

**NOT FOR RELEASE, DISTRIBUTION OR PUBLICATION, DIRECTLY OR INDIRECTLY, TO U.S. PERSONS OR IN OR INTO THE UNITED STATES, CANADA, AUSTRALIA, THE REPUBLIC OF SOUTH AFRICA, NEW ZEALAND OR JAPAN OR ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO DISTRIBUTE THIS ANNOUNCEMENT. THE INFORMATION CONTAINED HEREIN DOES NOT CONSTITUTE OR FORM PART OF ANY OFFER TO ISSUE OR SELL, OR ANY SOLICITATION OF ANY OFFER TO SUBSCRIBE OR PURCHASE, ANY INVESTMENTS IN ANY JURISDICTION.**

This announcement is an advertisement for the purposes of the Prospectus Regulation Rules of the UK Financial Conduct Authority ("FCA") and is not a prospectus. This announcement does not constitute or form part of, and should not be construed as, an offer for sale or subscription of, or solicitation of any offer to subscribe for or to acquire, any ordinary shares in NextEnergy Renewables Limited in any jurisdiction, including in or into the United States, Australia, Canada, Japan, New Zealand or the Republic of South Africa. Investors should not subscribe for or purchase any ordinary shares referred to in this announcement except on the basis of information in the prospectus (the "**Prospectus**") in its final form, expected to be published by NextEnergy Renewables Limited in early February 2021 in connection with the proposed admission of its ordinary shares to the premium segment of the Official List of the FCA and to trading on London Stock Exchange plc's main market for listed securities. A copy of the Prospectus will, following publication, be available for inspection from the Company's registered office and on its website ([www.nextenergyrenewables.com](http://www.nextenergyrenewables.com)).

#### **Intention to Float**

LEI: 213800DDXYC7S5AVXC55

1 February 2021

#### **NEXTENERGY RENEWABLES LIMITED**

#### **ANNOUNCEMENT OF INTENTION TO FLOAT ON THE LONDON STOCK EXCHANGE**

#### **INITIAL PUBLIC OFFERING OF UP TO £300 MILLION TO INVEST IN A DIVERSIFIED PORTFOLIO OF GLOBAL PRIVATE RENEWABLES AND ENERGY TRANSITION INFRASTRUCTURE OPPORTUNITIES WHICH PROVIDE LONG-TERM REGULAR INCOME AND ATTRACTIVE RETURNS**

NextEnergy Renewables Limited ("**NREN**" or the "**Company**"), today announces its intention to launch an initial public offering ("**IPO**"), and to seek admission for its Ordinary Shares to the premium segment of the Official List of the Financial Conduct Authority and to trading on the London Stock Exchange's Main Market ("**Admission**").

NREN is a differentiated renewables investment company that aims to capture the most attractive private renewables and energy transition infrastructure investment opportunities globally. NREN's ambition is to increase the global renewable energy supply through established clean energies available today, whilst taking exposure to new key transformative energy transition infrastructure (such as hydrogen and battery storage) to help tackle climate change whilst reducing the global use and reliance on fossil fuels.

NREN investments will be sourced through NextEnergy Capital Group (“**NEC**” or “**NextEnergy Group**”) and other high performing managers’ platforms, co-investments and direct acquisitions.

NREN intends to provide investors with attractive long-term regular income and capital appreciation. An investment in NREN will enable investors to gain exposure to a diversified portfolio of renewable energy projects and exciting energy transition infrastructure through investing in and alongside (by way of co-investment) private investment platforms managed by some of the world’s leading renewable energy investment managers. It is expected that over time the portfolio will be equally weighted between funds managed by NextEnergy Group, third party managed funds and direct investments (by way of co-investment).

NREN is seeking to raise up to £300 million by way of a placing, offer for subscription and intermediaries offer (together the “**Issue**”) of ordinary shares (the “**Ordinary Shares**”) at an issue price of £1.00 per Ordinary Share.

NREN will be managed by NextEnergy Capital IM Limited, a global specialist investment manager in the renewable energy sector and part of NextEnergy Group which has an established track record of managing both public and private investment platforms, and over \$2.3bn in renewable energy focused AuM.

### ***Investment Highlights***

- NREN is targeting total returns of 9-11 per cent. per annum (net of all fees and expenses but including the Target Dividend and capital appreciation)
- The Company’s target dividend yield for the first full financial year to 31 December 2022 is 5.5 pence per Ordinary Share (the “**Target Dividend**”) and then growing progressively thereafter, with a target dividend of 3 pence per Ordinary Share in relation to the period from initial admission to 31 December 2021<sup>1</sup>
- Unique preferential access to existing and future NextEnergy funds as well as exposure to other global investment third party vehicles and direct investments which benefit from higher returns, specialist renewable knowledge and greater diversification
- The advantage of liquidity through publicly-traded shares
- Attractive unlevered returns via stable and growing dividend distribution and NAV uplift, above what is offered by other listed renewable energy sector funds
- Exclusive access to renewables and energy transition opportunities with long-term contracted revenue streams and upside potential (from portfolio optimisation, yield compression, and technological innovations amongst other factors)
- Greater portfolio and risk diversification (including by geography, technology, managers, revenue mix) than what is offered by other listed renewable energy funds through the global renewable infrastructure spectrum and exciting energy transition technologies
- Immediate attractive capital deployment targets identified, including instant access to NextPower III LP (“**NPIII**”), and co-investment opportunities with NPIII via the seed portfolio
- A broad, specialist and established team with an extensive track record and wealth of relevant experience in listed funds, private funds, direct investments, ESG and a broad set of renewables technologies

