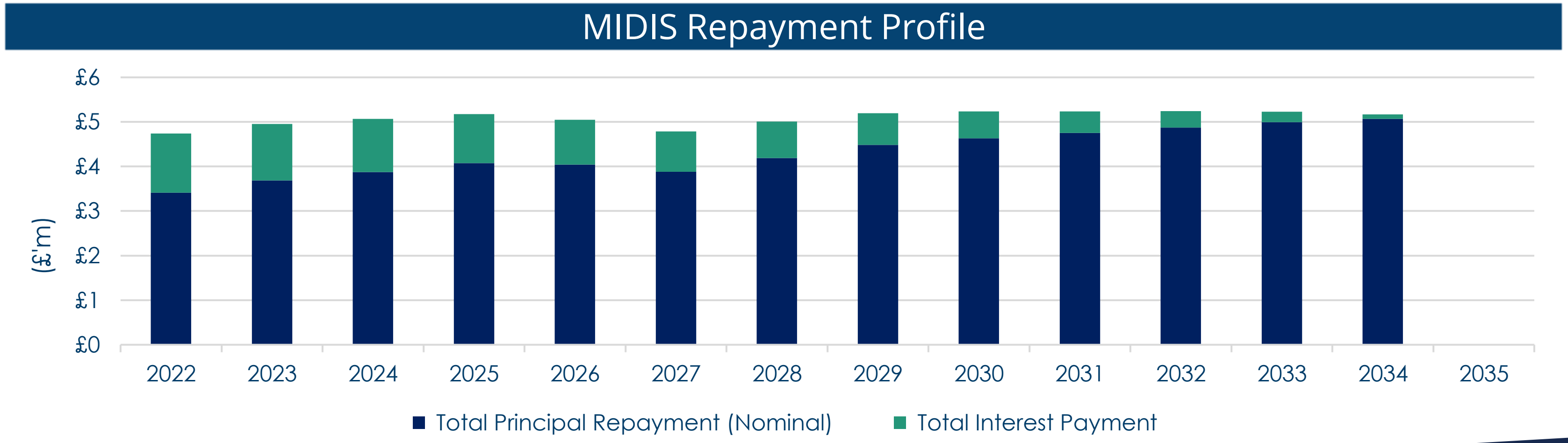


(1) Redemption rights in the event of delisting or change of control of the Company – Voting rights in the event of detrimental changes to the Investment Policy or Articles
(2) Estimates only based on a typical UK solar portfolio and when compared to issuance of new ordinary shares

Long term debt repayment profile

- As at 30 September 2023, c.£168m of the financial debt was long-term fully amortising
- The charts show the precise yearly repayment profile for both long-term debt facilities (interest plus principal) until maturity in 2035
- The Apollo facility has 21 solar assets secured comprising 241MW
- The MIDIS facility has 5 solar assets secured comprising 84MW





