

London, January 11th, 2022

NextEnergy Capital Divests its NextPower II Private Solar Infrastructure Fund Portfolio

NextEnergy Capital is pleased to announce the sale of the entire portfolio of operating solar projects owned by NextPower II (the “Fund”) in Italy.

The Fund’s portfolio comprises 105 individual solar plants for a total installed capacity of c.149MW. Its plants are located across Italy, in regions including Piedmont, Lombardy, Veneto, Tuscany, Puglia, Sardinia, Calabria, Campania, March, Molise, Abruzzo and Emilia-Romagna.

NextEnergy Capital launched NextPower II in 2016 with the investment objective of consolidating the fragmented Italian market of operating solar projects, and deploying its technical, operational and financial expertise to improve the technical and operating performance across the portfolio, streamline operating costs and achieve debt financing synergies. In addition, NextEnergy Capital identified and implemented numerous repowering and other value-accretive opportunities to further increase the technical and operating performance across the portfolio.

The portfolio was consolidated across 21 individual acquisitions undertaken by NextEnergy Capital during the Fund’s investment period. At sale, NextPower II was among the ten largest portfolios of operating solar plants in Italy.

Michael Bonte-Friedheim, CEO and Founding Partner of NextEnergy Capital, said:

“The divestment of NextPower II’s portfolio is the culmination of a focused investment strategy and consolidation plan identified and implemented by NextEnergy Capital starting in 2016. We are particularly pleased with the exceptional financial results we have generated for the Fund’s investors. NextPower II is the precursor to NextPower III, a private solar infrastructure fund focused on OECD markets which recently exceeded its US\$750m fundraising target. We are a focused specialist in the solar sector and will continue to expand our activities across markets and participate in generating a more sustainable future by leading the transition to clean energy.”

Aldo Beolchini, NextEnergy Capital Managing Partner and CIO, said:

“NextPower II’s investment strategy was designed to leverage our expertise in developing, acquiring and managing solar projects. The investment process to achieve a portfolio of over 100 operating projects in three years demonstrates how our exclusive focus on solar accelerates capital

deployment in the sector and achieves superior investor outcomes. The value-add strategy implemented during the ownership phase contributed to this outstanding performance. We look forward to building on NextPower II's track record in the future and continuing our successful investment programme across jurisdictions."

Gianluca Boccanera, NextEnergy Capital MD and Head of Italy, added:

"The quality of the investment and portfolio management teams assembled to implement NextPower II's investment strategy is a testament to NextEnergy Capital's culture and values. The teams' ability and combination of skills enabled us to navigate the Italian solar landscape effectively, identify attractive investment opportunities, successfully close 21 investments and generate incremental value through the portfolio consolidation phase. Our operating asset manager, WiseEnergy, made a significant contribution to ensuring this successful outcome."

Further Information:

NextEnergy Group

NextEnergy Group was founded in 2007 to become a leading market participant in the international solar sector. Since its inception, it has been active in the development, construction and ownership of solar assets across jurisdictions.

NextEnergy Capital

NextEnergy Capital comprises the Group's investment management activities. It currently has solar assets under management of c.US\$3.2bn, across three investment vehicles. To date, NEC has invested in over 325 individual solar plants for an installed capacity in excess of 1.4 GW.

Besides NextPower II, NextEnergy Capital manages two further active investment vehicles: a private fund, NextPower III ESG and one listed investment company, NextEnergy Solar Fund Limited. Additionally NEC has recently launched a new private fund, NextPower UK ESG.

- **NextEnergy Solar Fund ("NESF")** is a solar infrastructure investment company focused on the UK and other OECD countries, that is listed on the premium segment of the London Stock Exchange. It currently owns 895MW spread among 99 individual assets in the UK and Italy, comprising a gross asset value of £1,087m. As at 10 January 2022, NESF's market capitalisation was c.£604m. NESF is one of the largest listed solar energy investment companies in the world.
- **NextPower III ESG ("NPIII")** is a private fund exclusively focused on the international solar infrastructure sector, principally targeting projects in carefully selected OECD countries, including the US, Portugal, Spain, Chile, Poland and Italy. NPIII ESG is a fund that provides a positive social and environmental impact to the countries it has and will

invest into. When NPIII is fully invested at US\$750m across an installed capacity of circa 2.5GW, it can expect to deliver an impact of estimated annual avoided emissions of circa 2 million tCO₂e each year, which on a conservative basis is the equivalent to providing energy for more than circa 1.3 million homes per year. The total amount of capital raised for NPIII is \$859.4 million, including a SMA.

- **NextPower UK ESG (“NPUK ESG”)** is a private unlevered fund investing in the development and operation of subsidy-free solar projects, with PPA’s, in the UK. NPUK ESG was launched in December 2021. NPUK ESG is a 10-year solar infrastructure fund and currently owns 115MW in two operating assets, including the largest solar plant in the UK. The UK Infrastructure Bank is providing financing to the initial seed assets of the fund, and plans to invest up to £250m, half of the fund’s total target fund size, on a match-funding basis.

WiseEnergy

WiseEnergy® is NextEnergy Capital Group’s operating asset manager. WiseEnergy is a leading specialist operating asset manager in the solar sector. Since its founding, WiseEnergy has provided solar asset management, monitoring and technical due diligence services to over 1,300 utility-scale solar power plants with an installed capacity in excess of 2.2GW. WiseEnergy clients comprise leading banks and equity financiers in the energy and infrastructure sector.

Starlight

Starlight is NextEnergy Group’s development company that is active in the development phase of solar projects. It has developed over 100 utility-scale projects internationally and continues to progress a large pipeline of c.2.5GW of both green and brownfield project developments across global geographies.

For further information:

NextEnergy Group

Michael Bonte-Friedheim

Aldo Beolchini

-END-