---

<sup>1</sup> The target total return and the Target Dividend are targets only and are not a profit forecasts. There can be no guarantee that these targets will be met and they should not be taken as an indication of the Company's expected or actual future results. The Company's actual returns will depend on a number of factors including but not limited to the performance of the Company's underlying funds. Accordingly, potential investors should not place any reliance on these targets in deciding whether or not to invest in the Company and should decide for themselves whether or not the target total return and the Target Dividend are reasonable or achievable.

- Full access to different geographies, technologies, counterparties, power markets and managers through NEC's globally-diversified portfolios and investment remit
- A low base management fee, of c.40bps, in addition to a performance fee. A fee structure with strong performance and incentive alignment with shareholders, that results in lower overall fees relative to existing listed renewable energy funds. For example, a total return performance of 8 per cent. would result in overall fees of c.40bps and a total return performance of 11 per cent. would result in overall fees of 85bps
- Access to low-cost co-investment and direct opportunities provides the option to gain exposure to the most attractive assets, optimise portfolio construction and increase returns

NREN expects to publish the Prospectus in relation to the IPO in early February. The Prospectus will incorporate a placing programme which will provide NREN with the flexibility to grow following Admission.

The launch of the IPO will be subject to the publication of the Prospectus following the approval of the Financial Conduct Authority.

J.P. Morgan Cazenove is acting as Global Coordinator and Joint Bookrunner, Kempen & Co is acting as Joint Bookrunner and Dickson Minto W.S. is acting as Sponsor.

## **HIGHLIGHTS**

### ***A leading investment manager with established track record in the global renewable energy sector***

- NextEnergy Group was founded in 2007 and is a leading player in the global renewable energy sector with over \$2.3 billion in AuM. It has launched four institutional funds, including one listed entity and has a depth of experience across its 190 employees, with excellent knowledge of the broader renewable energy sector and a global network (operating offices in UK, Italy, India and USA)
- Alongside its expertise in direct investments, NextEnergy Group has extensive experience in identifying attractive investment strategies, structuring market-friendly platforms and launching competitive private funds. It is therefore well positioned to select, negotiate, secure and monitor attractive co-investment opportunities and private investment platforms
- NextEnergy Group has an established value-creation track record across time, geographies and structures, including private and listed funds, some of which have already been exited successfully
- Highly experienced management team with Michael F.H. Bonte-Friedheim (Founding Partner and CEO of NextEnergy Group), Aldo Beolchini (Founding Partner and CIO of NextEnergy Group), Giulia Guidi (ESG Senior Adviser of NextEnergy Group) boasting a significant amount of experience and leadership in the renewable sector

### ***The global renewable energy market – supportive market backdrop with large opportunity set and growth outlook***

- Renewable energy is forecast to account for the majority of electricity generated globally by 2030
- A total of \$13.3 trillion is expected to be invested in new power generation capacity from 2019-2050 – equivalent to \$416 billion per year. Almost 80 per cent. of this or \$10.3 trillion will go to renewables
- This transformation is driven both by the underlying economic rationale for renewables and a seismic shift in stakeholder expectations, underpinned also by projected growth in hydrogen production, energy storage and electrification of transportation

- Private investment is expected to account for the majority of new investment capital in the global renewable energy sector
- During the Covid-19 crisis renewable energy infrastructure strategies demonstrated their resilience to shocks and uncorrelated nature to other sectors

***Private funds are able to offer higher returns and additional flexibility than existing listed renewable funds***

- Private platforms have more flexible and patient acquisition strategies than listed vehicles
- Increased geographical and sector diversification compared to existing listed funds which are mainly investing in highly competitive markets
- Flexible exit strategies allow for realisation (and distribution) of private funds' value creation and yield compression
- Access to the leading managers in the industry with larger teams and greater alignment to achieve higher returns in addition to stable income

***Effective capital deployment and portfolio composition***

- Upon IPO, NREN will be able to immediately deploy significant capital in the seed portfolio
- Investment in pre-identified third party platforms will allow the Company to rapidly deploy the balance of its IPO proceeds
- Commitments in NPIII and other private platforms will grant NREN access to co-investment opportunities
- After the initial investment period NREN will target a balanced portfolio equally split across these three sets of opportunities and will seek to grow in line with this target