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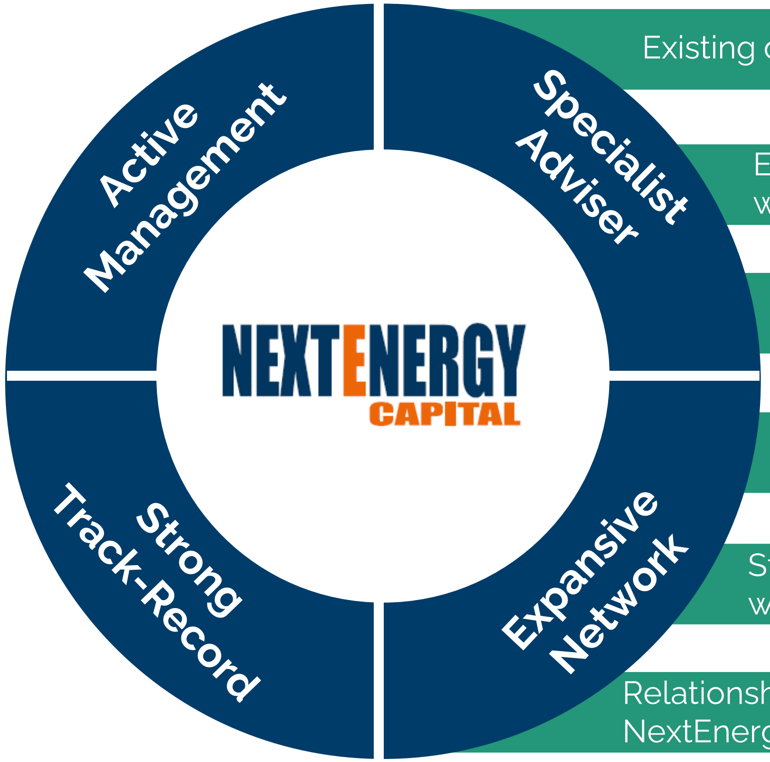
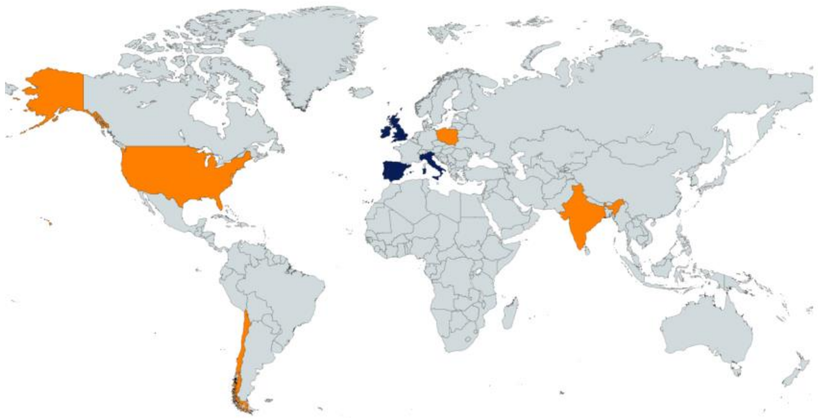
Appendix: Energy Storage

NextEnergy has the right platform to deploy energy storage



- Existing deep knowledge of UK power markets
- Experience of managing storage assets, co-located with solar since 2018
- Competencies in de-risking and optimising projects within its portfolios
- Expansion of the NextEnergy Capital team will capture specialties in battery storage
- Strong track record of delivering attractive risk-weighted returns to shareholders across its funds
- Relationships with EelPower and across the sector provides NextEnergy Capital with a robust support network

- **14 years** experience as a Manager
- **C.$3.9bn** Solar AUM
- Over **400** solar assets acquired
- **2.4GW+** across UK, Italy, US, Portugal, Spain, Chile, Poland, and India



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Five key reasons to increase energy storage in NESF

1 Battery storage benefits from intermittency of renewables

- As the UK decarbonises, renewables are expected to provide the backbone of the future energy mix. However, renewables are a cause of strain on the grid due to their intermittency and nonsynchronous generation, increasing wholesale price volatility in all future energy scenarios. Battery storage provides essential flexibility, ensures that supply of electricity across the grid matches demand fluctuations and realizes value from increased price volatility and vital grid services

2 Battery storage is highly complimentary to NESF's solar portfolio due to non-correlated revenues

- Solar exhibits a predictable generation profile during a single day
- Batteries capitalize on wholesale market price fluctuations by charging when renewable output is high (and prices are low/negative) before dispatching at peak demand (when prices are highest)

3 Co-location of batteries with solar assets multiplies benefits and cost savings

- One of the largest hurdles to deployment of new projects is associated with grid connection availability, timeline and cost. Co-location streamlines battery deployment by using the same grid connection for both assets. OPEX is also optimised through sharing site infrastructure and maintenance (e.g. inverters)

4 NESF is well positioned to capitalise on the UK battery storage space

- NESF's has a strong portfolio of solar assets that provide a robust base revenue generation, inclusion of accretive return assets is sensible to continue the platforms' continued growth and evolution
- The joint venture partnership with EelPower allows NESF to leverage expertise as well as access to pipeline projects

5 Batteries generate revenues through multiple pathways

- Revenues driven by volatility (potential to arbitrage and financially settle without cycling battery) and provision of ancillary stability/flexibility services to grid
- Multiple revenue streams allows batteries to adapt easily to market changes, revenue stacking supported by the grid's adoption of battery storage as part of its plans for managing the future of the grid, valuing the stability that batteries can bring to grid infrastructure alongside their ability to arbitrage volatility.

