New Energy Solar

25 August 2022

NEW ENERGY SOLAR (ASX:NEW)
2022 HALF YEAR RESULTS (1H 2022)

HALF YEAR HIGHLIGHTS

- Revenue from underlying operations of US$36.8 million was up 8.9% on the result for the prior corresponding period, the six months to 30 June 2021, (**PCP**) and earnings before interest, tax, depreciation and amortisation (EBITDA) of US$27.8 million was up 11.6% from the PCP
- Generation performance over the period exceeded that in the PCP, despite asset sales, although it was below weather-adjusted expectations reflecting curtailment at Mount Signal 2 (MS2) and inverter and tracking issues necessitating unscheduled maintenance
- MS2 tranche two option was exercised on 10 February 2022 funding the distribution of a capital return of approximately three and a half cents per share approved by shareholders at an EGM on 29 July 2022 and paid on 19 August 2022
- Following an asset sale process for its U.S. assets, NEW announced[1] it has entered into a binding agreement with MN8 Energy, formerly known as Goldman Sachs Renewable Power LLC, for the sale of its U.S. solar assets for US$244.5 million compared to the net asset value of the U.S. solar assets of US$242 million at 31 December 2021 and US$244.7 million at 30 June 2022

1H 2022 STATUTORY RESULT (REPORTING AS AN 'INVESTMENT ENTITY')

- US asset valuations improved, positively impacted by new operations and maintenance (O&M) contracts improving plant profitability and long-term electricity price forecasts, and negatively impacted by higher discount rates used by the external valuers in their valuation models
- The sale of the second tranche of MS2 reduced the size of the asset portfolio with the reduction recorded as a negative impact on statutory profit and contributing to a statutory loss of A$4.4 million after tax, compared to the A$32.1 million loss after tax in the PCP
- NAV per share as at 30 June 2022 of A$1.13, down two cents from the NAV at 31 December 2021 reflecting operating costs, working capital movements and distributions to shareholders
- External 'look-through' gearing of 49.6% as at 30 June 2022, below NEW's target gearing level

1H 2022 OPERATING RESULT (UNDERLYING SOLAR POWER PLANTS)

- Portfolio gross generation of 641 GWh, equivalent to displacing 388,000 tonnes of CO_2[2]
- Revenue of US$36.8 million comprised electricity sales revenue, economic curtailment compensation at MS2, and receipts from NEW's insurers related to the remediation of the Rosamond plants

[1] See announcement released on 22 August 2022 "Sale of U.S. Solar Assets".
[2] US CO_2 emissions calculated using the US Environmental Protection Agency's AVoided Emissions generation Tool (**AVERT**).

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- Underlying operating EBITDA of US$27.8 million and EBITDA attributable to NEW of US$16.8 million reflected the improved profitability of plants through a focus on operating costs and availability and was achieved despite asset sales
- Excluding divested assets, EBITDA of US$27.8 million and EBITDA attributable to NEW of US$14.3 million, compared to US$22.1 million and US$11.7 million, respectively, in the PCP

New Energy Solar (NEW or the Business) released its half-year results for the six months to 30 June 2022 as well as its 2022 Half-Year Report. A results presentation has also been made available on the NEW website (http://www.newenergysolar.com.au).

Liam Thomas, CEO of New Energy Solar, said "The asset performance this half year has continued to improve, although component underperformance impacted production across the portfolio. MS2 also experienced curtailment instigated by both the PPA offtaker and the market operator. This half we have focussed on plant profitability, negotiating new O&M contracts at some plants that will reduce outgoings and improve the maintenance and replacement of plant components. These measures will ensure increased asset availability", continued Mr Thomas.

"The successful outcome of the sale process resulting in a binding agreement to sell NEW's asset portfolio will, if the transaction completes, provide an opportunity for investors to achieve value for their holding in NEW. The share price performance of NEW has been unsatisfactory for a long time and share trading liquidity constraints have been challenging. The transaction recognises the net asset value of the portfolio and I endorse the Board's recommendation of the transaction, in the absence of a superior proposal", concluded Mr Thomas.

OPERATING AND STATUTORY RESULTS

NEW's operating portfolio produced total underlying revenues of US$36.8 million comprising electricity sales, proceeds from business interruption insurance for the Rosamond plants and compensation for economic curtailment on MS2. EBITDA was US$27.8 million which compared favourably with the US$24.9 million achieved in the PCP and indicates the improvement in performance of the plants, particularly at the Rosamond plants, Stanford and TID. Similarly, EBITDA attributable to NEW was US$16.8 million which accounts for the higher co-investor interest in MS2 and increased project level EBITDA, compared to US$15.3 million in the PCP. The improved portfolio performance is evident when considering the results excluding divested assets. EBITDA of US$27.8 million and EBITDA attributable to NEW of US$14.3 million increased 25.8% and 22.2%, respectively, from the PCP results excluding divested assets.

The statutory results reflect the classification of the listed NEW entity as an 'Investment Entity' under Australian Accounting Standards. As a result of this classification, revenues of the listed entity primarily comprise income received from subsidiaries and movements in the fair value of NEW's investment in its operating subsidiaries – which in this period primarily includes the movement in net asset values, as well as the impact of foreign exchange movements for investments or subsidiaries located outside Australia.

For the 2022 half year NEW recorded a statutory net loss before expenses and tax of A$3.10 million, total expenses of A$1.25 million, and a nil income tax expense, resulting in a net loss after tax of A$4.36 million. Recognised in the statutory net loss is a decrease in the value of the underlying solar power plant portfolio primarily due to the reduction in value consequent on the sale of the second 25% tranche of MS2. The fair values for the remaining US assets improved, as a result of new O&M contracts at some plants which will improve long-term profitability; slightly improved long-term electricity price forecasts; and an improved USD/AUD exchange rate. Rising inflation expectations in the U.S. impacted the discount rates used by NEW's external valuers, resulting in a negative impact on plant valuations.

ASSET PERFORMANCE

U.S. Portfolio

Generation and revenue from NEW's solar assets exceeded the results in the PCP despite asset sales. However, generation was 7.3% below weather-adjusted expectations for the six months to 30 June 2022, as a result of economic curtailment at MS2 and inverter and tracker underperformance necessitating unscheduled maintenance across the portfolio. Despite the strong performance from the restored Rosamond plants, in particular, the revenue performance was also below weather-adjusted expectations, by 8.0%.

With the completion of the sale of the second tranche of MS2, NEW is exposed to only 50% of the performance of MS2 from 27 May 2022.

OUTLOOK

NEW has entered into a binding agreement to sell its asset portfolio. The transaction remains subject to a number of conditions, including NEW shareholder approval and U.S. regulatory approvals. The documentation for the EGM seeking NEW shareholder approval contains further information on the transaction, including the NEW board's recommendation to shareholders to vote in favour of the resolutions to be put to the meeting, in the absence of a superior proposal. The documentation was dispatched on Wednesday 24 August 2022 to registered shareholders.

In the event the sale of the U.S. assets completes, it will comprise the sale of NEW's main undertaking which will lead to NEW's de-listing and eventual winding up.

In the event that the transaction does not complete, the NEW board will continue to focus on restoring value for shareholders.

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Authorised for release by New Energy Solar Limited.

About New Energy Solar

New Energy Solar was established in November 2015 to invest in a diversified portfolio of solar assets across the globe and provide investors with exposure to the global shift to renewable energy. The Business acquires large scale solar power plants with long term contracted power purchase agreements. In addition to financial returns, this strategy generates significant positive environmental impacts for investors.

Since establishment, New Energy Solar has raised over A$500 million of equity and acquired a portfolio of world-class solar power plants, primarily across the United States. New Energy Solar's shares trade on the Australian Securities Exchange under the ticker, NEW.

For more information, visit: www.newenergysolar.com.au

New Energy Solar 1H 2022 Financial Results

25 August 2022

Disclaimer

This presentation is prepared by New Energy Solar Manager Pty Limited (ACN 609 166 645) (**Investment Manager**), a corporate authorised representative (CAR No. 1237667) of E&P Funds Management Pty Limited (ACN 159 902 708, AFSL 450 257) and investment manager for New Energy Solar Limited (ACN 609 396 983) referred to as the '**Business**', '**NEW**' or '**New Energy Solar**'.

