

NextEnergy Capital

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NextPower V ESG

Multiple Milestones Achieved in First Half of 2024

NextEnergy Capital (“NEC”), a leading global renewables manager specialised on the solar+ infrastructure sector, is pleased to provide an update on NextPower V ESG’s (“NPV ESG”) multiple achievements, including asset growth and strong fundraising momentum, over the last six months.

Fundraising:

- Additional capital of **\$265 million** in H1 2024. The fund now has secured **\$745 million** (including \$150 million for co-investments) in total commitments.
- Investors now include a UK LGPS investment pool, a Dutch pension fund, re-ups from existing NextPower III ESG investors, KLP, a German occupational pension fund, and a large Nordic pension fund.
- NextEnergy Capital continues to build on its positive fundraising momentum with a number of investors around the globe currently in due diligence.
- The team continues to raise towards NPV ESG’s target of **\$1.5 billion** (\$2 billion hard cap).

Portfolio & Pipeline:

- Portfolio significantly built out during H1:
 - **116MW** of operational solar assets.
 - **100MW** of solar assets under construction, with a further 234MW in exclusivity.
 - **173MW** ready to build solar assets in exclusivity.
 - **386MW** of solar assets in various project stages in advanced negotiation.
 - **c.1GW** of solar assets in advanced pipeline across the US, Poland, Spain, and Italy.
- Since the launch of NPV ESG, NEC has evaluated over **88GW** of pipeline.
- Access to a pipeline of **18GW** high-quality, attractive investment opportunities, including **3GW** of projects originating from Starlight, NextEnergy Group’s in-house asset developer.
- Selected and targeted **c.1GW** of solar and battery assets in advanced negotiations across the US, Poland, Spain, and Italy.
- Starlight Right-of-First-Offer in place for projects that meet NPV ESG’s investment strategy.
- Pipeline includes projects in Spain, Poland, Italy, Canada, and the US.

Acquisitions:

- Closed the first two investments:
 - A **c.100MW** utility-scale solar project in Highland County, Florida, USA.

- A European CfD acquisition for a portfolio that comprises operating plants totalling 66MW which benefits from contracted revenues that are CPI-linked for at least 15 years.

Return:

- Given the lower costs of solar and higher power prices, the fund is tracking above its target IRRs.
- First operational asset is expected to pay dividends in H2, during the investment phase.
- 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.
- Continue to maintain a disciplined contracted revenue model with robust, credit-worthy counterparties enabling the Fund to generate long-term stable cashflows.

ESG:

- Classified as an **Article 9 Fund** under the EU SFDR providing tangible and measurable impact including biodiversity measures.
- Upon reaching its investment ceiling and delivering **c.4GW**, NPV ESG is forecasted to generate enough clean energy to power the equivalent of up to **1.1 million** households per year and avoid an estimated fossil fuel consumption of up to nearly **220 million m3** of natural gas annually.

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, creating value with a hands-on approach, establishing an operational track record and divesting the portfolio before the end of the fund's life in 2033.

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

"NextPower V ESG is our flagship international OECD private vehicle that continues to demonstrate strong portfolio momentum, most recently bringing a 100MW Florida solar asset and a 65.6MW European solar portfolio into the Fund."

NextPower V 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, creating value with a hands-on approach, and establishing an operational track record before divesting the portfolio before the end of the fund's life in 2033. It is this approach alongside lower costs of solar and higher power prices that has led to the Fund's market-leading returns above its original target IRRs and NextPower V ESG remains on track to pay dividends in H2 2024 during the investment phase of the Fund."

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

"NextPower V ESG has achieved strong momentum in H1 2024 and we look forward to continuing this progress into H2 and beyond."

NextPower V ESG continues to make significant progress in raising additional capital, having already secured \$745m in total commitments and we look forward to updating the market shortly on further fundraising. The NextPower V ESG investment team continue to rapidly deploy investors' capital, having already significantly built out the portfolio so far, and continues to secure attractive investment opportunities within the Fund's 18GW high-quality pipeline."

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 18GW 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

- **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 1,015MW spread among 103 individual operating assets in the UK and Italy, comprising an unaudited gross asset value of £1,155m. NESF is one of the largest listed solar and energy storage investment companies in the world.
- **Second Fund:** [NextPower II \(“NPII”\)](#), 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, NP11 was successfully divested in January 2022 at IRRs significantly in excess of its gross target of 10-12%.

- **Third Fund: [NextPower III ESG \(“NP11 ESG”\)](#)**, 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. NP11 is now fully invested with 172 assets, totalling 1.8GW. NP11 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 £630m 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

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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