Opportunities secured through energy storage joint ventures

2022

4

Project Camilla

Under Construction

Capacity: **50MW**
Duration: **1hr**
Energised: **Q2 2023**

The project is located adjacent to the Glenniston substation, well placed to benefit from volatility driven by high Scottish wind capacity, low local demand and constraints on National Grid interconnector capacity to areas of high demand.

5

Project Lion

Project Rights Acquired

Capacity: **250MW**
Duration: **2hr**
Constructed: **2025**

The project is adjacent to the Walpole substation, a key onshore hub for existing wind farms (Race Bank, Lincs and Inner Dowsing wind farms) and well-placed to benefit from expected additional wind capacity in the region.

2023 onwards

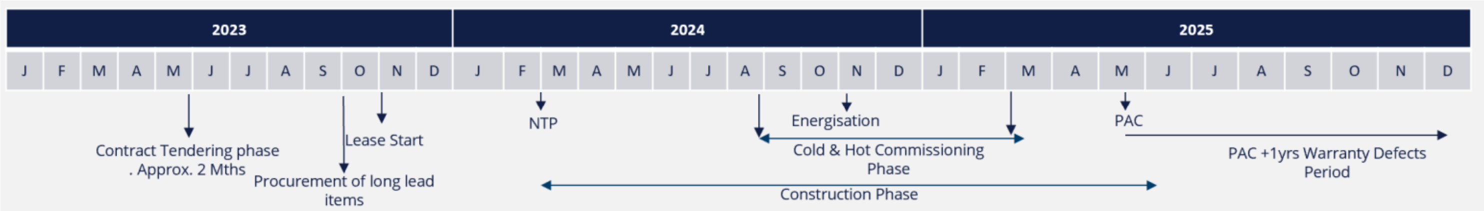
6

Investment Policy Increase

Look to increase the investment mandate **up to 25%**, in order to capitalise on existing pipeline & opportunities:

Project Camillia blueprint:

Example project timeline:



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Energy storage joint venture breakdown

Joint Venture Partnership 1 ("JVP1")

JVP1

£100m

- Owned **70%** by NESF and **30%** by Eelpower
- The Company's first **50MW** battery storage project through JVP1 is currently under construction in Fife, Scotland, and is expected to be energised and grid-connected in the first half of 2023

+

Joint Venture Partnership 2 ("JVP2")

JVP2

£200m

- Owned **75%** by NESF and **25%** by Eelpower
- First acquisition as part of JVP2 for **£32.5m** secured
- The project includes the development rights, permits, and initial grid milestones for a **250MW** portfolio of high-quality battery storage projects and grid connections in the East of England

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EELPOWER

Battery storage investment opportunities

£300m

Total announced standalone battery storage projects to date

300MW

Energy storage pipeline

500MW

Overview of UK energy storage revenue streams

Years → Hours → Minutes → Seconds

Capacity Market

- Ensures national security of supply by procuring a sufficient level of firm capacity to meet peak electricity demand
- Contracts are awarded either one or four years in advance for lengths of 1-15 years
- Payments are made on a capacity basis in £/kW/year and de-rated based on contribution to security of supply

Wholesale Market

- Provides platform to buy and sell power to meet demand every half-hour
- Contracted from years ahead to T-1 hour trading

Balancing Mechanism

- Ensures balance is maintained in the power system in each daily half-hour trading period as well as other system operational needs e.g., thermal and voltage constraints
- Contracted over a variety of timescales, including within delivery periods

Ancillary Services

- Maintains operational grid requirements and provides secondary balancing through sub second to minutes long response. Contracted in advance on monthly-yearly basis
- E.g. Dynamic containment (formerly fast frequency response)