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Agenda

1. **Operating conditions and plant performance**
2. **Operational and financial results for 1H 2022**
3. **Conclusion**

Presenters

Liam Thomas, Chief Executive Officer, NESM

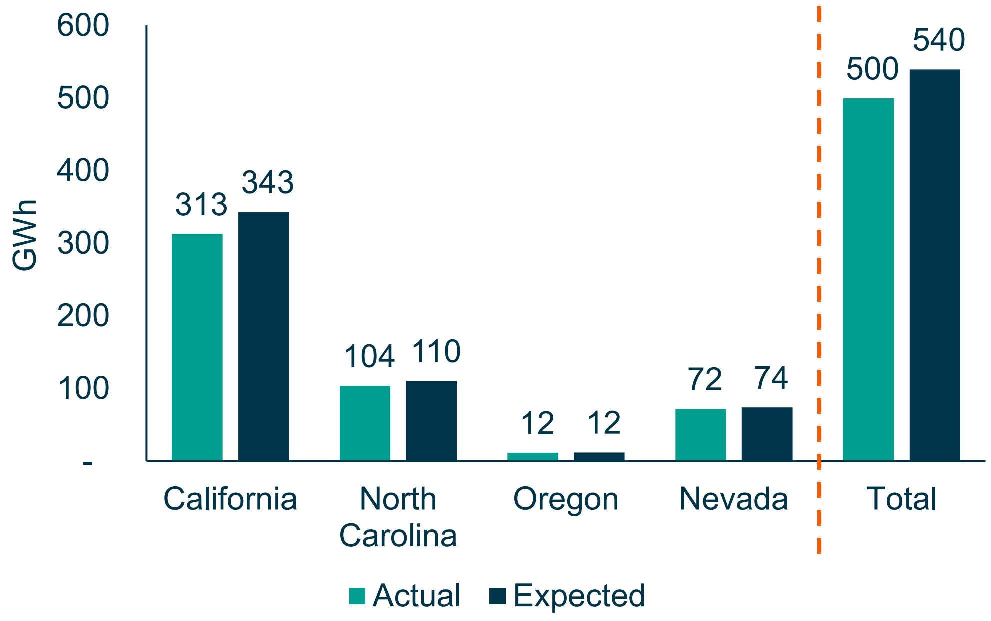
Warwick Keneally, Chief Financial Officer, NESM

1 Operational performance and conditions

Generation output for 1H 2022

Portfolio performs close to expectations following Rosamond remediation

1H 2022 Portfolio generation output[1]



Key 1H 2022 result metrics

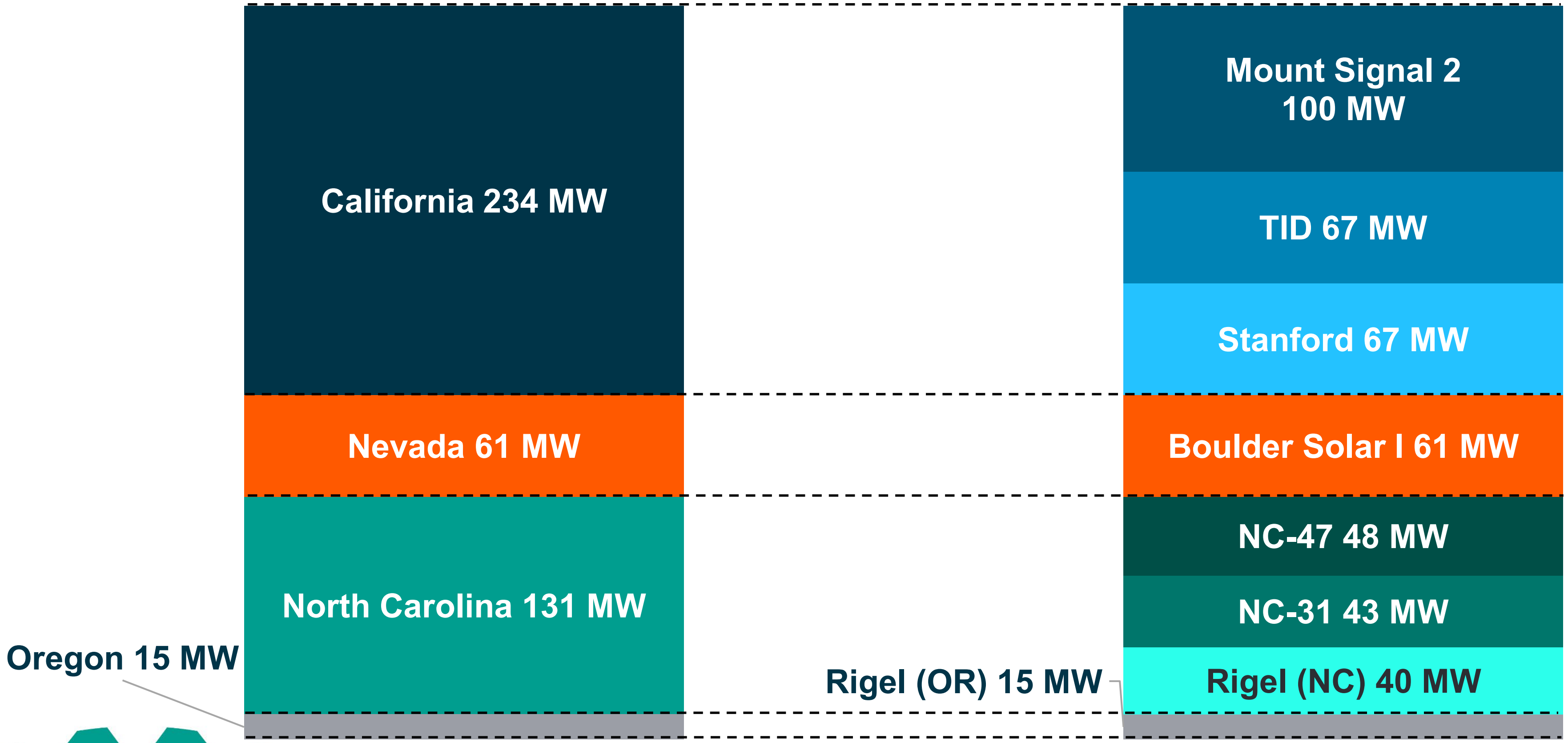
US$36.8m Revenue from sale of electricity[2]	**US$16.8m** Underlying EBITDA attributable to NEW
3.5c Per share capital return paid	**388,000** Tonnes of CO_2 displaced from 1H 2022 operations[3]

Note: Portfolio underlying financial performance including underlying earnings, underlying revenues and EBITDA are non-IFRS measures employed by NEW to provide investors with additional information on the performance of NEW. Since NEW is treated as an Investment Entity for accounting purposes, the portfolio underlying financial performance is not presented in the statutory results. Non-IFRS financial measures should be viewed in addition to, and not as a substitute for, NEW's statutory results.

Notes: 1. Output calculated on a proportional ownership basis. **2.** Revenue calculated on 100% ownership basis including generation and curtailment revenue. **3.** Calculated using the US Environmental Protection Agency's "AVoided Emissions and geneRation Tool" (AVERT).

NEW portfolio focused on United States markets

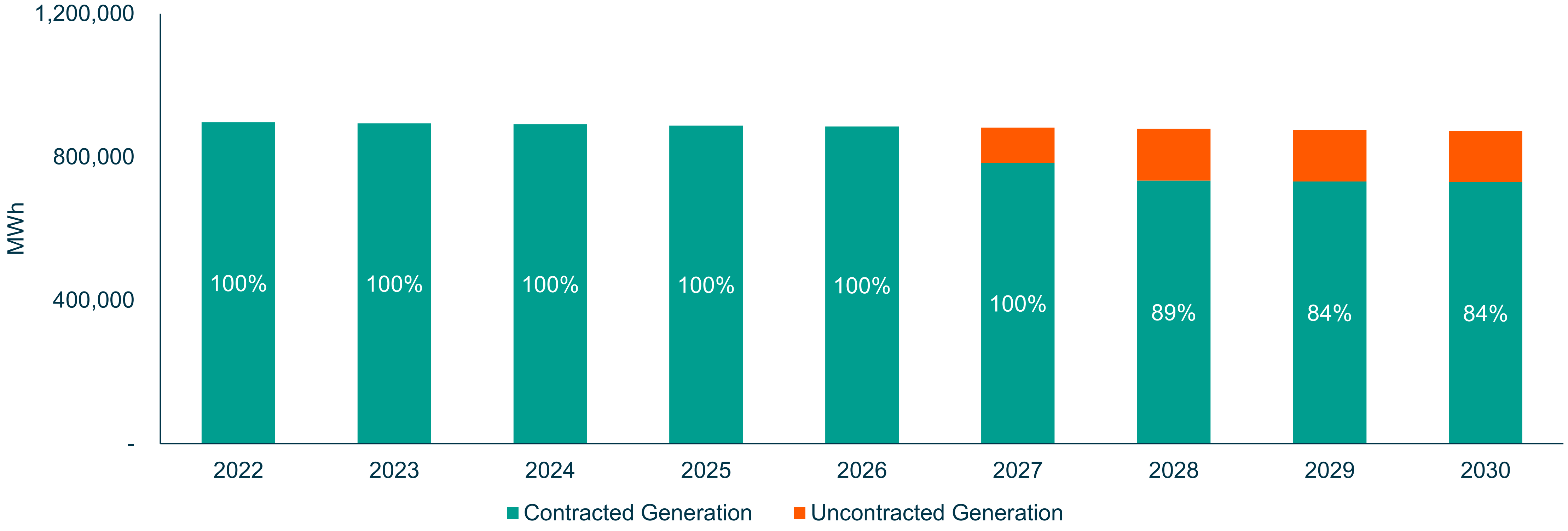
Portfolio diversification by capacity[1]



Note: 1. Accounts for capacity on an ownership basis, that is, Stanford and TID at 99.9%, MS2 at 50% and Boulder at 49%.

