

22 February 2023

NEW ENERGY SOLAR (ASX: NEW)

NEW NOTICE OF ASX DE-LISTING

New Energy Solar Limited (ASX: NEW) (the **Company**) submitted a formal application (**Application**) for the removal of the Company from the Australian Securities Exchange (**ASX**) official list (**ASX Official List**) pursuant to ASX Listing Rule 17.11 (**De-listing**) on 25 January 2023.

De-listing process

The Company confirms that ASX will remove the Company from the ASX Official List on 28 February 2023 (**Removal Date**), meaning that the last trading day for NEW Shares would be 27 February 2023, subject to compliance with the following conditions:

- (a) The request for removal of the Company from the ASX Official List is approved by a special resolution of the Shareholders.
- (b) The notice of meeting seeking Shareholder approval for the Company's removal from the ASX Official List must include, in form and substance satisfactory to ASX, the following:
 - (i) a timetable of key dates, including the time and date at which the Company will be removed from ASX if that approval is given;
 - (ii) a statement to the effect that the removal will take place no earlier than one month after approval is granted;
 - (iii) details of the processes that will exist after the Company is removed from the ASX Official List to allow Shareholders to dispose of their holdings and how they can access those processes; and
 - (iv) the information prescribed in section 2.11 of ASX Guidance Note 33.
- (c) The Company releases the full terms of this decision to the market upon making a formal application to ASX to remove the Company from the ASX Official List.

In accordance with the condition set out in paragraph (c) above, the full terms of the ASX decision are set out above.

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Satisfaction of the condition set out in paragraph (a), was addressed through the holding of the EGM and the provision of the EGM Notice of Meeting (together with its accompanying Explanatory Statement) containing the statements necessary to satisfy the conditions set out in paragraph (b) above.

De-listing was approved by NEW Shareholders at an extraordinary general meeting held on **25 January 2023 (EGM)** by passing a special resolution. The EGM Notice of Meeting (together with its accompanying Explanatory Statement) was released to Shareholders on 23 December 2022.

Reasons for De-listing

The Company's board of directors (**Board**) considered the De-listing to be in the best interests of the Company and its Shareholders for the reasons summarised below:

- (a) **No ongoing business** - As announced on 21 November 2022, the Company has completed the sale of its 14 US solar assets to MN8 Energy LLC. (the **Transaction**). Accordingly, the Company no longer holds any assets and does not have any ongoing business operations. In the opinion of the Board, it would not be appropriate for the Company, having no operations or plans to enter into any new business activity, to maintain its listing on ASX.
- (b) **Capital Return** - The Company intends to distribute all of its remaining cash, including the remainder of the cash consideration received by the Company under the Transaction, to its Shareholders. On 1 December 2022, the Company distributed approximately A\$263 million to Shareholders via a capital return of A\$0.82 per Share (**Tranche 1 Capital Return**). Further capital returns will occur in respect of the cash balance remaining in the Company, currently estimated at A\$0.135 per Share (**Tranche 2 Capital Return**) and A\$0.07 per Share (**Tranche 3 Capital Return**). This means that the total amount returned to Shareholders is expected to be approximately A\$1.025 per Share. The total of the Tranche 1 Capital Return, Tranche 2 Capital Return and Tranche 3 Capital Return represents a 30% premium to the share price of A\$0.79 per share on 8 August 2022 before the preferred acquirer exclusivity in respect of the Transaction was announced, and a 23.5% premium to the Company's volume weighted average trading price of A\$0.83 per share over the previous 12 months. Shareholders will have, after the capital returns (including the Tranche 1 Capital Return, Tranche 2 Capital Return and Tranche 3 Capital Return), realised some or all of the value of their investment in the Company.
- (c) **High ongoing costs** - The financial, administrative and compliance obligations and costs associated with, and executive time involved in, maintaining an ASX listing can no longer be justified and outweigh the benefits of continuing the listing.
- (d) **Prioritising Shareholder benefits** - In light of the foregoing, the Board believes the savings arising from De-listing could be better directed elsewhere to benefit Shareholders.



Consequences of removal from the ASX Official List

Given Shareholders have approved the De-listing, the Company will be removed from the ASX Official List on the Removal Date, 28 February 2023.

Shares may continue to be traded on ASX until 4pm on 27 February 2023, after which time trading will be suspended and then the Company finally de-listed on the Removal Date. This will allow Shareholders who wish to sell their Shares to seek to trade their Shares on ASX to exit their shareholding in the Company prior to the Company's removal from the ASX.

As Shareholders are aware, the Board has implemented the first and second tranches of its return of capital by way of an equal capital reduction that applies to all Shareholders in proportion to the number of Shares held by them (**Tranche 1 and Tranche 2 Capital Return**). Further capital returns will occur in respect of the cash balance remaining in the Company, currently estimated at A\$0.07 per Share (**Tranche 3 Capital Return**). In total, Shareholders will be paid an amount of approximately A\$1.025 per Share through the Capital Returns.

Upon the De-listing taking effect on the Removal Date, the Shares will no longer be quoted or traded on ASX. The Capital Returns will give all Shareholders the opportunity to realise some or all of their investment in the Company. In addition, after the Removal Date, Shareholders are able themselves, to arrange to sell their Shares via off-market private transactions (which will require Shareholders to identify and agree terms with potential purchasers of Shares) prior to the Company being wound up.

The proposed timetable for the De-listing is:

Important Dates	Timing	Date
Date of EGM		25 January 2023
<u>Suspension date from ASX Official List – last day to trade NEW Shares</u>		<u>27 February 2023</u>
Removal Date from ASX Official List	The Removal Date is not earlier than one month after the date Shareholders are notified of the intention to de-list.	28 February 2023

*Dates and times subject to change by the Company or ASX. All dates and times above are Sydney, Australia time.



Remedies available to Shareholders

Shareholders may apply to the Court (as defined under the *Corporations Act 2001 (Cth)* (**Corporations Act**)) for an order if they believe that the De-listing is being or is likely to be conducted in a manner that is or is likely to be oppressive, unfairly discriminatory or unfairly prejudicial to them in that capacity. This would include an action in which the member alleges that the De-listing is in breach of a duty owed to the Shareholder by the directors.

Following the De-listing, Shareholders will have all of the protections available to them under the constituent documents of the Company and the Corporations Act. Additionally, the directors of the Company have fiduciary duties when exercising their powers or performing their functions, including the duty to act in good faith and in what the directors believe to be the best interests of the Company; the duty to exercise independent judgement; and the duty not to put himself or herself in a position of conflict between their duty to the Company and their personal interests.

For more information please contact info@newenergysolar.com.au

Authorised for release by the Board of 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 successfully acquired a portfolio of large-scale solar power plants with long term contracted power purchase agreements in the U.S. and Australia. The entire portfolio has now been sold and capital is being returned to shareholders.

New Energy Solar's shares trade on the Australian Securities Exchange under the ticker, NEW.

