

THIS SUPPLEMENTARY PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the action you should take or the contents of this Supplementary Prospectus, you are recommended to seek your own independent financial advice immediately from your stockbroker, bank, solicitor, accountant, or other appropriate independent financial adviser, who is authorised under the Financial Services and Markets Act 2000, as amended, (the “FSMA”) if you are in the United Kingdom, or from another appropriately authorised independent financial adviser if you are in a territory outside the United Kingdom.

This document comprises a supplementary prospectus prepared in accordance with the Guernsey Prospectus Rules 2008 and the Prospectus Rules made under Part VI of the FSMA (the “Supplementary Prospectus”). This Supplementary Prospectus has been filed with the Financial Conduct Authority (the “FCA”) and has been made available to the public in accordance with Rule 3.2 of the Prospectus Rules. This Supplementary Prospectus has been approved as a supplementary prospectus under section 87A of FSMA. This Supplementary Prospectus is supplemental to and must be read in conjunction with the prospectus published by NextEnergy Solar Fund Limited (the “Company”) on 10 November 2014 (the “Placing Programme Prospectus”).

Words or expressions defined in the Placing Programme Prospectus have the same meaning when used in this Supplementary Prospectus unless the context requires otherwise.

The Company and the Directors, whose names appear on page 50 of the Placing Programme Prospectus, each accept responsibility for the information contained in this Supplementary Prospectus. To the best of the knowledge and belief of the Company and the Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this Supplementary Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

This Supplementary Prospectus includes particulars given in compliance with the Guernsey Prospectus Rules 2008 and the Prospectus Rules of the FCA for the purpose of giving information with regard to the Company. The information contained in this Supplementary Prospectus should be read in the context of, and together with, the information contained in the Placing Programme Prospectus.

NextEnergy Solar Fund Limited

*(A company incorporated in Guernsey under The Companies (Guernsey) Law, 2008,
as amended, with registered no. 57739)*

Supplementary Prospectus

Lead Bookrunners

**Cantor Fitzgerald Europe
Macquarie Capital (Europe) Limited**

Sponsor

Shore Capital and Corporate Limited

Joint Bookrunner

Shore Capital Stockbrokers Limited

The Company is a registered closed-ended collective investment scheme registered pursuant to the Protection of Investors (Bailiwick of Guernsey) Law, 1987, as amended, and the Registered Collective Investment Scheme Rules 2008 issued by the Guernsey Financial Services Commission (“GFSC”). The GFSC, in granting registration, has not reviewed this Supplementary Prospectus but has relied upon specific warranties provided by Ipes (Guernsey) Limited.

A registered closed-ended collective investment scheme is not permitted to be directly offered to the public in Guernsey but may be offered to regulated entities in Guernsey or offered to the public by entities appropriately licensed under the Protection of Investors (Bailiwick of Guernsey) Law, 1987, as amended.

Neither the GFSC nor the States of Guernsey Policy Council take any responsibility for the financial soundness of the Company or for the correctness of any of the statements made or opinions expressed with regard to it.

Cantor Fitzgerald Europe, which is authorised and regulated in the United Kingdom by the FCA, is acting exclusively for the Company in connection with the Admission, the issue of New Shares pursuant to the Placing Programme and other arrangements as described in the Placing Programme Prospectus and this Supplementary Prospectus and will not be responsible to anyone other than the Company for providing the protections afforded to clients of Cantor Fitzgerald Europe or for advising any such person in connection with the Placing Programme and other arrangements as described in the Placing Programme Prospectus and this Supplementary Prospectus. This does not limit or exclude any responsibilities which Cantor Fitzgerald Europe may have under FSMA or the regulatory regime established thereunder.

Macquarie Capital (Europe) Limited, which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting exclusively for the Company in connection with the Admission, issue of New Shares pursuant to the Placing Programme and other arrangements as described in the Placing Programme Prospectus and this Supplementary Prospectus and will not be responsible to anyone other than the Company for providing the protections afforded to clients of Macquarie Capital (Europe) Limited or for advising any such person in connection with the Placing Programme and other arrangements as described in the Placing Programme Prospectus and this Supplementary Prospectus. This does not limit or exclude any responsibilities which Macquarie Capital (Europe) Limited may have under FSMA or the regulatory regime established thereunder.