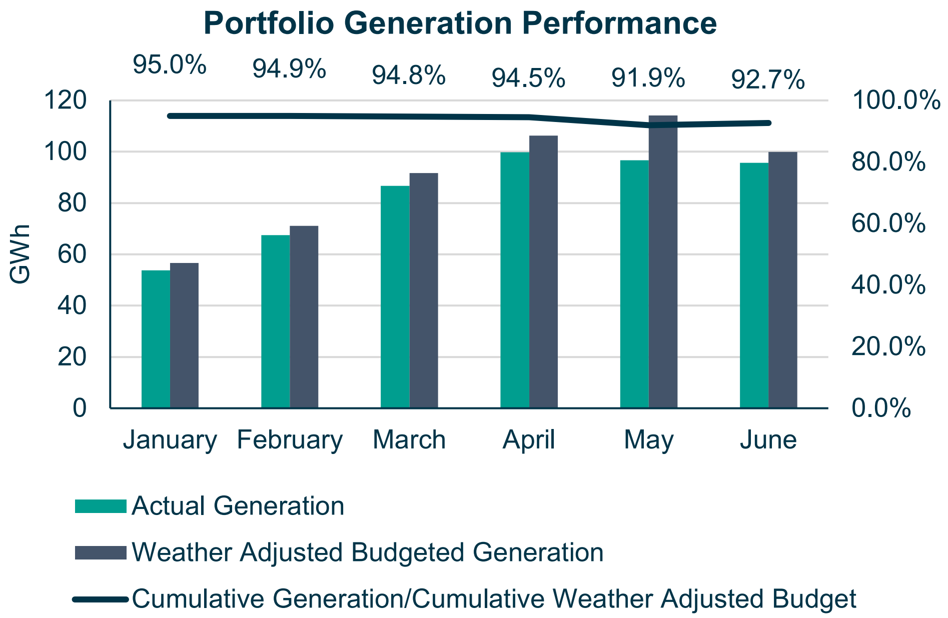
NEW portfolio is secured by PPAs

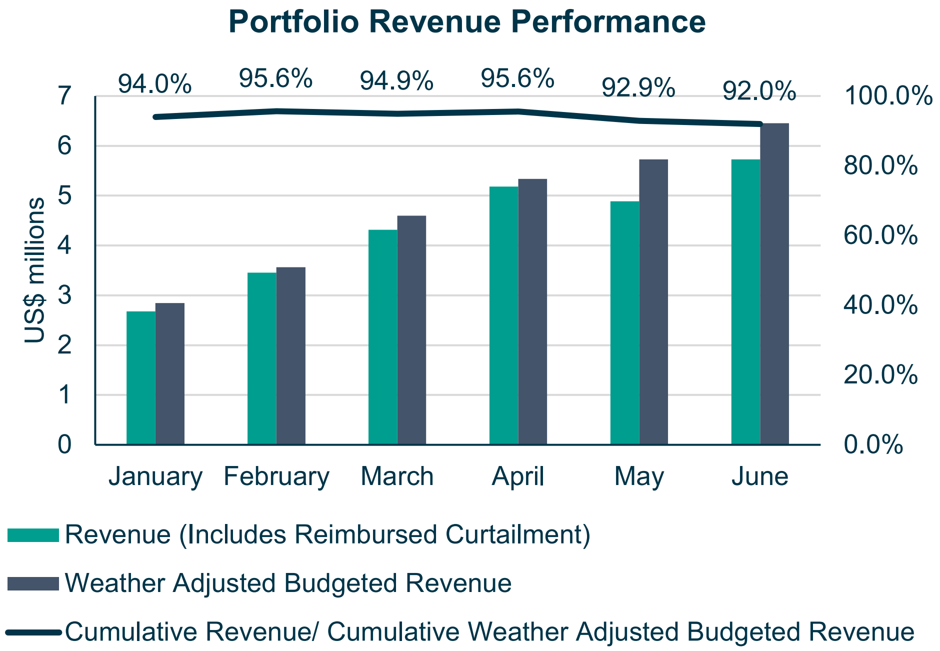
100% of revenue is contracted under long-term PPAs until 2027



Portfolio performance of U.S. assets

Portfolio performance[1]





- Generation deficit primarily from curtailment at MS2 by both the offtaker and the market operator and from component underperformance across the portfolio.

Note: 1. Generation and forecasts are shown on an equity ownership basis. Production has been adjusted for sale of the second 25% tranche of MS2 from 27 May 2022.

Managing plant performance issues

Curtailment and component underperformance impacted production

MS2

- Curtailment by offtaker Southern California Edison and market operator CAISO impacted production
- Some of the CAISO curtailment is disputed by NEW and the operator is conducting an investigation

Other plants

- Inverter and tracker underperformance across the portfolio impacted performance
- Claims against manufacturers may alleviate losses in time
- O&M contracts at NC-31 and NC-47 guaranteeing inverter performance will also reduce future production losses

Rosamond

- Testing and commissioning of plants is complete and plant performance is in line with management expectations
- NEW working with insurers to recover cost of final work and testing

NEW asset values through 1H 2022

Improved asset values after accounting for sale of second tranche of MS2

- The sale of tranche two of MS2 in the half naturally reduced the asset portfolio value by the value of 25% of MS2
- Asset values improved overall through the half year as a result of:
  - an improved USD/AUD rate
  - new operations and maintenance (**O&M**) contracts lowering plant expenses over time
- Long-term electricity price forecasts as at 30 June 2022 had a marginally positive impact on asset values for the period beyond the expiration of NEW's PPAs
- Rising U.S. inflation rate expectations led to the independent valuers employing higher discount rates in their valuation models which had a negative impact on asset values

NEW sale process

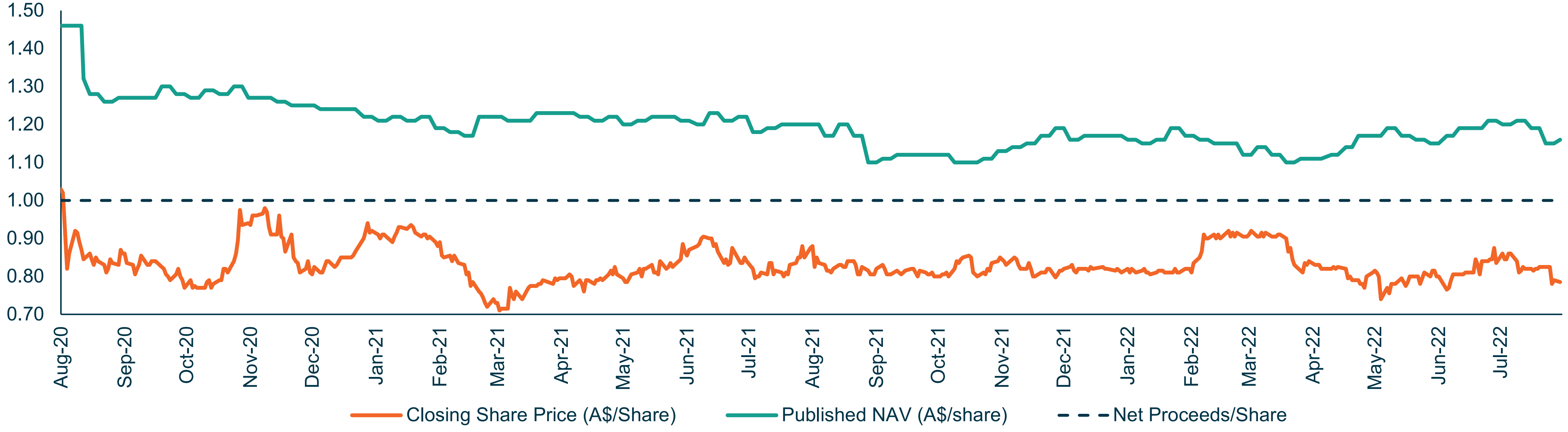
Sale of 14 U.S. solar assets to MN8 Energy[1]

- On 22 August, the Board of NEW announced that it had reached a binding agreement to sell its portfolio of 14 U.S. solar assets to MN8 Energy LLC[1] (**MN8**), a renewable energy business formerly known as Goldman Sachs Renewable Power LLC
- The gross purchase price is US$244.5 million and the expected net proceeds after taxes and transaction costs is anticipated to be US$224 million
- It is expected that shareholders will receive:
  - An initial capital return of A$0.82 per share, expected to be paid following completion
  - A further capital return currently estimated at between A$0.13 and A$0.16 per share on winding up of NEW, expected to be paid toward the end of 2023
- Combined estimated proceeds represent a 20-24% premium to the NEW trading price before bidder exclusivity was announced but completion is subject to conditions including NEW shareholder approval, customary financier and offtaker consents and U.S. regulatory approvals

Note: 1. Transaction agreements record the purchaser as a subsidiary of MN8 Energy, GSRP Shubert LLC, a Delaware limited liability company.