Embedded and Behind-the meter (BTM) Benefits

- Benefits that embedded/BTM assets or demand consumers receive for reducing net demand on the system by avoiding certain costs
- Transmission Network Use of System (TNUoS): Payments for relieving peak transmission network demand. Split into the Embedded Export Tariff (Distribution connected) and Gross Half-hourly Tariff (BTM)
- Generator Distribution Use of System (GDUoS): Payments for relieving peak distribution network demand
- Balancing Service Use of System (BSUoS): Payments for reducing balancing charges
- CM Supplier Ch/arge: Payments to maintain yearly CM contract obligations

Arbitrage | Capacity Markets | Ancillary Services | Other

Local Flexibility Markets

- Maintains operational grid requirements and provides secondary balancing through sub second to minutes long response
- Contracted in advance on monthly-yearly basis

Energy storage co-location retrofit programme

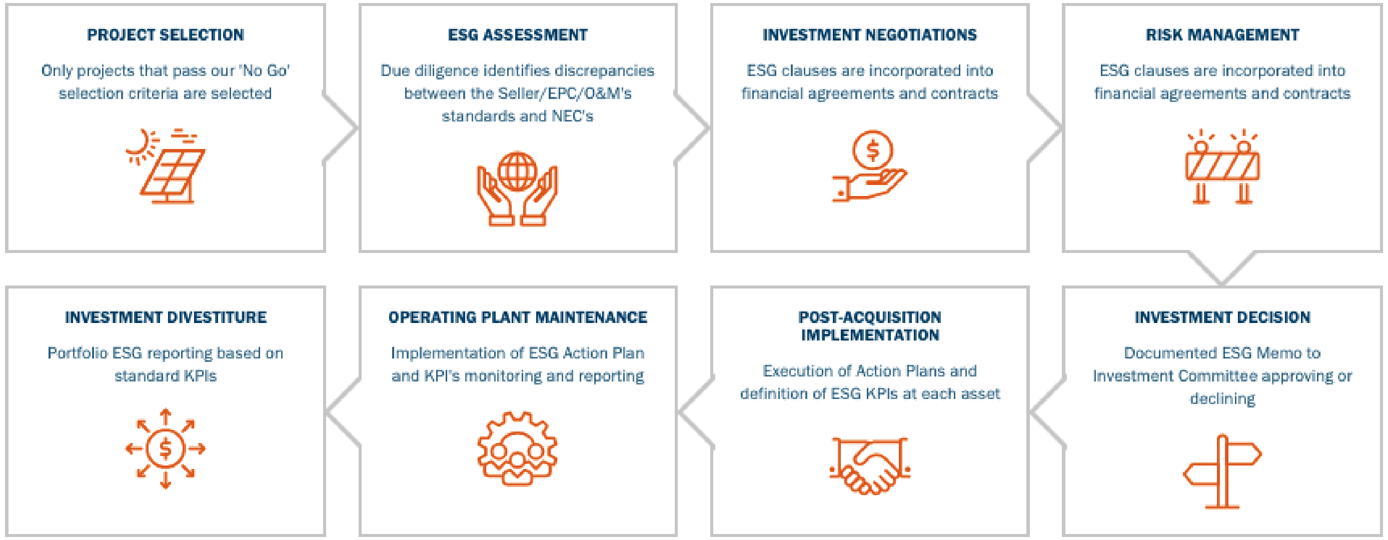
- NESF has held two co-located battery assets since 2018 (Salcey Farm & Pierce Farm)
- Introduced co-located retrofit programme across the UK portfolio of **92 solar assets, with existing grid connections**
- First site for a co-located battery project already identified with planning permission secured - **11MW North Norfolk solar farm**, to include a 6MWh/12MWh battery system.
- Planning applications in progress at **4 more sites**
- Looking at behind the meter co-located installations