***Guaranteed seed portfolio – NextPower III LP (“NPIII”)***

- **Strategy:** NPIII is an ESG fund targeting operational and new-build solar assets primarily backed by long-term PPAs in OECD countries
- **Target Size:** \$750m
- **IRR Target:** The fund on launch targeted 13-15 per cent. gross IRR and is on track to achieve or exceed this target
- Current investors include some of the world's most sophisticated and ESG aware institutions
- To date NPIII had an interim close of \$282m which has already been substantially fully invested, having acquired 430MW with on average 70 per cent. fixed revenues, and is in the process of acquiring a further c.500MW under exclusivity with a further c.2GW of projects in the immediate pipeline
- NPIII was awarded the *2020 Renewables Fund of the Year* by Environmental Finance

***ESG considerations are a key part of the investment process, ensuring a positive environmental and social impact***

- NextEnergy Group uses the UN Sustainable Development Goals (“SDGs”) as a global framework to define the ESG elements of its investment strategy. This framework will be fully integrated into NREN's investment process and ESG strategy
- NREN is expected to qualify for the London Stock Exchange's Green Economy Mark at Admission, which recognises companies that derive 50 per cent. or more of their total annual revenues from products and services that contribute to the global green economy. NREN also expects to be designated as a Guernsey Green Fund by the Guernsey Financial Services Commission

**Commenting on the investment company, Anne Wade, Chair of NextEnergy Renewables Limited said:**

“It gives me great pleasure to announce NextEnergy Renewables Limited’s intention to float on the London Stock Exchange with an IPO which we believe offers a truly unique investment opportunity for the renewable and transition energy investment market. The NextEnergy Renewables fund will provide the opportunity to immediately invest through our seed funding into the NextPower III ESG fund, which has a significant portfolio of international solar assets, and in time look to further diversify the portfolio through investment into both private platforms and direct investment through co-invested opportunities.

It is this investment opportunity set that will allow NextEnergy Renewables Limited to offer diversity in both asset class and jurisdiction which truly differentiates this from other offerings. We believe that the timing of the launch of our new vehicle is also very favourable as we look to capitalise on the supportive market backdrop with a large investible universe and strong growth outlook ahead.”

**Michael Bonte-Friedheim, CEO and Founding Partner of NextEnergy Group commented:**

“Today is a very exciting day for the NextEnergy Group as we bring a new listed fund to the market which offers a unique opportunity for investors to gain exposure to renewable and transition energy investments in private platforms, with the added advantage of liquidity, specialist renewable knowledge and greater diversification. The NextEnergy Renewables fund will offer a significant return profile with attractive unlevered returns via stable and growing dividend distribution and NAV uplift, above what is currently offered by other listed renewable energy funds. We have also successfully put in place the lowest base management fee in the sector for investors in this fund.

As a leading investment manager with an established track record in the global renewable energy sector, we are very well equipped to be able to bring in a significant number of opportunities into the fund with full access to different geographies, technologies, counterparties, power markets and managers. Our ambition is to increase the global renewable energy supply, whilst investing in key transformative energy transition infrastructure and we look forward to doing this while offering a significant return for our investors.”

**EXPECTED TIMETABLE**

Publication of the Prospectus	Early February 2021
Placing, offer for subscription & intermediaries offer opens	Early February 2021
Placing, offer for subscription & intermediaries offer closes	Early March 2021
Admission of and dealings in Ordinary Shares	Early March 2021

**FOR FURTHER INFORMATION**

**NextEnergy Group**

**+44 203 746 0700**

[ir@nextenergyrenewables.com](mailto:ir@nextenergyrenewables.com)

Michael Bonte-Friedheim, Founding Partner and CEO

Aldo Beolchini, Managing Partner and CIO

**J.P. Morgan Cazenove****+44 20 7742 4000**

William Simmonds / Rupert Budge / Harry Randall (Corporate Finance)  
James Bouverat / Liam MacDonald-Raggett (Sales)

**Kempen & Co****+31 20 348 8000**

Robin van Wijk / Bas Verloop / Michiel Klomp (Corporate Finance)  
Maire Rasmont (Sales)

**Camarco (Financial Communications Adviser)****+44 20 3757 4980**

Owen Roberts / Eddie Livingstone-Learmonth / Louise Dolan /  
Annabel Reed

**OTHER INFORMATION**

Once published, a copy of the Prospectus will be submitted to the National Storage Mechanism and be available for inspection on the Company's website [www.nextenergyrenewables.com](http://www.nextenergyrenewables.com).

***Investment Objective***

The investment objective of the Company is to provide investors with regular income and capital appreciation through a diversified portfolio of private investment platforms which predominantly invest in renewable energy and/or energy transition technologies, assets and projects and direct investments (including by way of co-investments) in renewable energy and/or energy transition projects and assets.