NEW sale process

Proposed transaction represents best value currently available for NEW shareholders

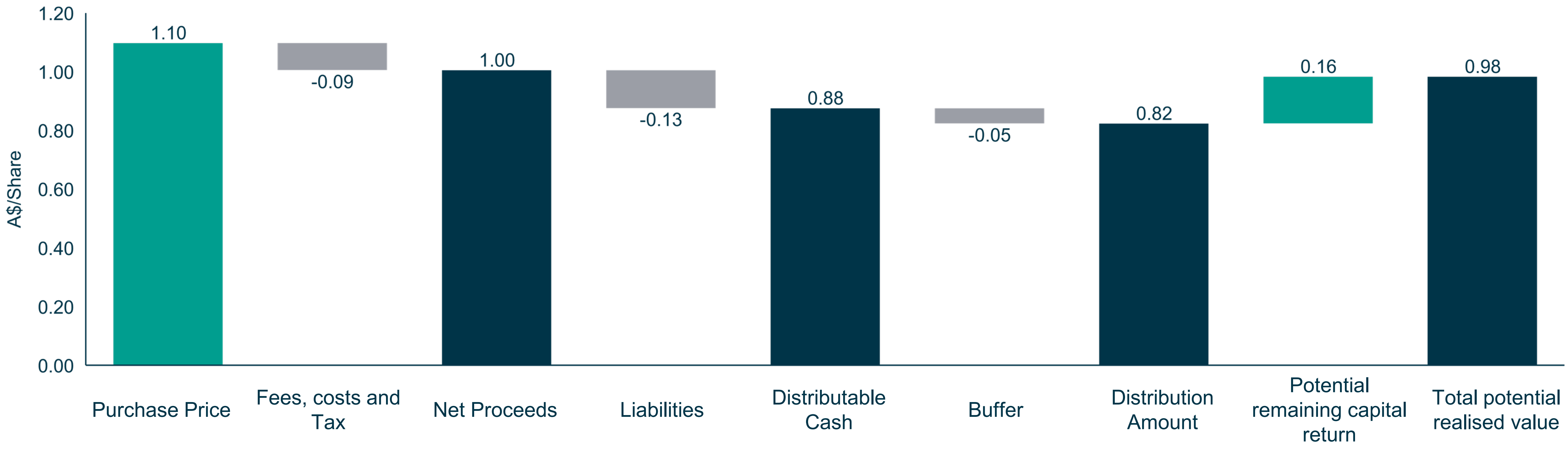


- Purchase price of US$244.5 million compares to the net asset value of the U.S. portfolio of US$242 million at 31 December 2021 and US$244.7 million at 30 June 2022
- NEW shares have consistently traded below NEW's net asset value. Estimated proceeds to be distributed to shareholders represent a 14-18% premium to the weighted average NEW share price over the previous 12 months

Note: 1. See NEW's ASX announcements of 8 September 2020 and 26 October 2020.

NEW sale process

If the transaction is approved, shareholders will receive an A$0.82/share return of capital upon transaction close, with a potential further return of A$0.13 to A$0.16/share[1]



Note: 1. Based on an AUD/USD exchange rate of 0.6950 to 0.7200. It is important to note that the sale proceeds will be received in $US and the actual amount of A$ proceeds received will depend on the exchange rate at the time of conversion subject to a future hedging arrangement that the Company intends to establish.

2 Operational and financial results for 1H 2022

Statutory result reflects portfolio valuations

Sale of second tranche of MS2 constitutes negative movement in fair value of portfolio

A$(3.1)m
Statutory revenue

A$(4.4)m
Loss before tax

A$(4.4)m
Loss after tax

1H 2022 earnings composition[1]

A$m	1H 2022
Fair value movement	(14.65)
Foreign exchange gain/(loss)	0.86
Finance and other income	3.21
MSA fee income and other income	7.47
Total revenue	**(3.10)**
Other operating expenses	(1.25)
Total expenses	**(1.25)**
Loss before tax	**(4.36)**
Income tax benefit/(expense)	-
Profit/(loss) after tax	**(4.36)**

Note: 1. Earnings may not be additive due to rounding.

Underlying cashflows remain robust

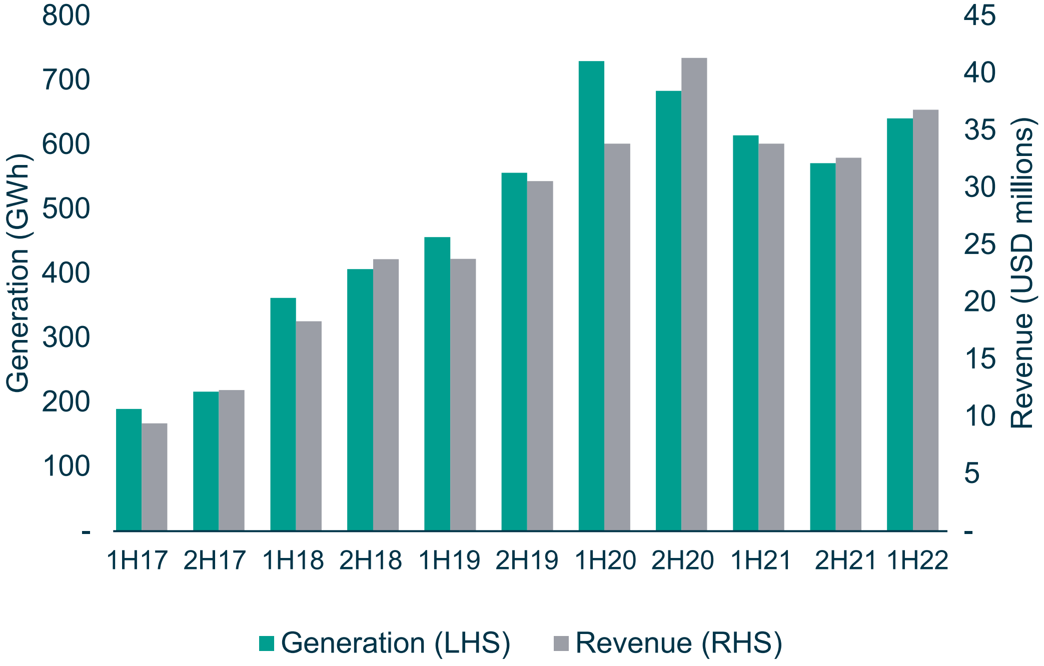
Good performance from assets compared to the prior corresponding period

Underlying earnings[1]

Financial performance	1H2022 (US$m)	FY2021 (US$m)	1H2021 (US$m)	Growth on PCP (%)
Revenue[2]	36.8	66.4	33.8	8.9%
Less: operating expenses	(9.0)	(18.8)	(8.9)	
EBITDA	**27.8**	**47.6**	**24.9**	**11.6%**
Less: Distributions to tax equity and EBITDA attributed to co-investors	(11.0)	(22.4)	(9.6)	
EBITDA attributable to NEW	**16.8**	**25.2**	**15.3**	**9.8%**

Financial performance excluding assets sold [3]	1H2022 (US$m)	FY2021 (US$m)	1H2021 (US$m)	Growth on PCP (%)
Revenue[2]	36.8	62.5	29.9	23.1%
Less: operating expenses	(9.0)	(17.7)	(7.8)	
EBITDA	**27.8**	**44.8**	**22.1**	**25.8%**
Less: Distributions to tax equity and EBITDA attributed to co-investors	(13.5)	(24.4)	(10.3)	
EBITDA attributable to NEW	**14.3**	**20.3**	**11.7**	**22.2%**