Shore Capital and Corporate Limited, which is authorised and regulated in the United Kingdom by the FCA, is acting exclusively for the Company in connection with the Admission, the issue of New Shares and other arrangements as described in the Placing Programme Prospectus and this Supplementary Prospectus and will not be responsible to anyone other than the Company for providing the protections afforded to clients of Shore Capital and Corporate Limited or for advising any such person in connection with the Placing Programme and other arrangements as described in the Placing Programme Prospectus and this Supplementary Prospectus. This does not limit or exclude any responsibilities which Shore Capital and Corporate Limited may have under FSMA or the regulatory regime established thereunder.

Shore Capital Stockbrokers Limited, which is authorised and regulated in the United Kingdom by the FCA, is acting exclusively for the Company in connection with the Admission, the issue of New Shares and other arrangements as described in the Placing Programme Prospectus and this Supplementary Prospectus and will not be responsible to anyone other than the Company for providing the protections afforded to clients of Shore Capital Stockbrokers Limited or for advising any such person in connection with the Placing Programme and other arrangements as described in the Prospectus and this Supplementary Prospectus. This does not limit or exclude any responsibilities which Shore Capital Stockbrokers Limited may have under FSMA or the regulatory regime established thereunder.

This Supplementary Prospectus may not be published, distributed or transmitted by any means or media, directly or indirectly in whole or in part, in or into the United States, Australia, Canada, Japan or the Republic of South Africa. This Supplementary Prospectus does not constitute an offer to sell, or the solicitation of an offer to acquire or subscribe for, New Shares in any jurisdiction where such an offer or solicitation is unlawful or would impose any unfulfilled registration, qualification, publication or approval requirements or undue burden on the Company, the Sponsor, the Joint Bookrunners or the Investment Adviser. The offer and sale of New Shares have not been and will not be registered under the applicable securities laws of the United States, Australia, Canada, Japan or the Republic of South Africa. Subject to certain exceptions, the New Shares may not be offered or sold within the United States, Australia, Canada, Japan or the Republic of South Africa or to any national, resident or citizen of the United States, Australia, Canada, Japan, the Republic of Ireland or the Republic of South Africa.

The New Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act") or with any securities regulatory authority of any State or other jurisdiction of the United States and the New Shares may not be offered, sold, exercised, resold, transferred or delivered, directly or indirectly, within the United States or to, or for the account or benefit of, US Persons (as defined in Regulation S under the Securities Act). There will be no public offer of the New Shares in the United States and the New Shares may not be offered or sold within the United States, or to US Persons. The New Shares are being offered and sold outside the United States to non-US Persons in reliance on Regulation S under the Securities Act. The Company has not been and will not be registered under the U.S. Investment Company Act of 1940, as amended (the "Investment Company Act") and investors will not be entitled to the benefits of the Investment Company Act.

The attention of potential investors is drawn to the Risk Factors set out on pages 23 to 44 of the Placing Programme Prospectus. Further details of the Placing Programme are set out in Part 5 of the Placing Programme Prospectus.

This Supplementary Prospectus is dated 18 August 2015.

1. INTRODUCTION

This document is being published in relation to the Placing Programme (as defined in the Placing Programme Prospectus dated 10 November 2014). It constitutes a Supplementary Prospectus required under the Prospectus Rules and is supplemental to, and should be read in conjunction with, the Placing Programme Prospectus. This Supplementary Prospectus is being published because there are significant new factors concerning the information in the Placing Programme Prospectus. This Supplementary Prospectus contains further details of these significant new factors.

2. SIGNIFICANT NEW FACTORS

2.1 Annual Report for the Period to 31 March 2015

On 30 June 2015 the Company published its audited annual report and financial statements for the period ended 31 March 2015 (the "Annual Report"). The publication of the Annual Report constitutes a significant new factor relating to the financial information contained in the Placing Programme Prospectus. By virtue of this document, the Annual Report is incorporated in, and forms part of, the Placing Programme Prospectus.