NEXTENERGY SOLAR FUND

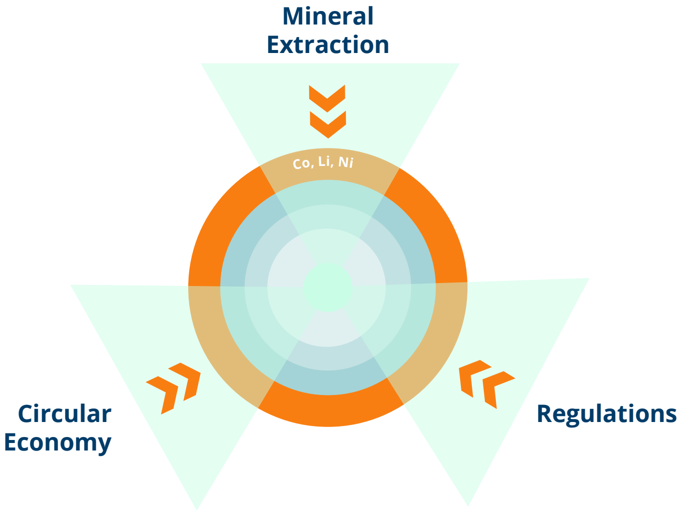
Appendix: ESG

ESG integration into the NESF investment process

- ESG factors are considered throughout the investment process, from potential excluded activities during the project selection phase, to initial screening and full due diligence during the pre-acquisition phase
- ESG clauses are included in key contracts with our counterparties, including EPC and O&M contractors, and an action Plan to fill in any gaps between a project, its contractors and the standards which NEC seeks to uphold is agreed during the negotiation phase
- NEC ensure that the action plan is implemented, and that NESF report on its ESG performance
- Please see the NEC sustainable investment policy on the website for more details: nextenergycapital.com/sustainability/sustainable-investing/



ESG considerations for energy storage



Mineral Extraction

- **COBALT:** most of global supply originates from the DRC, of which c. 30% derives from small-scale miners working in poor labour and H&A conditions.
- **LITHIUM:** mining is affecting indigenous people in the Lithium Triangle (Argentina, Bolivia and Chile) which currently holds over 60% of known global lithium reserves. This region uses a unique method of extracting lithium from saltwater brines, a technique with potentially dangerous environmental consequences.
- **NICKEL:** demand is expected to increase 6-fold by 2030, with the world's largest producer, Indonesia, already upping production to meet this. Indonesia is currently dumping mine waste (tailings) into the ocean.

Due diligence

- NextEnergy Capital ("NEC") carries out due diligence process of batteries suppliers to ensure that human rights risks, including those of labour, H&S, or impact on environment and ecosystem services fundamental to the livelihood of communities and Indigenous People. NEC also require them to sign our Supplier Code of Conduct and ensure suppliers abide by it when working with us.

Audits

- NEC plans to adopt the third party audit and chain of custody approach that is being considered with SEUK for modules and will be the standard to promote industry-wide traceability.

Compliance

- NEC seeks to ensure compliance with applicable regulations such as the OECD due diligence guidance for responsible mineral supply chains (3rd edition), as well as voluntary principles such as the UN Guiding Principles on Business and Human Rights
- NEC carries out supplier reviews to ensure circular economy elements are considered as per the EU taxonomy; the WEEE directive on recycling and disposal; and/or the EC Batteries Directive (2006), by embedding alignment with these frameworks in the original procurement contracts.

Green inputs

- NEC is investigating how we can obtain green inputs to our battery facilities from suppliers that are also both economically viable and large enough to meet demand.
- This is a challenging goal, but we are committed to improving our input supply transparency, with the aim of having the greenest possible input. Not only does this reinforce the delivery of NEC's mission with the smallest footprint feasible, but it will direct investment to green suppliers, pushing the demand for better solutions and increasing the appetite for storage in the UK in a virtuous cycle.

Circular Economy

- **DURABILITY:** of the batteries lifespan and their capacity to be recycled should be considered. Suppliers selection to consider product lifecycle and aspects relating to the circular economy. Participation in industry initiatives such as the Global Battery Alliance is a way NEC can foster stewardship and uphold company standards.
- **METAL RECYCLING:** such as cobalt, lithium and nickel are key battery components will enter a shortfall of supply before 2025. A domestic recycling programme would minimise the volumes of mineral extraction (hence the labour and water conflict risk associated with it).