Underlying revenue and generation

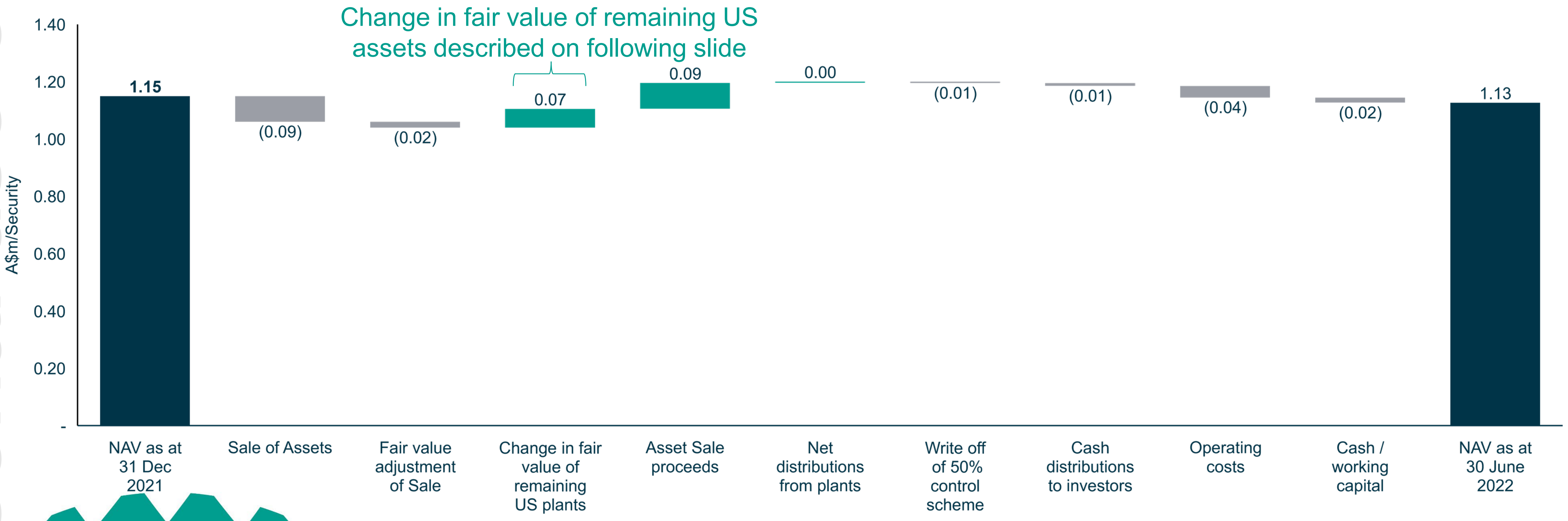


Notes: 1. Underlying earnings calculated based on unaudited financial statements and management reports. Australian asset underlying earnings in 2021 results converted from AUD to USD at FX rate of 1AUD:0.7263USD. Historical performance is not a reliable indicator of future performance. Numbers may not be additive due to rounding **2**. Includes revenue from generation and business interruption insurance proceeds **3**. Comparable performance excludes asset sold, namely, Beryl, Manildra and 50% interest in MS2.

Net asset value bridge

Net Asset Value (NAV) per security of A$1.13 at 30 June 2022

Change in NAV since 31 December 2021[1]

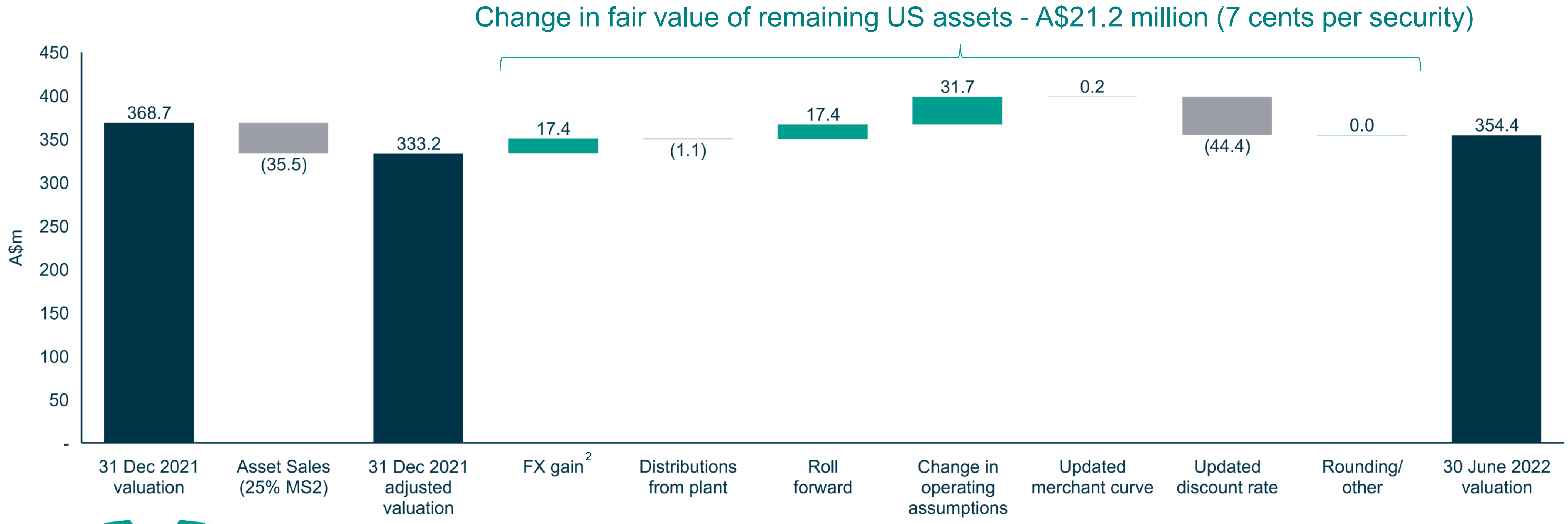


Notes: 1. Movements may not be additive due to rounding.

Fair value bridge

Remaining asset values improved

Change in fair value since 31 December 2021[1]



Note: 1. Movements may not be additive due to rounding. **2.** Foreign exchange gains on the A$ value of operating plants over the period

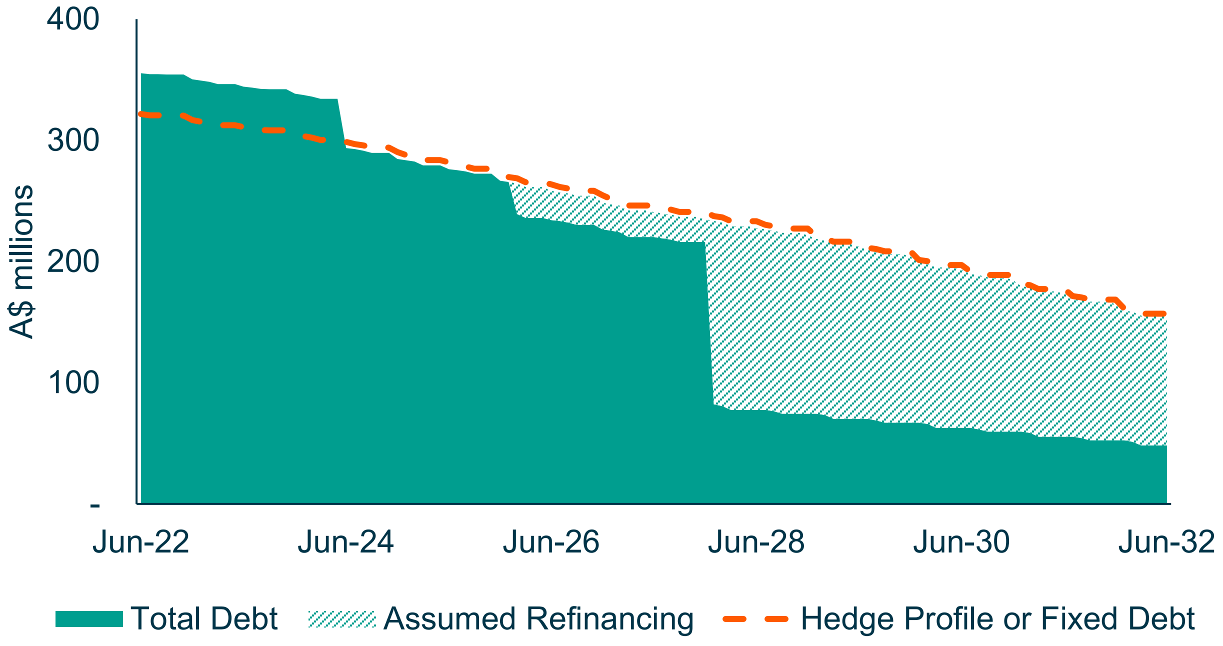
Capital structure and financing

External look-through gearing of 49.6%[1] below long-term target of 50%

Key debt metrics

	As at 30 June 2022
Weighted average cost of debt	4.7%
Weighted average debt maturity	9.0 years
Weighted average fixed debt term	17.9 years
Fixed rate proportion (10 years)	98%[2]
Gearing	49.6%[1]
Gross drawn debt	A$355.4m[3]