***Investment Policy***

The Company will pursue its investment objective by investing in three main categories of investment opportunities:

1. making primary and secondary commitments into private investment platforms managed by NextEnergy Group;
2. making primary and secondary commitments into private investment platforms managed by Third Party Managers; and
3. investing in renewable energy and/or energy transition technologies, assets and projects as the sole investor or alongside other investors (including co-investments with portfolio platforms). The Company may invest in such renewable energy and energy transition technologies, assets and projects either directly, by way of joint venture vehicles or through holding structures acquiring minority, majority and/or all of the interests.

The Company is focused on providing a positive social and environmental impact with both its indirect and direct investments in renewable energy and energy transition assets, technologies and projects. Consequently, the Company will target private investment platforms that are predominantly focused on renewable energy and/or energy transition assets and projects, and that have (or intend to have) the vast majority of their assets located in OECD Member Countries. Direct investments (including co-investments) will only be in relation to renewable energy and/or energy transition assets, projects and technologies. The Company will have a preference for underlying operational assets but will also be able to hold (directly or indirectly) assets that are in development or under construction. As technologies and markets develop and become more established, future investments may differ from those within the initial portfolio.

The Company is committed to reducing portfolio concentration risk by implementing a global investment approach. It will seek to maximise its opportunities and reduce investment risk by holding a balanced spread of investments diversified by geography, renewable energy and energy transition technologies, assets and projects and investment stage, asset maturity, counterparties, power markets, currency exposure and underlying investment managers. Given this global investment approach, the Company does not adopt maximum or minimum exposures to specific geographic regions, technologies, the investment stage of funds, the maturity of the underlying assets, counterparties or power markets. However, the Company will not invest in any private investment vehicles which invest in fossil fuels or that make unethical investments (such as, for example, investments in arms manufacturers).

The Company's principal target markets comprise OECD Member Countries and it will also have the flexibility to invest in platforms that have minor exposure to other markets should compelling investment opportunities develop.

#### *How the Company holds its investments*

The Company may invest in any type of financial instrument, including equity and non-equity shares, trust units, debt securities, shareholder loans, subscription and conversion rights and options in relation to such shares and securities and interests in partnerships and limited partnerships and other forms of collective investment schemes. Investments in funds, companies and other entities may be made either directly or indirectly, through one or more holding, special purpose or investment platforms, and in which one or more co-investors, including, for the avoidance of doubt, NPIII, may also have an interest.

#### *Quoted investments*

The Company may, from time to time, hold quoted investments as a consequence of such investments being distributed to the Company from its fund investments as the result of an investment in an unquoted company becoming quoted. However, in no circumstances will the Company invest in any listed investment companies.

#### *Over-commitment*

The Company is permitted to employ a limited policy of over-commitment in conjunction with, and within the limits of, its gearing policy. This means that the Company may commit more than its available uninvested assets, not exceeding 30 per cent. of Gross Asset Value (in order to ensure the Company remains within its gearing limits), to investments in private equity funds on the basis that such commitments can be met from anticipated future cash flows to the Company and through the use of borrowings and capital raisings where necessary. The Company will only use this over-commitment policy to the extent that leverage is available to it.

#### **Investment restrictions**

##### *Single investment limits*

No single investment (being, in the case of a subscription to a new fund, the amount committed to the fund or, if an additional stake in an existing investment is acquired, the combined sum of the purchase monies paid by the Company and the outstanding commitment (if any) assumed by the Company in respect of such fund) by the Company will constitute (at the time of investment) more than 30 per cent. of the Gross Asset Value and the aggregate outstanding commitments in respect of the Company's investments.

The aggregate of all the amounts invested by the Company (being the amounts committed by the Company to new funds and the purchase monies paid by the Company and outstanding commitments (if any) assumed by the

Company in the case of secondary interests in existing funds) in funds (including any co-investments) managed by a single fund management group (other than NextEnergy Group) will not represent more than 30 per cent. of the Gross Asset Value and the aggregate outstanding commitments in respect of the Company's investments at the time such investment is made.

*Direct investment (including co-investment limit)*

No single direct investment (including a co-investment) will constitute (at the time of investment) more than 10 per cent. of Gross Asset Value.

*Limit on the number of investments*

The Company will also ensure that its investment portfolio comprises a minimum of five renewable energy and energy transition private investment platforms or direct asset investments at any given time, save that this requirement shall not apply when the Company is in the process of investing the Initial Issue Proceeds and/or being wound up or dissolved.

The above restrictions apply as at the date of the relevant transaction or commitment to invest. Hence, the Company would not be required to effect changes in its investments owing to appreciations or depreciations in value, distributions or calls from existing commitments, redemptions or the receipt of, or subscription for, any rights, bonuses or benefits in the nature of capital or of any acquisition or merger or scheme of arrangement for amalgamation, reconstruction, conversion or exchange or any redemption, but regard shall be had to these restrictions when considering changes or additions to the Company's investments (other than where these investments are due to commitments made by the Company earlier).

