

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document or as to the action you should take, you are recommended immediately to seek your own independent financial advice from your stockbroker, bank manager, solicitor, accountant or other appropriately qualified independent financial adviser authorised under the Financial Services and Markets Act 2000 or, if you are in a country outside the United Kingdom, another appropriately authorised independent financial adviser.

If you were a Shareholder and have sold or otherwise transferred all your Ordinary Shares, please send this document as soon as possible to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

NEXTENERGY SOLAR FUND LIMITED

*(Incorporated in Guernsey under The Companies (Guernsey) Law, 2008, as amended,
with registered no. 57739)*

NOTICE OF THE 2022 ANNUAL GENERAL MEETING

This document should be read as a whole. Your attention is drawn to the letter from your Chairman which is set out in Part 1 of this document and which recommends that you vote in favour of each of the resolutions to be proposed at the annual general meeting of the Company, which will be held at Floor 2, Trafalgar Court, Les Banques, St Peter Port, Guernsey, GY1 4LY, on 17 August 2022 commencing at 10:00 a.m. The notice convening the AGM is set out in Part 3 of this document.

You should ensure that your Proxy Appointment (and any relevant supporting documents) are returned to the Company's registrars, Link Group, by one of the following means:

- (i) by logging on to www.signalshares.com and following the instructions; or
- (ii) by requesting a hard copy form of proxy directly from Link Group as outlined in note 5 of the AGM Notice and submitting a hard copy form of proxy by post, by courier or by hand to PXS 1, Link Group, Central Square, 29 Wellington Street, Leeds, LS1 4DL: or
- (iii) in the case of CREST members, by utilising the CREST electronic proxy appointment service (details of which are contained in this document) to Link Group.

In each case, the Proxy Appointment must be received by Link Group as soon as possible and, in any event, not later than 10:00 a.m. on 15 August 2022. The Company is a closed-ended investment scheme registered pursuant to the Protection of Investors (Bailiwick of Guernsey) Law, 2020 and the Registered Collective Investment Scheme Rules 2018. The Guernsey Financial Services Commission takes no responsibility for the financial soundness of the Company or for the correctness of any of the statements made or opinions expressed with regard to it in this document.

CONTENTS

	Page
EXPECTED TIMETABLE	2
PART 1 LETTER FROM THE CHAIRMAN	3
PART 2 DEFINITIONS AND GLOSSARY	7
PART 3 NOTICE OF ANNUAL GENERAL MEETING	8

EXPECTED TIMETABLE

	2022
Latest time and date for receipt of Proxy Appointments	10:00 on 15 August
<u>AGM</u>	10:00 on 17 August

Notes:

All times referred to in this document are references to Guernsey time.

PART 1
LETTER FROM THE CHAIRMAN
NextEnergy Solar Fund Limited

(Incorporated in Guernsey under The Companies (Guernsey) Law, 2008, as amended, with registered no. 57739)

Directors

Kevin Lyon (Chairman)
Patrick Firth
Vic Holmes
Joanne Peacegood
Josephine Bush

Registered Office

PO Box 286, Floor 2,
Trafalgar Court
Les Banques
St Peter Port
Guernsey GY2 4LY

15 July 2022

To Ordinary Shareholders and, for information only, Preference Shareholders

Dear Shareholder

Introduction

The eighth annual general meeting of the Company will be held at 10:00 on 17 August 2022. A number of resolutions are being proposed in relation to the ordinary administrative business of the Company. Full details of the resolutions to be proposed are set out in the AGM Notice in Part 3 of this document and explanatory notes to the resolutions are set out in this Part 1 under the heading "Explanatory Notes to the Resolutions to be Proposed at the AGM".

Explanatory Notes to the Resolutions to be proposed at the AGM

Resolution 1 – Receipt and Consideration of the 2022 Annual Report

Resolution 1 asks Shareholders to receive the 2022 Annual Report, together with the reports of the Directors and Auditor contained therein.

Resolution 2 – Approval of the Directors' Remuneration Report

Resolution 2 asks Shareholders to approve the Directors' remuneration report for the year ended 31 March 2022 (which is included in the 2022 Annual Report and includes details regarding the current remuneration of the directors).

Resolution 3 – Approval of Dividend Policy

The Company's current policy is to make all of its dividend payments (four per annum) as interim dividends. This enables the fourth dividend payment to be made approximately two months earlier than would be the case if that dividend were categorised as a final dividend and therefore had to wait for Shareholder approval at the AGM. This arrangement is made in the interests of Shareholders, enabling them to benefit from the earlier receipt of the fourth dividend.

In accordance with the principles of good corporate governance, as there is no resolution to approve a dividend at the AGM, resolution 3 seeks Shareholder approval for a continuation of the current dividend policy.

Resolutions 4 to 8 – Re-election and Election of Directors

In line with the 2019 AIC Code of Corporate Governance, Kevin Lyon, Patrick Firth, Vic Holmes and Jo Peacegood are offering themselves for re-election. The newly elected director Josephine Bush is also offering herself for election.

