

London, December 5, 2022

NextPower UK ESG achieves 97% of target at Second Close

- *Increased total commitments to date to £487 million (target £500 million)*
- *Achieved second close **only** 3 months after first close, within the two-year fundraising period*
- *Already invested into 175MW, with 2 projects (125MW) paying dividends*

NextEnergy Capital (“NEC”), a global solar specialist in the renewables sector, is pleased to announce the second close of NextPower UK ESG (“NPUK ESG”) at £487 million. The fund has a target and hard cap of £500 million and £1 billion respectively.

The second close has been executed just three months after the Fund’s first close in August 2022. NPUK ESG will continue to raise capital for the rest of its fundraising period, or until the Fund reaches its hard cap, capturing the positive momentum behind the Fund.

The second close of NPUK ESG is comprised of commitments from Strathclyde Pension Fund, the UK Infrastructure Bank, and a Japanese Institutional investor. The two new investors join the existing commitments from LGPS Central Limited, Merseyside Pension Fund, Brunel Pension Partnership, and a Middle Eastern Institutional Investor. Looking forward, the Fund expects to welcome additional investors who are currently in due diligence.

NPUK ESG is private solar fund focused on unsubsidised new-build solar plants in the UK, which, at hard cap, will produce enough clean energy to power the equivalent of nearly 500,000 households or offset nearly 200,000 carbon-emitting cars on the road each year. From the Fund’s proprietary project pipeline, NEC has already acquired its first three utility-scale solar assets, of which two are operational, for commitments of c.£145 million, deploying almost half of the capital raised at the Fund’s first close within seven weeks after this date.

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

“NPUK ESG is a first-of-a-kind investment vehicle targeting new-build, unsubsidised solar projects exclusively in the UK. We are leading the global solar sector in offering innovative investment vehicles for institutional investors to access the opportunities we identify and progress. In this way we accelerate the deployment of solar power in the markets we are active in.”

Our fundraising momentum comes on the heels of the recent success of the first close which has enabled NPUK ESG to secure its first three acquisitions totalling 175MW. This is a real testament to the NextEnergy Capital team as we continue to successfully realise NPUK ESG's exciting pipeline of new-build UK, unsubsidised solar. We are expecting to conclude further acquisitions very shortly which will significantly increase the Fund's commitments."

Shane Swords, NextEnergy Capital Managing Director and Head of Investor Relations, said:

"This strong second close represents a fantastic milestone for NextEnergy Capital as well as the UK solar sector. We have been heartened by investors looking to deploy their capital to proactively support UK energy security, affordability, and net-zero policies. Investors have recognised that the way to access these structural tailwinds is through a specialist and experienced manager and we thank our LP base for their backing."

Further information:

NextPower UK ESG

NPUK is a 10-year closed-ended private fund managed by NextEnergy Capital. It is a private unlevered fund investing in greenfield subsidy-free solar projects, with PPAs, in the UK.

- Launched in December 2021 targeting £500m, to invest into unsubsidised solar plants in the UK with contracted revenues.
- The UK Infrastructure Bank is providing cornerstone match-funding capital for up to £250m.
- Offers investors the opportunity to earn attractive risk-adjusted returns from solar PV infrastructure in the UK.
- Fund returns are then enhanced through NextEnergy Capital's expertise in technical outperformance, private wire agreements, repowering and storage additionality
- Benefits from access to the Fund's own secured and proprietary pipeline
- Real, measurable additionality ESG impacts, including biodiversity measures and community engagement

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 multiple jurisdictions. NextEnergy Group operates via its three business units: NextEnergy Capital (Investment Management), WiseEnergy (Operating Asset Management) and Starlight (Asset Development).

NextEnergy Capital

NextEnergy Capital is the investment arm of the NextEnergy Group, to date it has invested in over 350 individual solar plants for a capacity in excess of 2.4GW across its institutional funds. At present, NEC's solar AUM amounts to c.\$3.3 billion;

- **First Fund:** [NextEnergy Solar Fund \("NESF"\)](#), a specialist solar and energy storage climate impact fund focused on the UK and other OECD countries, which is listed on the premium segment of the London Stock Exchange. It currently owns 865MW spread among 99 individual operating assets in the UK and Italy, comprising a gross asset value of £1,258m. NESF is one of the largest listed solar energy investment companies in the world.
- **Second Fund:** [NextPower II \("NPII"\)](#), a 2016 vintage private fund made up of 105 individual operating solar power plants and an installed capacity of 149MW, focused on consolidating the

substantial, highly fragmented Italian solar market. NP11 was successfully divested in January 2022 generating net IRRs very significantly in excess of its gross target of 10-12%.

- **Third Fund:** [NextPower III ESG \(“NP11 ESG”\)](#), 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. NP11 ESG is a fund that provides a positive social and environmental impact to the countries it has and will invest into. NP11 ESG completed its fundraise with a total of \$896m, including a SMA. The target of the fund was \$750m.
- **Fourth Fund:** [NextPower UK ESG \(“NPUK ESG”\)](#), a private unlevered fund investing in greenfield subsidy-free solar projects, with PPA’s, in the UK, as described above.
- **Fifth Fund:** [NextPower V ESG \(“NPV ESG”\)](#), expected to launch in early 2023, this strategy will be a continuation of NextEnergy Capital’s successful OECD solar fund, NP11 ESG. Given the growth trajectory of solar globally, NPV ESG will look to capitalise on this international opportunity set to deliver attractive, superior risk-adjusted returns to its investors..

Further information on the NextEnergy Group is available at: <https://www.nextenergygroup.com/>

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 1,350 utility-scale solar power plants with an installed capacity in excess of 1.8GW. WiseEnergy clients comprise leading banks and equity financiers in the energy and infrastructure sector.

Further information on WiseEnergy® is available at: www.wise-energy.com

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.8.5GW of both green and brownfield project developments across global geographies.