2.2 Statutory Accounts for the Financial Year Ended 31 March 2015

Statutory accounts of the Company for the financial year ended on 31 March 2015, in respect of which the Company's auditor, PricewaterhouseCoopers CI LLP, has given an unqualified opinion that the accounts give a true and fair view of the financial position of the Company as of 31 March 2015 and of its financial performance and cash flows for the period then ended in accordance with International Financial Reporting Standards and have been properly prepared in accordance with the Companies Law, have been incorporated into this document.

2.3 Historical Financial Information

The Annual Report is incorporated into this document by reference and included, on the pages specified in the table below, the following information which is relevant to the Placing Programme:

	Page no(s) of the Annual Report
Highlights	1
Corporate Summary	2
Chairman's Statement	3
Strategic Report	6
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2.4 Selected Financial Information

The key audited figures that summarise the Company's financial condition in respect of the year ended 31 March 2015, which have been extracted directly from the Annual Accounts, are set out in the following table:

Statement of Financial Position	As at 31 March 2015
Total assets	£248,447,480
Net asset value	£248,358,538
Net asset value per Ordinary Share	103.3p*

* Or 100.675p if adjusted for the second interim dividend of 2.625p per Ordinary Share declared on 30 June 2015 in respect of the six months ended 31 March 2015 and payable on 30 July 2015 to Shareholders on the register on 10 July 2015

Statement of Comprehensive Income	Period Ended 31 March 2015**
Total net income	£10,570,553
Total expenditure	£2,293,835
Profit and comprehensive income	£8,534,639
Earnings per Ordinary Share	9.13p

** From the period 20 December 2013 to 31 March 2015

2.5 Change to the maximum number of New Ordinary Shares that may be issued under the Offer and the maximum number of New Ordinary Shares and/or C Shares that may be issued under the Placings

As at 17 August 2015 10,077,208 New Ordinary Shares had been issued under the Offer and 144,672,792 New Ordinary Shares pursuant to Placings made under the Placing Programme. Therefore, 39,922,792 New Ordinary Shares remain to be offered under the Offer and 55,327,208 New Ordinary Shares remain to be offered under the Placings. The Directors have concluded that in the light of the demand for the Placings and the Offer (all of which are on a non-pre-emptive basis) respectively that it is in the best interests of the Company that they have the flexibility to reduce the maximum number of New Ordinary Shares which may be issued pursuant to the Offer and increase the maximum number of New Ordinary Shares which may be issued pursuant to the Placings by a corresponding amount. Any such change shall be notified by the Company through a Regulatory Information Service. The Company may not amend the maximum number of New Ordinary Shares offered under the Placings and Offer during any period when a Placing has been announced and the date of Admission of the relevant New Ordinary Shares, and may not reduce the maximum number of New Ordinary Shares available under the Offer such that the maximum number of New Ordinary Shares to be issued under the Offer would then fall below the number of New Ordinary Shares in respect of which there are outstanding applications pursuant to the Offer.

3. SUMMARY

In accordance with Prospectus Rule 3.4.2, the following paragraphs contained in the summary as set out in the Placing Programme Prospectus are supplemented as follows:

B.7	Financial information	The key figures which summarise the Company's financial and trading position for the period from incorporation to 31 March 2015 are as follows:	
			As at 31 March 2015
		Statement of Financial Position	
		Total assets	£248,447,480
		Net asset value	£248,358,538
		Net asset value per Ordinary Share	103.3p*
		Statement of Comprehensive Income	Period Ended 31 March 2015**
		Total net income	£10,570,553
		Total expenditure	£2,293,835
		Profit and comprehensive income	£8,534,639
		Earnings per Ordinary Share	9.13p

The following new paragraph shall be added to the existing paragraphs C.1, E1, E3 of the Prospectus Summary:

“As at 17 August 2015, 10,077,208 New Ordinary Shares had been issued under the Offer and 144,672,792 New Ordinary Shares pursuant to Placings made under the Placing Programme. Therefore, 39,922,792 New Ordinary Shares remain to be offered under the Offer and 55,327,208 New Ordinary Shares remain to be offered under the Placings. The Directors may resolve that the maximum number of New Ordinary Shares which may be issued pursuant to the Offer following the date of this Supplementary Prospectus may be reduced and the maximum number of New Ordinary Shares which may be issued pursuant to the Placings increased by a corresponding amount. Any such change shall be notified by the Company through a Regulatory Information Service. The Company may not amend the maximum number of New Ordinary Shares offered under the Placings and Offer during any period when a Placing has been announced and the date of Admission of the relevant New Ordinary Shares, and may not reduce the maximum number of New Ordinary Shares available under the Offer such that the maximum number of New Ordinary Shares to be issued under the Offer would then fall below the number of New Ordinary Shares in respect of which there are outstanding applications pursuant to the Offer.”