Projected gross external debt maturity profile[4]

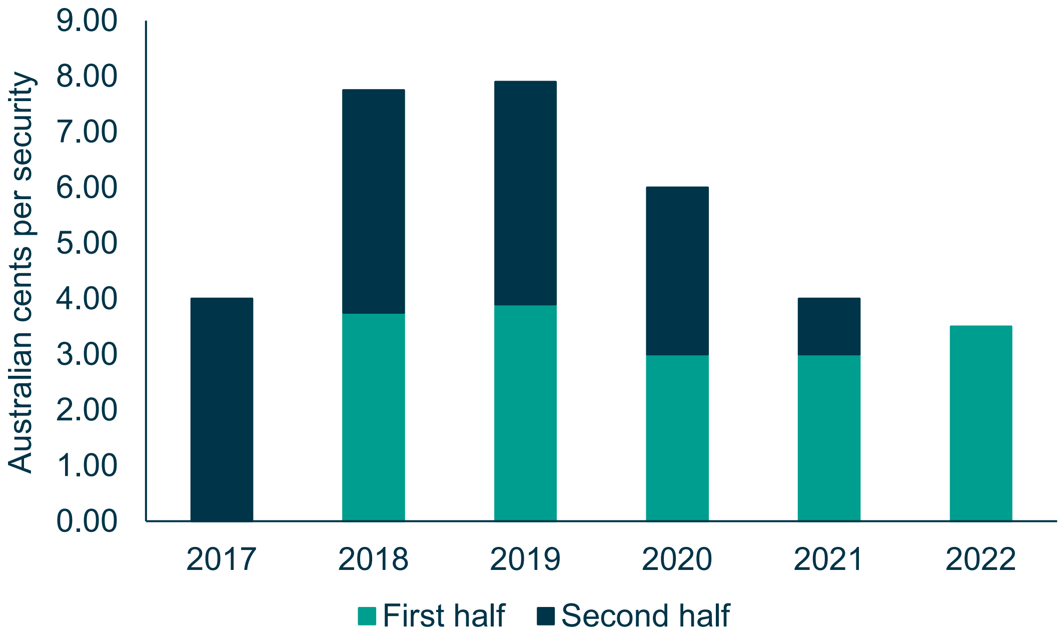


Notes: 1. Gearing = Gross Debt / Gross Asset Value. **2.** Refers to proportion of debt service costs that are fixed. **3.** US$ values converted to A$ at the 30 June 2022 exchange rate of 1AUD:0.6903USD. **4.** The chart is a projection only assuming no debt refinancing. Actual debt balances will be dependent on exchange rates, future acquisitions and operating cash flows. **5.** 'Assumed Refinancing' represents future refinanced debt as implied by NEW's total funding requirements and the existing committed debt facilities and securities.

Distributions/dividends

- 2H 2021 dividend of 1.0 cents per share paid 6 April 2022
- Additional distribution of 3.5 cents per share comprising a return of capital approved by shareholders on 29 July 2022 and paid on 19 August 2022
- No dividend for H1 2022 based on sale proceeding
- Distributions and dividends since IPO total 33.15 cents per share

Distributions[1]/dividends since IPO



Notes: 1. The first half 2022 distribution comprises an approximately 3.5 cent per share capital return following the sale of the second tranche of MS2.

3 Conclusion

Binding agreement for sale of NEW solar plants

NEW shareholder EGM and transaction completion steps

- The proposed transaction entails the sale of NEW's main undertaking and, if completed, will trigger the de-listing and eventual winding up of NEW
- NEW shareholder approval is one of the key conditions for completion of the proposed transaction
- An extraordinary general meeting is scheduled to take place at 11am on 26 September 2022
- Notices of meeting were dispatched to NEW shareholders on Wednesday 24 August 2022
- The directors of NEW recommend voting in favour of the resolutions, in the absence of a superior proposal, to:
  - approve the sale of the U.S. asset portfolio
  - approve the initial distribution of the sale proceeds of A$0.82 per share as a return of capital

Notes: 1. Sourced from "Biden Pauses New Duties on Solar Imports From Southeast Asia, Takes Action to Bolster Domestic Industry" June 13, 2022 Skadden, Arps, Slate,Meagher & Flom LLP
2. Fact Sheet: President Biden Takes Bold Executive Action to Spur Domestic Clean Energy Manufacturing (June 6, 2022) (WH Fact Sheet)

Transaction timeline

Shareholder approval and transaction completion timeline

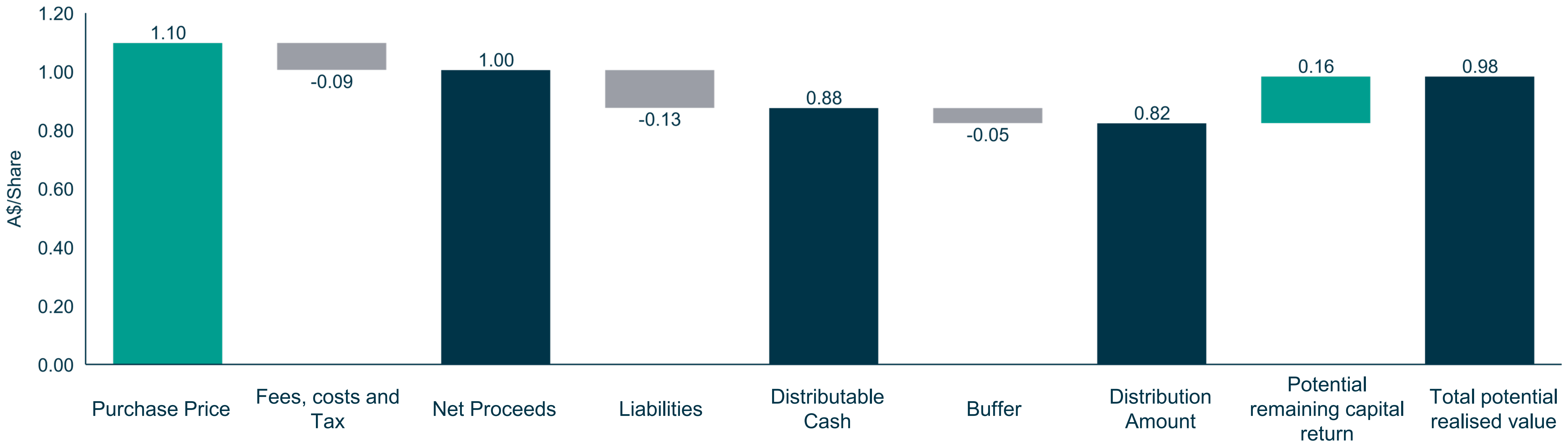
Shareholder approval	Capital return	De-listing of NEW	Winding up and further capital return(s)
26 September 2022	Late Sept/early Oct	Q1-Q2 2023	By end 2023

- In the event the transaction completes and following the initial distribution of capital, funds will be retained to discharge NEW's liabilities and meet the costs of winding up
- NEW will then seek to de-list from the ASX to reduce administration costs pending the winding up of NEW
- Shareholders will be required to approve de-listing and further return(s) of capital

Notes: Precise dates for the capital returns, de-listing and winding up depend on the completion of the transaction which is contingent on conditions, including the granting of regulatory approvals.

NEW sale process – recap of use of proceeds

If the transaction is approved, shareholders will receive an A$0.82/share return of capital upon transaction close, with a potential further return of A$0.13 to A$0.16/share[1]



Note: 1. Based on an AUD/USD exchange rate of 0.6950 to 0.7200. It is important to note that the sale proceeds will be received in $US and the actual amount of A$ proceeds received will depend on the exchange rate at the time of conversion subject to a future hedging arrangement that the Company intends to establish.