Regulations

- The European Commission ("EC") has released a strategic battery action plan which identifies ways in which responsible sourcing can be upheld and solve supply chain issues. For example, some refining companies in China have been found to sell certified processed cobalt to Europe that is in fact mixed with material sourced from unregulated mines.
- In Feb 2022, the EU issued a new Directive on Corporate Sustainability Due Diligence which will require DD on ESG aspects throughout business's supply chain.

Biodiversity and social enhancement

- NESF benefits from a dedicated Biodiversity team to ensure that land management and native fauna and flora are being considered throughout the investment and ownership phases.

Biodiversity looking forward

- ✓ Continue to implement best practice biodiversity measures across the NESF portfolio
- ✓ The total habitat net gain achieved from the pre-solar baseline to post-exemplar measures averaged **82%**
- ✓ Enhance local biodiversity for the surrounding areas where we operate
- ✓ Roll out extension of exemplar site programme to cover over **50%** of portfolio before year end
- ✓ Target positive biodiversity net gain at our solar sites

Enhanced community engagement

- ✓ **20** solar sites are promoting educational visits alongside Earth Energy Education, in 2023. Aiming to improve links with the local communities and supporting students with their curriculum studies
- ✓ NESF provides direct community funding through its SPVs: **£103, 668**.
- ✓ In 2022-2023, community engagement and investments included a wide range of activities, including outreach work with local schools
- ✓ **14** community groups were successful in their bids to receive a donation from the BizGive trials, supporting a range of local initiatives.

Total acres of wildflowers across portfolio
38

Portfolio with enhanced biodiversity measures
61%

32
Average plant species across portfolio

50%
Portfolio grazed by sheep

EU Taxonomy and Sustainable Finance Disclosure Regulation

- The Sustainable Finance Disclosure Regulation (SFDR) is a European regulation introduced to improve transparency in the market for sustainable investment products, to prevent greenwashing and to increase transparency around sustainability claims made by financial market participants
- **NESF complies with the requirements of the EU Taxonomy and Sustainable Finance Disclosure Regulation** ("SFDR")
- The Company's legal adviser has confirmed that **NESF is classified under Art. 9 of the SFDR**, as the Company is marketed in the EU and has sustainable investment as its objective
- The Company's sustainable investment objectives arise from its focus on investments in solar PV and battery storage assets and its investment decision making processes
- In light of this classification, NextEnergy Group has made the relevant disclosures for NESF in its annual report for the year ended 31 March 2022

NEXTENERGY SOLAR FUND

The NextEnergy Foundation

- **Established in 2016**, the Foundation's mission is to alleviate poverty through the nexus with clean energy access and emissions reductions
- NextEnergy Group donates **at least 5%** of its net annual profits to the NextEnergy Foundation ("NEF"). In April 2023, the Foundation surpassed £1m in donations made
- The highlighted projects were identified by team members across the Group to effect positive changes in the communities near our offices
- NextEnergy Foundation also expanded its remit during the COVID-19 pandemic and following the outbreak of the war between Russia and Ukraine to respond to these crises

NEXTENERGY FOUNDATION

ITALY	
Partner	Etifor
Years	2022-2024
Project	Restoring forest area and recreating the habitat for an endangered bat species in the Campo dei Fiori National Park
Impact	All interventions will be certified by the Forest Stewardship Council as part of the largest public-private biodiversity and climate change adaptation project in the EU

Etifor: Forest area being restored as part of BioClima project

UNITED KINGDOM	
Partner	Depher CIC
Years	2022-2024
Project	Addressing fuel poverty alleviaton across the UK by paying for gas and electric bills and distributing food vouchers to vulnerable individuals and families
Impact	559 households reached

INDIA	
Partner	Bala Vikasa
Years	2023
Project	Installing solar-powered community owned and managed water purification systems in two rural villages in Telangana State
Impact	Clean water generated for 1,900 community members for 25 years

Bala Vikasa: First jug of clean water generated by solar-powered water purification system in Pamena Village

NEXTENERGY SOLAR FUND

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