***Cash balances***

Pending investment, reinvestment or distribution of cash receipts or repayments of any outstanding indebtedness, cash received by the Company will be invested in cash, cash equivalents, near-cash instruments, money market instruments and money market funds and cash funds. The Company may also hold derivative or other financial instruments designed for efficient portfolio management or to hedge interest, inflation, power price or currency rate risks. The Company and any other member of its group may also lend cash which it holds as part of its cash management policy.

***Borrowing policy***

Underlying investments in power generating infrastructure assets may employ financial leverage usually in the form of non-recourse project-level debt in proportion to their level of long-term fixed and regulated revenues and other characteristics of the asset. The Company seeks to manage exposure to assets or platforms that employ leverage in consideration of factors including (but not limited to) proportion of fixed revenues, counterparty risks, cashflow profile and in any case no more than its own cash flow and appropriate risk provisions can support, in order to enhance value creation. As a result, it is impractical to set a maximum for such gearing across the portfolio as a whole.

The Company's Articles provide that gearing at Company level calculated as a percentage of the Gross Asset Value will not exceed 50 per cent. at the time of drawdown. It is the Board's current intention that the Company will only use short term leverage up to 30 per cent. of Gross Asset Value at the time of drawdown.

***The AIFM and Investment Adviser***



The Company has appointed NextEnergy Capital IM Limited (the "**AIFM**") as its alternative investment fund manager to provide overall portfolio and risk management services to the Company. The Company and the AIFM have appointed NextEnergy Capital Limited (the "**Investment Adviser**") to provide certain services in relation to the Company and its portfolio.

The NextEnergy Group, which was founded in 2007, is a leading global specialist investment and asset manager in the renewable energy sector. Since its inception, it has been active in the development, construction and ownership of solar assets. It currently has assets under management of around US\$2.3bn, across three active investment platforms. As at 1 February 2021, the NextEnergy Group has made investments in over 220 individual solar assets worldwide with an installed capacity in excess of 1.2GWp. The NextEnergy Group has offices in Hyderabad (India), London, Milan and New York, employing over 190 professionals with extensive experience of investing in the renewable energy sector. In addition to its extensive experience in solar energy, collectively the team at the NextEnergy Group that will manage the portfolio of investments made by the Company have over 175 years of non-solar renewable energy experience, including investing in hydro, wind and biogas.

Michael F.H. Bonte-Friedheim and Aldo Beolchini, the Founding Partner and Managing Partner of NextEnergy Group respectively, who will be responsible for the Investment Adviser's implementation of the Company's investment strategy, have agreed to invest an aggregate amount of £500,000 in the Initial Issue.

The NextEnergy Group has pledged 5 per cent. of its profits annually to the NextEnergy Foundation which acts to provide energy and light from renewable sources to underserved regions as well as benefit the local communities in which it is present and beyond. It is a committed signatory of the UN backed Principles for Responsible Investment and is a member of the Institutional Investors Group on Climate Change and a supporter of the Task-Force for the Climate-Related Financial Disclosure. For more information on NextEnergy Foundation, please visit [www.nextenergyfoundation.org](http://www.nextenergyfoundation.org).

## **MANAGEMENT AND KEY MEMBERS OF INVESTMENT TEAM**

### ***Michael F.H. Bonte-Friedheim (Founding Partner and CEO of NextEnergy Group)***

Michael is Founding Partner and CEO of NextEnergy Capital and member of the Investment Committee of NextEnergy Solar Fund Limited and of the investment committees of NextPower II LP and NPIII. Michael has extensive energy and power experience as well as financial expertise developed over 25 years in investment banking and managing energy companies. He left Goldman Sachs in 2006 (to found NextEnergy Capital) where he was Managing Director in the European Energy & Power Team in the European Investment Banking Department. He previously held similar roles at Morgan Stanley and Credit Suisse First Boston in London.

Since leaving Goldman Sachs, as well as founding the NextEnergy Group and driving its development, he has also held various roles in AIM-listed companies. These roles included Non-Executive Chairman, Senior Independent Board Member and Chief Executive Officer.

### ***Aldo Beolchini (Managing Partner and Chief Investment Officer of NextEnergy Group)***

Aldo is responsible for the implementation of the investment strategy of the various listed and private equity funds managed by the NextEnergy Group, ensuring the consistency and diligence of the investment approach across all strategies. Aldo is also a member of the investment committees of NextEnergy Solar Fund Limited, NextPower II LP and NPIII. Aldo contributes extensive experience acquired over more than 20 years in renewable energy and corporate finance. He joined the NextEnergy Group in February 2008 from Morgan Stanley, where he

was most recently a Vice President in the London investment banking department. During his eight-year long banking career he held various financing and capital markets-related roles and closed several principal financing transactions, private equity and M&A deals.

Aldo brings extensive experience in designing and executing complex structured finance transactions and his appointment enhances NextEnergy Group's relationship with leading lenders and investors in the European renewable energy sector. Aldo holds a degree in Business and Economics from the Luiss University of Rome and prior to his banking career was an officer within the Academy of Guardia di Finanza in Italy.