Thank you

Appendix

Statutory earnings

NEW is an ‘Investment Entity’ under AASB 10 and therefore does not consolidate its subsidiaries but recognises income and fair value movements from its investments

	A$	1H 2022
1	Fair Value movement	(14,647,965)
2	Foreign exchange gain/(loss)	864,143
3	Finance and other income	3,208,097
	MSA fee income	7,474,368
	Total Revenue	**(3,101,357)**
	Finance Expenses	(231)
4	Administration costs	(879,732)
	Investment management fees	(209,612)
	Other operating expenses	(164,851)
	Total Expenses	**(1,254,426)**
	Loss before tax	**(4,355,783)**
	Income tax benefit/(expense)	-
	Profit/(loss) after tax	**(4,355,783)**

1. Fair value movements in investments
2. Foreign exchange gain on cash balances and USD receivables
3. Primarily dividend income on the investment of New Energy Solar Limited in its subsidiary NES US Corp.
4. Administration costs includes accounting, legal and audit fees and directors and listing fees

Net asset value build-up

NEW's portfolio is valued semi-annually – net asset value at 30 June 2022 was A$361.1 million

Asset	Equity	Debt (Fair Value)	Debt (Outstanding balance)	Enterprise Value
US PLANTS				
Stanford TID	US$79.5m	US$51.4m	US$56.6m	US$130.9m
NC-31 NC-47	US$60.7m	US$17.7m	US$18.2m	US$78.3m
Boulder Solar 1	US$35.4m	US$21.5m	US$22.7m	US$56.9m
Rigel portfolio	US$22.6m	US$21.1m	US$21.4m	US$43.6m
MS2	US$46.5m	US$100.6m	US$100.0m	US$147.1m
Subtotal (US$)	**US$244.7m**	**US$212.2m**	**US$219.0m**	**US$456.9m**
Subtotal (A$ equivalent)[2]	**A$354.4m**	**A$307.4m**	**A$317.2m**	**A$661.9m**
Corporate Debt	(A$38.2m)	A$38.2m	A$38.2m	-
Working capital	A$44.9m	-	-	A$44.9m
Total	**A$361.1m**	**A$345.7m**	**A$355.4m**	**A$706.8m**

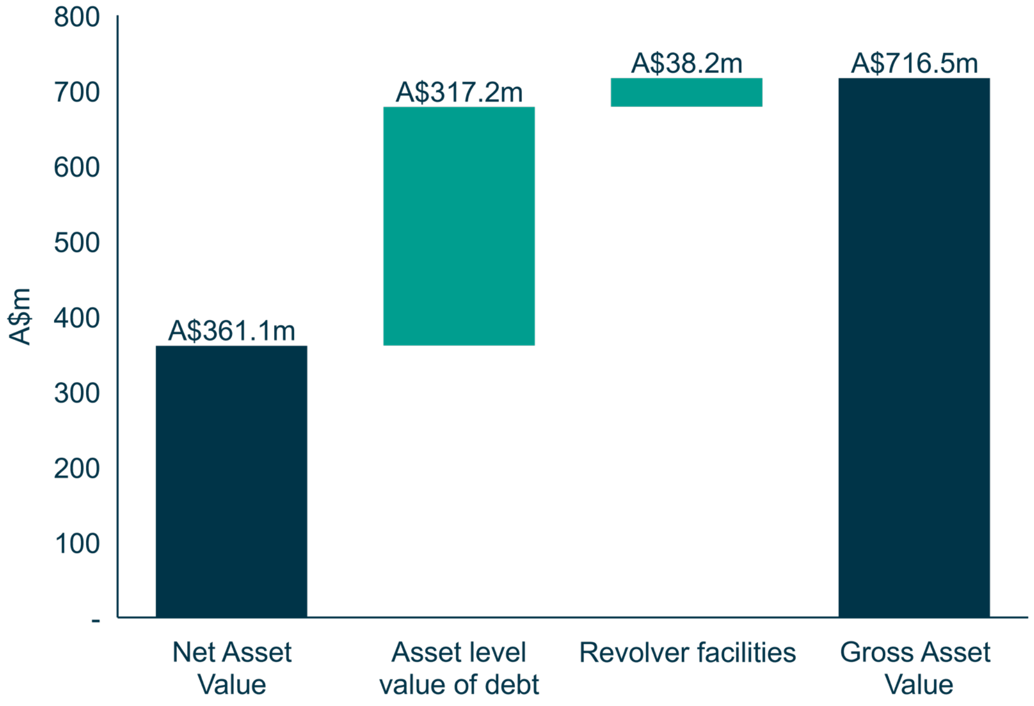
Notes: Totals may not be additive due to rounding. **1.** Enterprise Value = Equity + Debt (Fair Value). **2.** USD values converted to AUD at 30 June 2022 FX rate of 1AUD:0.6903USD

Gross asset value reconciliation

NEW's gross asset value (GAV) decreased to A$716.5m over the period, largely due to asset sales

GAV reconciliation[1]

	Equity
Net Asset Value	**A$361.1m**
Asset level value of debt	A$317.2m
Corporate revolver balance outstanding	A$38.2m
Gross Asset Value	**A$716.5m**



Notes: 1. USD values converted to AUD at 30 June 2022 FX rate of 1AUD:0.6903USD

Capital structure and financing

External look-through gearing was 49.6%[1], vs. target gearing of 50% of gross assets

NEW debt facilities as at 30 June 2022

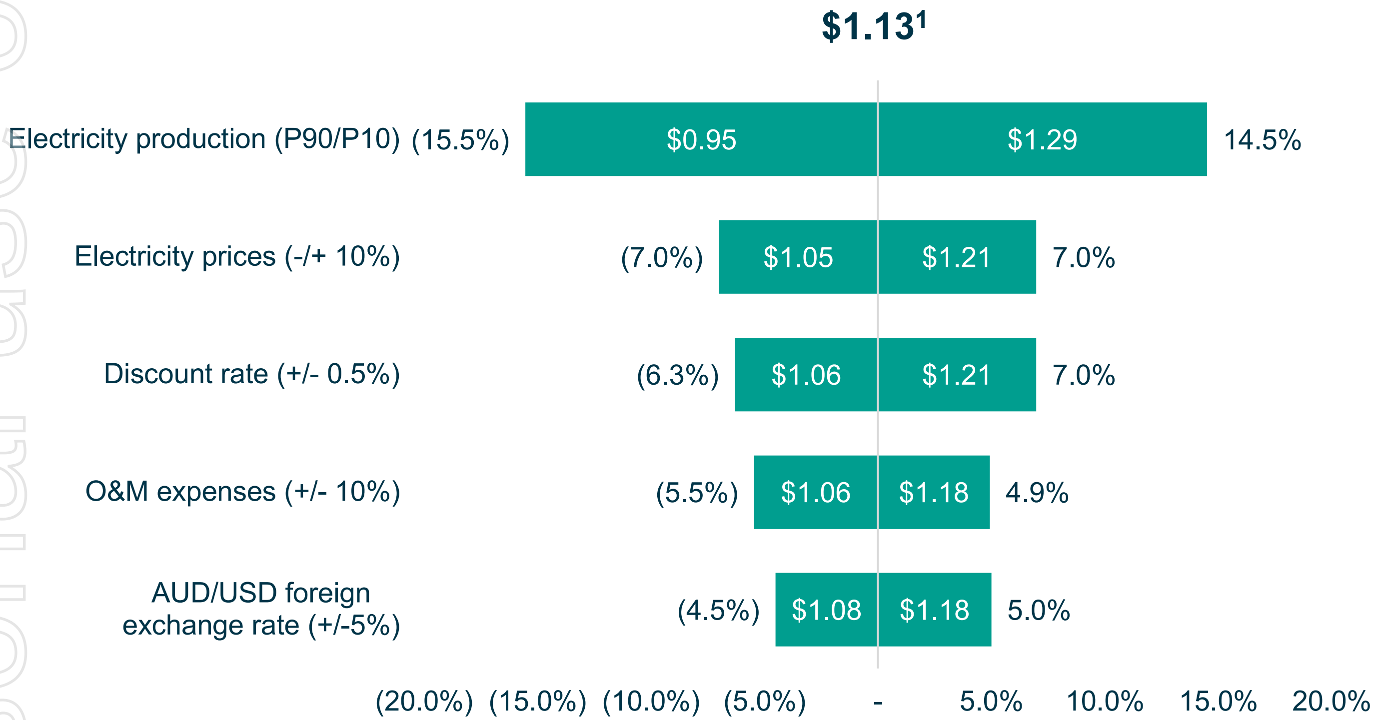
Facility	Type	Available facility	Drawn	Security
North Carolina Facility	Loan	US$18.2m	US$18.2m	NC-31 and NC-47
US Private Placement 1	Bond	US$56.6m	US$56.6m	Stanford and TID
Mount Signal 2 Facility[2,3]	Loan	US$100.0m	US$100.0m	Mount Signal 2
US Revolving Credit Facility	Loan	US$45.0m	US$26.4m	Corporate
US Private Placement 2	Bond	US$22.7m	US$22.7m	Boulder Solar I
Rigel Facility	Loan	US$21.4m	US$21.4m	Rigel
Total US Facilities		**US$264.0m**	**US$245.3m**	
Total Debt (A$ equivalent)[5]		**A$382.4m**	**A$355.4m**	
Gross Assets			**A$716.5m**	
Gross Look Through Gearing (%)			**49.6%**	