4. CHANGES STEMMING FROM AMENDMENT TO THE ALLOCATION OF UNISSUED NEW ORDINARY SHARES IN THE PLACING OFFER

- 4.1 On page 48 of the Placing Programme Prospectus the following note shall be inserted at the end of the section ‘Issue Statistics’.

“Note: Subject to amendment by the Directors who may increase the number of New Ordinary Shares available under the Placings and decrease the number of New Ordinary Shares available under the Offer, any such changes to be announced via an RIS.”

- 4.2 Page 1 of the Placing Programme Prospectus shall be amended such that the 200 million New Ordinary Shares and/or C Shares figure and the 50 million New Ordinary Shares figure shall carry the following footnote:

“Subject to amendment by the Directors who may increase the number of New Ordinary Shares available under the Placings and decrease the number of New Ordinary Shares available under the Offer, any such changes to be announced via an RIS.”

* Or 100.675p if adjusted for the second interim dividend of 2.625p per Ordinary Share declared on 30 June 2015 in respect of the six months ended 31 March 2015 and payable on 30 July 2015 to Shareholders on the register on 10 July 2015

** From the period 20 December 2013 to 31 March 2015

4.3 In Part 1 of the Placing Programme Prospectus, the following changes shall be made:

(A) The following wording:

“As at 17 August 2015, 10,077,208 New Ordinary Shares had been issued under the Offer and 144,672,792 New Ordinary Shares pursuant to Placings made under the Placing Programme. Therefore, 39,922,792 New Ordinary Shares remain to be offered under the Offer and 55,327,208 New Ordinary Shares remain to be offered under the Placings. The Directors may resolve that the maximum number of New Ordinary Shares which may be issued pursuant to the Offer may be reduced and the maximum number of New Ordinary Shares which may be issued pursuant to the Placings increased by a corresponding amount. Any such change shall be notified by the Company through a Regulatory Information Service. The Company may not amend the maximum number of New Ordinary Shares offered under the Placings and Offer during any period when a Placing has been announced and the date of Admission of the relevant New Ordinary Shares, and may not reduce the maximum number of New Ordinary Shares available under the Offer such that the maximum number of New Ordinary Shares to be issued under the Offer would then fall below the number of New Ordinary Shares in respect of which there are outstanding applications pursuant to the Offer.”

shall be inserted:

- (1) on page 52 of the Placing Programme Prospectus under the heading ‘Introduction’ at the end of the seventh paragraph;
 - (2) on page 61 of the Placing Programme Prospectus at the end of the section under the heading ‘Details of the Placing Programme’;
 - (3) on page 92 of the Placing Programme Prospectus, under the heading ‘The Placing Agreement’ at the end of the second paragraph;
- (B) On page 62 of the Placing Programme Prospectus under the heading ‘Effect of the Placing Programme’, the following shall be added at the end of the final paragraph:

“However, if the Directors were to exercise their authority to increase the number of New Ordinary Shares available under the Placings made and decrease the number of New Ordinary Shares available under the Offer, the maximum possible dilution for an existing Shareholder under any Placing would then be 74 per cent., assuming that a maximum of 239,922,792 New Shares are issued and assuming that all such New Shares are issued as New Ordinary Shares under Placings and the Shareholder does not acquire any New Shares pursuant to the Offer.”