The Remuneration and Nominations Committee is responsible for reviewing the succession plans for the Board. Kevin Lyon, Vic Holmes and Patrick Firth are the longest standing Directors, having been appointed at the time of the Company's IPO in 2014. Whilst the Board does not consider that length of service in itself necessarily undermines a Director's independence, the Remuneration and Nominations Committee has reviewed and recommended to the Board a succession plan to replace each of Patrick Firth and Kevin Lyon during 2023 and Vic Holmes during 2024.

The Board conducted a performance evaluation as detailed in the 2022 Annual Report and, following conclusion of the performance evaluation, is of the opinion that the Directors proposed for re-election and election bring a significant range of business, financial and management skills and experience to the Company and have proven their ability to provide effective independent judgement on issues relating to the Company's strategy, performance, resources and conduct, and to fulfil their legal responsibilities as Directors. Accordingly, the Board has no hesitation in recommending to Shareholders that Kevin Lyon, Patrick Firth, Vic Holmes, Jo Peacegood be re-elected and that Josephine Bush be elected, as proposed by resolutions 4 to 8.

Biographical details of the Directors are set out on pages 64 and 65 of the 2022 Annual Report. In making the recommendations, with regard to the re-election and election of the current Directors, the Board had regard to each Director's other time commitments, including other non-executive director roles, and is satisfied that each Director has the capacity to be engaged fully with the Company's business.

Resolutions 9 and 10 – Re-Appointment and Remuneration of Auditor

The Company is required to appoint an auditor at each general meeting at which the annual report is presented to Shareholders, and KPMG Channel Islands Limited has indicated its willingness to continue in office. Resolution 9 asks Shareholders to re-appoint KPMG Channel Islands Limited as auditor of the Company and resolution 10 asks Shareholders to authorise the Directors to set the auditor's remuneration.

Resolutions 11 and 12 – Waiver of Pre-emption Rights for Issues of Ordinary Shares

Resolution 11 seeks a partial disapplication of the pre-emption rights contained in the Articles in order to allow the Company to issue new Ordinary Shares and/or sell Ordinary Shares out of treasury, at a premium to the prevailing NAV per Ordinary Share, without first offering them to existing Shareholders on a *pro rata* basis. This authority will expire at the conclusion of next year's annual general meeting, and it is presently intended that a resolution for the renewal of such authority will be proposed at each subsequent annual general meeting of the Company. If the resolution is passed, the number of Ordinary Shares which may be issued and allotted (or sold out of treasury) on a non-pre-emptive basis will be limited to the number of Ordinary Shares representing 10% of the Ordinary Shares in issue on the date on which resolution 11 is passed (this equates to 58,934,690 Ordinary Shares as at the Latest Practicable Date).

Resolution 12, which will only be proposed conditional on the passing of resolution 11, will provide the Directors with a further authority to issue and/or sell out of treasury on a non-pre-emptive basis up to a further 10% of the Ordinary Shares in issue on the date on which resolution 12 is passed without first offering them to existing Shareholders on a *pro rata* basis (this equates to 58,934,690 Ordinary Shares as at the Latest Practicable Date). This authority will also expire at the conclusion of next year's annual general meeting, and it is presently intended that a resolution for the renewal of such authority will be proposed at each subsequent annual general meeting of the Company.

If both resolution 11 and 12 are passed, the Directors will have authority to issue and/or sell out of treasury up to 20% (in aggregate) of the Company's issued Ordinary Share capital on a non-pre-emptive basis. If resolution 11 is passed and resolution 12 is not passed, Shareholders will only be granting the Directors the authority to issue and/or sell out of treasury up to 10% of the existing issued Ordinary Share capital of the Company on a non-pre-emptive basis.

The purpose of these authorities is to allow the Company, if there are attractive opportunities for deploying the net proceeds, to issue (or sell) Ordinary Shares at a premium to the prevailing NAV per Ordinary Share when there is sufficient demand for the Ordinary Shares, and thereby to help to manage the premium at which the Ordinary Shares may trade relative to their underlying NAV. The proceeds of any such share issuance (or sales out of treasury) will be invested in accordance with the Company's investment policy and/or used to repay debt.

As at the Latest Practicable Date, the Company held no Ordinary Shares in treasury.

Resolution 13 – Authorisation for Share Buy-backs

Resolution 13 seeks Shareholder approval to renew the authority to purchase through the market up to 14.99% of the Ordinary Shares in issue (excluding treasury shares) on the date on which resolution 13 is passed (this equates to 88,343,100 Ordinary Shares as at the Latest Practicable Date) (the "**Buy-back Authority**").