***Giulia Guidi (Head of ESG of NextEnergy Group)***

Giulia is an ESG risk expert with over 15 years' experience in the financial sector. She joined the NextEnergy Group in 2017 as ESG Senior Advisor. Prior to joining, Giulia spent ten years as an Executive Director in Global Risk Management at J.P. Morgan Chase. There she was responsible for the implementation of J.P. Morgan Chase's ESG Risk Policy, along with performing ESG due diligence on more than 1,000 transactions. Prior to J.P. Morgan Chase, Giulia worked at the Export Credit Guarantee Agency, managing environmental and social risk for major project finance transactions in energy and industrial sectors.

Giulia brings substantial ESG risk management expertise, including in green bonds. She has deep and extensive knowledge of key ESG trends and the agenda for the energy sector. Giulia has acted as a member of the Advisory Group of the OECD Responsible Business Conduct Committee and as a member of the Steering Committee of the Cross-Sector Biodiversity Initiative. She holds an MSc degree in Environmental Engineering (Rome, Italy) and an MSc Eng. in Renewable Energy Markets (Cork, Ireland).

**INDEPENDENT BOARD OF DIRECTORS**

The Directors, each of whom is independent and non-executive, are responsible for the determination of the investment policy of the Company and its overall supervision. Whilst certain responsibilities have been delegated to the AIFM and the Investment Adviser, a schedule of matters specifically reserved for the Board's decision has been adopted by the Board. Board members will also engage with the Investment Adviser regarding the Company's investments.

The Directors are as follows:

***Anne Wade (Chair)***

Anne was Senior Vice President and Director of Capital International from 1995 to 2012, where she was responsible for infrastructure-related investments. Anne was previously a non-executive director and member of the Governance and Strategy Committee of Holcim, based in Switzerland. Anne was appointed as an independent non-executive director of the Man Group plc in April 2020. She is also a non-executive director of Summit Materials Inc, a trustee of Big Society Capital Limited and a partner in Leaders' Quest, and was also a non-executive director and chair of the remuneration committee at John Laing Group plc until January 2021.

***Fiona Le Poidevin (Chair of the Audit Committee)***

Fiona is a non-executive director with a particular focus on listed investment companies and private equity. A Chartered Director, Fellow of the Institute of Directors and Chartered Accountant (FCA), Fiona has over 22 years' experience working in financial services in both London and the Channel Islands across the accounting and tax professions with experience in strategy, marketing, PR and the regulatory and listed company environments. Until the end of July 2020, Fiona was Chief Executive Officer of The International Stock Exchange Group Limited, a company listed on The International Stock Exchange. In 2018, Fiona led the launch of TISE GREEN, the exchange's green finance market segment for companies, bonds and funds creating a positive environmental impact. Previously Fiona was Chief Executive of Guernsey Finance, the promotional body for Guernsey's finance industry internationally, and prior to this she was an auditor and latterly tax adviser at PwC (London and Channel Islands) and KPMG (Channel Islands) for over 13 years. Fiona is a member of the AIC Channel Islands Committee and the IoD Guernsey Committee and non-executive Chairman of a local Sea Scouts group.

### ***Michael Bane***

Mike is a chartered accountant and retired from public practice on 29 June 2018. Mike has more than 35 years of audit and advisory experience in the asset management industry including in relation to infrastructure investment companies. He led EY's services to the asset management industry in the Channel Islands and was a member of EY's EMEIA Wealth and Asset Management Board. Prior to EY, Mike was at PwC, in both London and Guernsey. Mike was President of the Guernsey Society of Chartered and Certified Accountants from 2015 to 2017. He is a non-executive Director of HICL plc, Apax Global Alpha Limited and The Health Improvement Commission for Guernsey and Alderney LBG.

### **Important Notice**

The contents of this announcement (the "**Announcement**"), which has been prepared by and is the sole responsibility of NextEnergy Renewables Limited ("**NREN**"), have been approved by NextEnergy Capital IM Limited (the "**AIFM**") solely for the purposes of section 21(2)(b) of the Financial Services and Markets Act 2000 (as amended) ("**FSMA**").

This Announcement is not for release, publication or distribution, directly or indirectly, in or into the United States (including its territories and possessions, any state of the United States and the District of Columbia, collectively, the "**United States**"), Australia, Canada, the Republic of South Africa, New Zealand, Japan or any other jurisdiction where such distribution is unlawful, or to US persons, as defined in Regulation S ("**Regulation S**") under the US Securities Act of 1933, as amended. The distribution of this Announcement may be restricted by law in certain jurisdictions and persons into whose possession any document or other information referred to herein comes should inform themselves about and observe any such restriction. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

This Announcement is not for publication or distribution, directly or indirectly, in or into the United States of America. This Announcement is not an offer of securities for sale into the United States. The securities of NREN have not been and will not be registered under the US Securities Act of 1933 (as amended) and may not be offered or sold in the United States, except pursuant to an applicable exemption from registration. No public offering of securities is being made in the United States.