5. NO SIGNIFICANT CHANGE

Save as disclosed in the Annual Report, there have been no significant changes to the financial condition or trading position of the Company since 31 March 2015, being the date to which the Company’s latest audited annual financial statements were prepared other than the following:

- (A) the acquisition in April 2015 of the Glebe Farm solar power plant in Bedfordshire with a generating capacity of approximately 33.7MWp for consideration of up to £40.5 million;
- (B) the acquisition in April 2015 of the Hawkers Farm solar power plant in Somerset with a generating capacity of approximately 11.7MWp for consideration of up to £14.2 million;
- (C) the acquisition in June 2015 of the Bowerhouse solar power plant in Somerset with a generating capacity of approximately 9.3MWp for consideration of up to £11.1 million;
- (D) the acquisition in June 2015 of the Wellingborough solar power plant in Northamptonshire with a generating capacity of approximately 8.5MWp for consideration of up to £10.9 million;
- (E) the closing of a debt facility of £22.7 million with NIBC Bank N.V. to finance the Company’s Cock Hill (20.0MWp) and Llwyndu (9.4MWp) projects;
- (F) the announcement of the Company’s NAV as at 30 June 2015 being 104.1 pence and the payment of a dividend of 2.625p per share in respect of the period to 31 March 2015 which was paid on 30 July 2015; and

- (G) the Company has estimated that, had the impact of the measures announced in the Summer Budget on 8 July 2015 affecting the Company's NAV, being principally the removal of the Climate Change Levy exemption for renewable electricity generation with effect from 1 August 2015 (such removal was previously planned for the end of the 2022/23 financial year) and a reduction in corporation tax to 19 per cent. in 2017 and to 18 per cent. in 2020, been taken into account in calculating the Company's NAV as at 30 June 2015, the NAV per Ordinary Share would have been 100.9 pence.

6. WITHDRAWAL RIGHTS

- 6.1 In accordance with section 87Q(4) of FSMA, where a supplementary prospectus has been published and, prior to the publication, a person agreed to buy or subscribe for transferable securities to which it relates, he may withdraw his acceptance before the end of the period of two working days beginning with the first working day after the date on which the supplementary prospectus was published.
- 6.2 Applicants wishing to exercise their statutory withdrawal right pursuant to section 87(Q)(4) of FSMA after the publication of this Supplementary Prospectus must do so by lodging a written notice of withdrawal (which shall include a notice sent by electronic mail) which must include the full name and address of the person wishing to exercise statutory withdrawal rights and, if such person is a CREST member, the Participant ID and the Member Account ID of such CREST member with the Receiving Agent, by post or by hand (during normal business hours only) to Capita Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU or by email to withdraw@capita.co.uk so as to be received not later than 5.00 p.m. on 21 August 2015. Notice of withdrawal given by any other means or which is deposited with or received by the Receiving Agent after expiry of such period will not constitute a valid withdrawal, provided that the Company will not permit the exercise of withdrawal rights after payment by the relevant applicant of his subscription in full and the allotment of Ordinary Shares to such applicant becoming unconditional. In such event Shareholders are recommended to seek independent legal advice.
- 6.3 If you have a query concerning the exercise of your withdrawal rights, please telephone the Receiving Agent between 9.00 a.m. and 5.30 p.m. (London time) Monday to Friday on 0871 664 0321 from within the UK or +44 20 8639 3399 if calling from outside the UK. Calls to the 0871 664 0321 number cost 10 pence per minute from a BT landline (other network providers' costs may vary). Calls to the helpline from outside the UK will be charged at applicable international rates. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of any proposals to invest in the Company or to exercise statutory withdrawal rights, nor give any financial, legal or tax advice.

7. DOCUMENTS AVAILABLE FOR INSPECTION

A copy of this Supplementary Prospectus will be available (subject to applicable law) for viewing online at the Company's website (www.nextenergysolarfund.co.uk).

8. RESPONSIBILITY

The Company and the Directors of the Company, whose names appear on page 50 of the Placing Programme Prospectus, accept responsibility for the information contained in this Supplementary Prospectus, and declare that, having taken all reasonable care to ensure that such is the case, the information contained in this Supplementary Prospectus is, to the best of its and their knowledge, in accordance with the facts and contains no omission likely to affect its import.

9. GENERAL

To the extent that there is any inconsistency between any statement in or incorporated by reference in this document and any other statement in or incorporated by reference in the Placing Programme Prospectus, the statements in or incorporated by reference in this document will prevail.

Save as disclosed in this Supplementary Prospectus, no other significant new factor, material mistake or inaccuracy relating to information included in the Placing Programme Prospectus has arisen or been noted, as the case may be, since the publication of the Placing Programme Prospectus.

This Supplementary Prospectus is dated 18 August 2015.