Notes: 1. Gearing calculated as Gross Debt / Gross Asset Value (GAV) **2.** Excluding US $6.4 million Mount Signal 2 revolving loan facility which was undrawn as at 30 June 2022. **3.** US$ values converted to A$ using 30 June 2022 FX rate of 1AUD:0.6903USD

NAV sensitivity analysis

Variability in key parameters – production, pricing, cost and foreign exchange rates – are assessed in NEW's asset valuations

Change in NAV



Notes

- P90/P10 electricity production refers to forecast production volume at 90% and 10% probability of exceedance, a common measure of downside/upside levels for solar plants
- Changes in discount rates affect the fair value of NEW's investments, but do not effect cash flows generated by the plants
- All of NEW's assets have PPAs in place, with exposure to electricity prices prior to the expiry of PPAs limited to the period of uncontracted generation between MS2's commercial operations date and PPA start date. NEW's portfolio had a capacity weighted average remaining PPA term of 14.4 years as at 30 June 2022
- NEW has contracted Operations and Maintenance for terms ranging from 1 to 10 years across its plants, and may contract for terms that are more or less favourable upon contract expiry

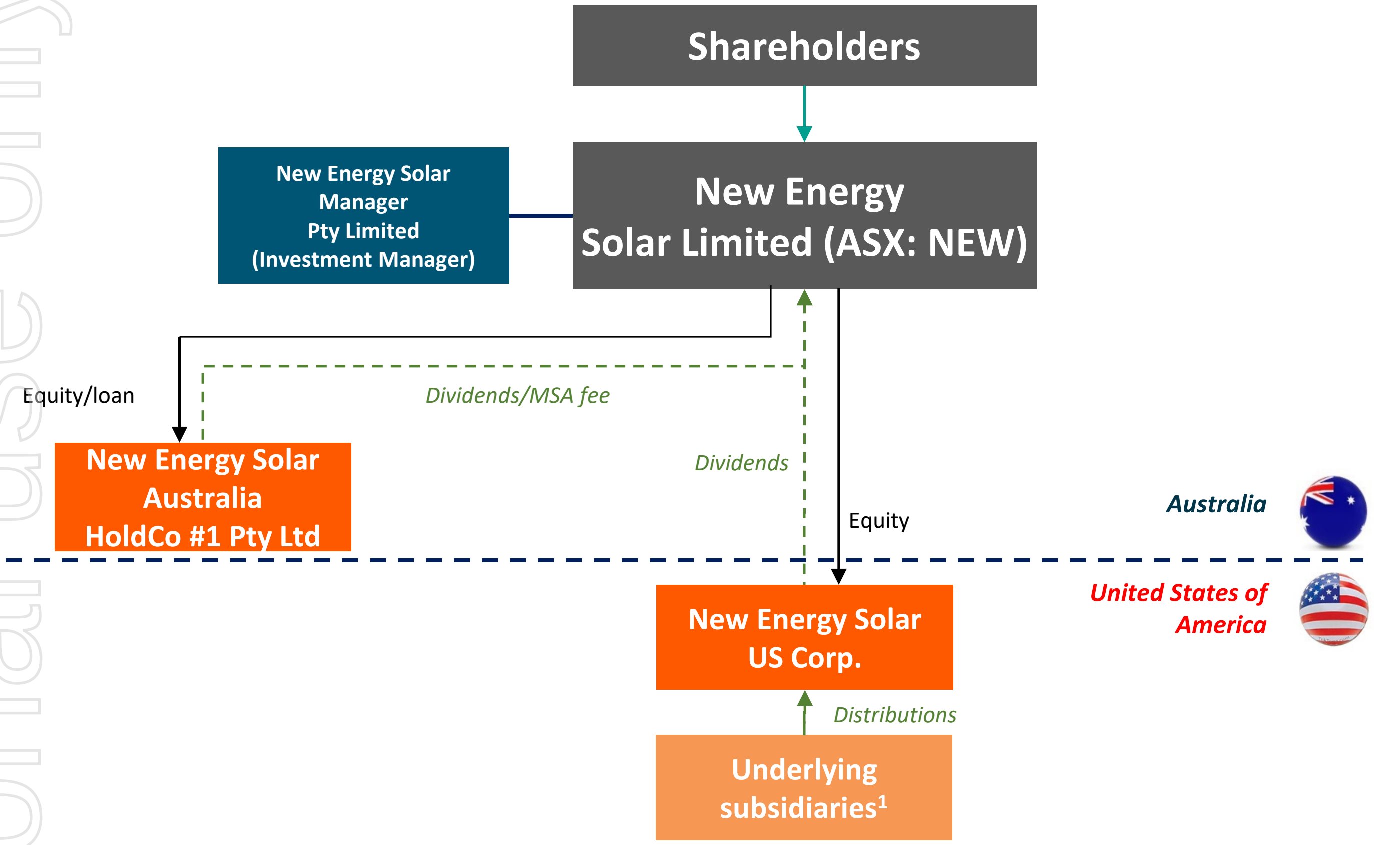
Note: 1. Net asset value per share as at 30 June 2022.

Operating portfolio

Asset	EQUITY OWNERSHIP %	CAPACITY	LOCATION	COD	PPA OFFTAKER	PPA TERM (FROM COD)	O&M PROVIDER
Stanford	99.9%	67.4 MW_{DC}	Rosamond, California	Dec 2016	Stanford University	25 years	SunPower Corporation, Systems
TID	99.9%	67.4 MW_{DC}	Rosamond, California	Dec 2016	Turlock Irrigation District	20 years	SunPower Corporation, Systems
NC-31	100.0%	43.2 MW_{DC}	Bladenboro, North Carolina	Mar 2017	Duke Energy Progress	10 years	Miller Bros. Solar
NC-47	100.0%	47.6 MW_{DC}	Maxton, North Carolina	May 2017	Duke Energy Progress	10 years	DEPCOM Power, Inc
Boulder Solar I	49.0%	124.8 MW_{DC}	Boulder City, Nevada	Dec 2016	NV Energy	20 years	SunPower Corporation, Systems
Hanover	100.0%	7.5 MW_{DC}	Onslow, North Carolina	Jun 2018	Duke Energy Progress	15 years	CCR O&M
Arthur	100.0%	7.5 MW_{DC}	Columbus, North Carolina	Jul 2018	Duke Energy Progress	15 years	CCR O&M
Heedeh	100.0%	5.4 MW_{DC}	Columbus, North Carolina	Jul 2018	Duke Energy Progress	15 years	CCR O&M
Church Road	100.0%	5.2 MW_{DC}	Johnston, North Carolina	Aug 2018	Duke Energy Progress	15 years	CCR O&M
Pendleton	100.0%	8.4 MW_{DC}	Umatilla County, Oregon	Sep 2018	PacifiCorp	~13 years	CCR O&M
County Home	100.0%	7.2 MW_{DC}	Richmond, North Carolina	Sep 2018	Duke Energy Progress	15 years	CCR O&M
Bonanza	100.0%	6.8 MW_{DC}	Klamath, Oregon	Dec 2018	PacifiCorp	~13 years	CCR O&M
Organ Church	100.0%	7.5 MW_{DC}	Rowan, North Carolina	Feb 2019	Duke Energy Carolinas	15 years	CCR O&M
Mount Signal 2	50.0%[1]	199.6 MW_{DC}	Calexico, California	Dec 2019	Southern California Edison	20 years	First Solar

Note: 1. Sale of **50**% interest to US Solar Fund announced on 31 December 2020 and competed through two transactions for 25% tranches. The second transaction was completed in May 2022.

Structure overview – 30 June 2022



- New Energy Solar was originally a stapled company/trust structure but in 2021 investors approved a simplification of its corporate structure and streamlining of its corporate governance by unstapling the structure with the result that NEW is now a single listed corporate entity, New Energy Solar Limited.
- Stapled structures are commonly used by infrastructure funds because of their advantages in attracting infrastructure investment from foreign investors.
- However, changes to Australian tax rules since 2019 have eroded some of the benefits of a stapled structure and similarly, more recent changes to US tax rules on interest deductibility have limited the efficiency of a stapled structure.
- In addition, the trading activity of NEW on the ASX is sufficient for NEW to qualify as a "regularly traded" security which would allow NEW to access the US/Australian Double Tax Treaty, which facilitates tax efficient distributions from the US.

Note: 1. Underlying plants are held by subsidiaries via partnership structures