

**NextEnergy Capital**

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# NextPower V ESG

## NextEnergy Capital Announces Further Close for NextPower V ESG

NextEnergy Capital (“NEC”), a leading global renewables manager specialised on the solar+ infrastructure sector, is delighted to announce a further capital commitment of **\$100 million** to its fifth strategy, **NextPower V ESG (“NPV ESG”)**. NPV ESG is an OECD-focused solar and battery storage strategy targeting \$1.5 billion with a \$2 billion hard cap that has secured **\$580 million** in total commitments to date.

The additional capital of \$100 million has been committed by a European pension fund, joining existing NPV ESG investors KLP, a German occupational pension fund and a large Nordic pension fund. NPV ESG expects to welcome further capital in short order, with several investors currently active in due diligence.

NPV ESG’s investment strategy targets the solar+ infrastructure sector in carefully selected OECD markets, with the objective of building significant portfolios in each target market, establishing an operational track record and divesting the portfolio at the end of the fund’s holding period in 2033. NPV ESG leverages NEC’s track record of successful investments in the solar+ infrastructure sector since 2007, with over 400 utility-scale projects acquired and previous funds delivering superior financial returns to investors.

NPV ESG has started its investment cycle with a **c.100MW** utility-scale solar project under construction in Highland County, Florida, USA, and has several other investment opportunities from its **18GW** pipeline under exclusivity that are expected to close shortly. NPV ESG’s pipeline includes projects in Spain, Poland, Italy, Canada, and the US.

Upon reaching its investment ceiling and delivering **4.5GW**, NPV ESG is forecasted to generate enough clean energy to power the equivalent of up to **1,119,186** households per year and avoid an estimated fossil fuel consumption of up to **218.1** million m<sup>3</sup> of natural gas annually. This underscores NEC’s commitment to sustainable investing and aligns with its mission of leading the transition to clean energy, while generating attractive financial returns for its investors.

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

*"I am very pleased to announce a further close for NPV ESG, with a commitment from a new institutional investor for our strategies. This additional capital coming into the fund demonstrates NextEnergy Capital strategies coming to the fore as we continue to expand our reach as the go-to specialist solar+ investment manager focused on OECD markets.*

*Since its first close last year the fund has now received total commitments of \$580 million to date, and its inaugural asset in the USA has started construction and secured a long-term power purchase agreement.*

*NPV ESG focuses on new-build opportunities, contributing to the decarbonisation of the power generation sector, while lowering power prices and increasing energy independency in our target markets. NPV ESG also makes a significant contribution to local biodiversity, communities and natural capital enhancements.*

*The fund continues to draw significant interest from investors worldwide. I am thrilled to continue our global fundraising efforts and look forward to announcing further investor commitments to NPV ESG and further investments shortly."*

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

*"We are delighted to welcome a new investor into NextPower V ESG, which further accelerates the fund's positive momentum and growth. It's wonderful to see NextEnergy Capital's exemplary track record, extensive experience in solar, and vast opportunities in the solar sector being recognised.*

*NextPower V ESG is our largest international fund to date which will provide a real impact and tangible benefits to the communities and countries where its assets are located, whilst also providing an opportunity for investors looking for strong and stable renewable energy returns.*

*This additional capital close is a clear indication to the market that, despite the current environment, investors are still seeking a specialist investment manager with a proven track record of successful delivery, deployment, and superior return generation."*

**Further information:****NextPower V ESG**

NextPower V ESG is a contracted OECD solar strategy that offers investors the opportunity to earn strong risk-adjusted returns from the solar PV infrastructure asset class with a highly experienced team and a track record of success in OECD-based solar deployment. The strategy will primarily invest in OECD solar assets and adjacent technologies (e.g. battery storage) in the target markets. NPV ESG is targeting \$1.5bn in size with a \$2bn ceiling.

- **Opportunity Set:** Global renewable targets for 2050 demonstrate the necessity for further renewable deployment, most importantly solar as the proven and stable technology.
- **Team:** International solar fund with energy transition technology, led by the market leading solar investment team that headed NextPower III ESG ("NPIII ESG").
- **Proprietary Sourcing:** Deal flow from in-house developer and NEC's market access provides significant sourcing advantage.

- **Demonstrable Pipeline:** The team has developed a pipeline of 13GW reducing investment risk and providing a high degree of visibility on deployment.
- **Compelling Returns:** Targeting mid double-digit returns.
- **Long-Term Stable Cash Flows:** Revenue model backed by robust, credit-worthy PPAs leveraging the team's OECD-based PPA expertise.
- **Return Enhancement:** Through NEC's expertise in technical outperformance, efficient leverage, asset optimisation, and storage additionality.
- **ESG Impacts:** Classified as an Article 9 Fund under the EU SFDR providing tangible and measurable impact including biodiversity measures.

### **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 (Project Development).

### **NextEnergy Capital**

NextEnergy Capital ("NEC") comprises the Group's investment management activities. To date, NEC has invested in over 400 individual solar plants for a capacity in excess of 3GW across its institutional funds. [www.nextenergycapital.com](http://www.nextenergycapital.com)

- **First Fund:** [NextEnergy Solar Fund \("NESF"\)](#), is a specialist solar energy and energy storage fund, which is listed on the premium segment of the London Stock Exchange. It currently has an installed capacity of 933MW spread among 100 individual operating assets in the UK and Italy, comprising an unaudited gross asset value of £1,173m. NESF is one of the largest listed solar and energy storage investment companies in the world.
- **Second Fund:** [NextPower II \("NP II"\)](#), a 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. Launched in 2016, NP II was successfully divested in January 2022 at IRRs significantly in excess of its gross target of 10-12%.
- **Third Fund:** [NextPower III ESG \("NP III ESG"\)](#), 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, Greece, and Italy. NP III is now fully invested with 173 assets, totalling 1.9GW. NP III completed its fundraise with a total of \$896m, including an SMA raised. The target of the fund was \$750m.
- **Fourth Fund:** [NextPower UK ESG \("NPUK ESG"\)](#), is a private unlevered fund investing in greenfield subsidy-free solar projects, with PPA's, in the UK. NPUK ESG is a 10-year closed-ended private fund targeting £500m. To date, NPUK has raised total commitments of £595m exceeding its target within six months of first close, with the UK Infrastructure Bank providing cornerstone match-funding of £250m.
- **Fifth Fund:** [NextPower V ESG \("NPV ESG"\)](#), is a private contracted solar strategy that offers investors the opportunity to earn strong risk-adjusted returns from the solar PV infrastructure asset class with a highly experienced team and a track record of success in solar deployment globally. The strategy will primarily invest in OECD solar assets and adjacent technologies (e.g. battery storage) in the target markets. NPV ESG is targeting \$1.5bn in size with a \$2bn ceiling.

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

**WiseEnergy®**

WiseEnergy® is NextEnergy Group's asset operator. WiseEnergy is a leading specialist asset operator in the solar sector. Currently, WiseEnergy provides development, construction and operating services to over 1,500 solar and battery assets with an installed capacity in excess of 2.5GW. Its asset management clients include listed solar funds (in addition to the Company), banks, private equity funds and other specialist investors. Further information on WiseEnergy is available at: [www.wise-energy.com](http://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.10GW of both green and brownfield project developments across global geographies.

**For further information:**

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