This Announcement does not constitute an offer to sell, or the solicitation of an offer to acquire or subscribe for, securities of NREN in any jurisdiction where such offer or solicitation is unlawful or would impose any unfulfilled registration, qualification, publication or approval requirements on NREN, the AIFM or the NextEnergy Group, JP Morgan Securities plc ("**JPMC**"), Van Lanschot Kempen Wealth Management N.V. ("**Kempen & Co**" and together with JPMC the "**Joint Bookrunners**") or Dickson Minto W.S. The offer and sale of securities of NREN has not been and will not be registered under the applicable securities laws of Australia, Canada, the Republic of South Africa or Japan. Subject to certain exemptions, the securities of NREN may not be offered to or sold within Australia, Canada, the Republic of South Africa or Japan or to any national, resident or citizen of Australia, Canada, the Republic of South Africa or Japan.

In addition, NREN has not been and will not be registered under the US Investment Company Act of 1940, as amended, and the recipient of this Announcement will not be entitled to the benefit of that act.

This Announcement is for information purposes only and does not contain or constitute an offer for sale of, or the solicitation of an offer or an invitation to buy or subscribe for, securities to any person in the Australia, Canada, South Africa, New Zealand or Japan or in any other jurisdiction.

This Announcement is an advertisement and not a prospectus. Investors should not subscribe for or purchase any transferable securities referred to in this Announcement except on the basis of information in the prospectus intended to be published by NREN in connection with the proposed initial public offering (the "**IPO**") (the "**Prospectus**"). In particular, prospective investors will be required to read and understand the section entitled "Risk Factors" in the Prospectus, once available.

The information in this Announcement is for background purposes only and does not purport to be full or complete. No reliance may be placed for any purpose on the information contained in this Announcement or its accuracy or completeness. This Announcement does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for any securities of NREN or any other securities nor shall it (or any part of it) or the fact of its distribution, form the basis of, or be relied on in connection with, any contract therefor. The material contained in this announcement is given as at the date of its publication (unless otherwise marked) and is subject to updating, revision and amendment. In particular, any proposals referred to herein are subject to revision and amendment.

This Announcement does not constitute a recommendation concerning the IPO. No information set out in this announcement is intended to form the basis of any contract for sale, investment decision or any decision to purchase shares in the Company. The price and value of securities and any income from them can go down as well as up. Past performance is not a guide to future performance and prospective investors may not receive any returns, income distributions or capital appreciation from NREN. Before purchasing any securities of NREN, persons viewing this Announcement should ensure that they fully understand and accept the risks that will be set out in the Prospectus, if and when published. Information in this Announcement or any of the documents relating to the IPO cannot be relied upon as a guide to future performance. Potential investors should consult a professional adviser as to the suitability of the IPO for the entity concerned.

This Announcement includes statements that are, or may be deemed to be, "forward-looking statements". These forward-looking statements can be identified by the use of forward-looking terminology, including the terms

"believes", "estimates", "anticipates", "expects", "intends", "may", "will" or "should" or, in each case, their negative or other variations or comparable terminology. All statements other than statements of historical facts included in this Announcement, including, without limitation, those regarding the Company's financial position, strategy, plans, proposed acquisitions and objectives, are forward-looking statements. Forward-looking statements are subject to risks and uncertainties and, accordingly, the Company's actual future financial results and operational performance may differ materially from the results and performance expressed in, or implied by, the statements. These factors include but are not limited to those that will be described in the Prospectus. These forward-looking statements speak only as at the date of this Announcement and cannot be relied upon as a guide to future performance. The Company, the NextEnergy Group (including the AIFM), the Joint Bookrunners and Dickson Minto W.S. expressly disclaim any obligation or undertaking to update or revise any forward-looking statements contained herein to reflect actual results or any change in the assumptions, conditions or circumstances on which any such statements are based unless required to do so by law or any appropriate regulatory authority, including the Financial Services and Markets Act 2000, Listing Rules, the UK Prospectus Regulation, the Disclosure Guidance and Transparency Rules, UK MAR and, to the extent applicable, EU MAR (each as defined in the Prospectus).

JPMC is authorised in the UK by the Prudential Regulatory Authority ("**PRA**") and regulated by the Financial Conduct Authority (the "**FCA**") and the PRA. JPMC is acting exclusively for the Company and no-one else in connection with this Announcement or any future transaction in connection with it. JPMC will not regard any other person as its client in relation to the subject matter of this Announcement and will not be responsible to anyone other than NREN for providing the protections afforded to its clients, nor for providing advice in relation to the contents of this Announcement or any transaction, arrangement or other matter referred to herein.

Kempen & Co is authorised and regulated in the Netherlands by the Dutch Authority for the Financial Markets and the Dutch Central Bank. Kempen & Co is acting exclusively for the Company and no-one else in connection with this Announcement or any future transaction in connection with it. Kempen & Co will not regard any other person as its client in relation to the subject matter of this Announcement and will not be responsible to anyone other than the Company for providing the protections afforded to its clients, nor for providing advice in relation to the contents of this Announcement or any transaction, arrangement or other matter referred to herein.

Dickson Minto W.S, which is authorised and regulated by the FCA, is acting only for NREN in connection with the matters described in this Announcement and is not acting for or advising any other person, or treating any other person as its client, in relation thereto and will not be responsible for providing the regulatory protection afforded to clients of Dickson Minto W.S. or advice to any other person in relation to the matters contained herein.

None of the Joint Bookrunners, Dickson Minto W.S., NREN or the AIFM or any of their respective parents or subsidiary undertakings, or the subsidiary undertakings of any such parent undertakings, or any of such person's respective directors, officers, employees, agents, affiliates or advisers or any other person ("**their respective affiliates**") accepts (save where required by law) any responsibility or liability whatsoever for/ or makes any representation or warranty, express or implied, as to this Announcement, including the truth, accuracy or completeness of the information in this Announcement (or whether any information has been omitted from the Announcement) or any other information relating to the Company, whether written, oral or in a visual or electronic form, and howsoever transmitted or made available or for any loss howsoever arising from any use of this Announcement or its contents or otherwise arising in connection therewith.

## Information to Distributors

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended ("**Directive 2014/65/EU**"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing Directive 2014/65/EU, in the case of (a) and (b), to the extent that they form part of the domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (as may be amended from time to time, including, without limitation, by virtue of the European Union (Withdrawal Agreement) Act 2020); and (c) other local implementing measures (together, the "**MiFID II Product Governance Requirements**"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, NREN's ordinary shares (the "**Ordinary Shares**") have been subject to a product approval process, which has determined that the Ordinary Shares to be issued pursuant to the Issue are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in Directive 2014/65/EU; or the UK MiFID Laws (as defined in the Prospectus) (as applicable) and (ii) eligible for distribution through all distribution channels as are permitted by Directive 2014/65/EU or the UK MiFID Laws (as applicable) (the "**Target Market Assessment**").

Notwithstanding the Target Market Assessment, distributors should note that: the price of the Ordinary Shares may decline and investors could lose all or part of their investment; the Ordinary Shares offer no guaranteed income and no capital protection; and an investment in the Ordinary Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Issue. Furthermore, it is noted that, notwithstanding the Target Market Assessment, the Joint Bookrunners will only procure investors who meet the criteria of professional clients and eligible counterparties.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of Directive 2014/65/EU or the UK MiFID Laws (as applicable); or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Ordinary Shares.

Each distributor is responsible for undertaking its own target market assessment in respect of the Ordinary Shares and determining appropriate distribution channels.

### **PRIIPS (as defined below)**

In accordance with the UK version of Regulation (EU) No 1286/2014 of the European Parliament and of the Council of 26 November 2014 on key information documents for packaged retail and insurance-based investment products ("**PRIIPs**") and its implementing and delegated acts which are part of UK law by virtue of the European Union (Withdrawal) Act 2018, as amended and supplemented from time to time (the "**UK PRIIPs Laws**"), the AIFM will prepare a key information document (the "**KID**") in respect of the Ordinary Shares. The KID will be made available by the AIFM to "retail investors" at the same time as the publication of the Prospectus and prior to them making an investment decision in respect of the Ordinary Shares at [www.nextenergyrenewables.com](http://www.nextenergyrenewables.com).

If you are distributing Ordinary Shares, it is your responsibility to ensure that the KID is provided to any clients that are "retail clients".

The AIFM is the only manufacturer of the Ordinary Shares for the purposes of the UK PRIIPs Laws and none of the Company, the Sponsor or the Joint Bookrunners is a manufacturer for these purposes. None of the Company, the Sponsor or the Joint Bookrunners makes any representations, express or implied, or accepts any responsibility whatsoever for the contents of the KID prepared by the AIFM nor accepts any responsibility to update the contents of the KID in accordance with the UK PRIIPs Laws, to undertake any review processes in relation thereto or to provide the KID to future distributors of Ordinary Shares. Each of the Company, the Sponsor and the Joint Bookrunners and their respective affiliates accordingly disclaims all and any liability whether arising in tort or contract or otherwise which it or they might have in respect of any key information documents prepared by the AIFM from time to time.

Prospective Investors should note that the content of a key information document is highly prescriptive, both in terms of the calculations underlying the numbers and the narrative, with limited ability to add further context or explanation. As such, the key information document should be read in conjunction with other material produced by the Company, including the Prospectus and, in future, the annual reports which will be available on the Company's website. The figures in the KID may not reflect actual returns for the Ordinary Shares and anticipated performance returns cannot be guaranteed.