The price (excluding expenses) paid for an Ordinary Share bought back pursuant to the Buy-back Authority will not be:

- less than 1p; or
- more than the higher of (i) 5% above the average of the middle market values of the Ordinary Shares for the five business days prior to the day the purchase is made and (ii) the higher of the price of the last independent trade and the highest current independent bid for any number of Ordinary Shares on the trading venue on which the purchase is carried out.

Any Ordinary Shares bought back under the Buy-back Authority may be held in treasury or cancelled.

The Buy-back Authority, if granted, will expire at the conclusion of next year's annual general meeting, and it is presently intended that a resolution for the renewal of such authority will be proposed at each subsequent annual general meeting of the Company.

The Buy-back Authority will only be exercised at the Directors' discretion and when the aggregate of the purchase price and expenses is less than the prevailing NAV per Ordinary Share. It is currently envisaged that Ordinary Shares acquired and held in treasury following any buy-back will be used to support liquidity in the Ordinary Shares.

Annual General Meeting (the "AGM")

The AGM will be held at Floor 2, Trafalgar Court, Les Banques, St Peter Port, Guernsey, GY1 4LY, on 17 August 2022 commencing at 10:00. The notice convening the AGM is contained in Part 3 of this document and sets out in full the business to be transacted at the AGM.

Resolutions 1 to 10 will be proposed as ordinary resolutions. This means that, for each of those resolutions to be passed, more than half of the votes cast must be in favour of the relevant resolution.

Resolutions 11 to 13 will be proposed as special resolutions, which means that, for each of those resolutions to be passed, at least three-quarters of the votes cast must be in favour of the relevant resolution.

Action to be Taken

You should ensure that your Proxy Appointment (and any relevant supporting documents) are returned to the Company's registrars, Link Group, by one of the following means:

- (I) by logging on to www.signalshares.com and following the instructions;
- (II) by requesting a hard copy form of proxy directly from Link Group as outlined in note 5 of the AGM Notice and submitting a hard copy form of proxy by post, by courier or by hand to PXS 1, Link Group, Central Square, 29 Wellington Street, Leeds, LS1 4DL; or
- (III) in the case of CREST members, by utilising the CREST electronic proxy appointment service (details of which are contained in this document) to Link Group.

In each case, the Proxy Appointment must be received by Link Group as soon as possible and, in any event, not later than 10:00 on 15 August 2022.

Completion and return of the Proxy Appointment will not affect a Shareholder's right to attend, speak and vote at the AGM.

If you do not wish to attend in person or it is not permitted then Shareholders are invited to submit any questions they may have about the company and its operations (i) in writing to the Company Secretary at the Company's Registered Office in advance of the AGM or (ii) by email to NextEnergy@ocorian.com by 10:00 on 15 August 2022. Answers to such questions will then be provided directly to any such Shareholders as soon as reasonably possible. The Company will also undertake to make available on the Company's website the questions received and the answers provided.

Recommendation

The Board considers that all of the resolutions to be considered at the AGM are in the best interests of the Company and the Shareholders as a whole. Accordingly, your Board recommends that Shareholders vote in favour of the resolutions to be proposed at the AGM, as the Directors intend to do in respect of their own beneficial holdings of 519,607 Ordinary Shares, representing approximately 0.1% of the Ordinary Shares in issue as at the date of this document.

Yours faithfully

Kevin Lyon
Chairman

PART 2

DEFINITIONS AND GLOSSARY

NextEnergy Solar Fund Limited

(Incorporated in Guernsey under The Companies (Guernsey) Law, 2008, as amended, with registered no. 57739)

The following definitions apply throughout this document unless the context otherwise requires:

“2022 Annual Report”	the annual report and financial statements of the Company for the year ended 31 March 2022
“AGM”	the annual general meeting of the Company convened for 17 August 2022 at 10:00, notice of which is set out in Part 3 of this document, or any adjournment of that meeting
“AGM Notice”	the notice convening the AGM set out in Part 3 of this document
“Articles”	the articles of incorporation, as amended, of the Company
“Board” or “Directors”	the Board of Directors, including any duly constituted committee thereof
“CREST”	the relevant system for the paperless settlement of trades in securities and the holding of uncertificated securities operated by Euroclear UK and Ireland
“FCA”	Financial Conduct Authority
“Ordinary Shares”	ordinary shares of no par value in the capital of the Company
“Preference Shares”	redeemable preference shares of no par value in the capital of the Company
“Proxy Appointment”	the appointment by a Shareholder of a proxy to vote on their behalf at the AGM in accordance with the instructions set out in the notes to the AGM Notice
“Regulatory Information Service”	a regulatory information service approved by the FCA
“Shareholders”	holders of Ordinary Shares

PART 3

NOTICE OF ANNUAL GENERAL MEETING

NextEnergy Solar Fund Limited

(Incorporated in Guernsey under The Companies (Guernsey) Law, 2008, as amended, with registered no. 57739)

Notice is hereby given that the eighth annual general meeting of NextEnergy Solar Fund Limited (the “**Company**”) will be held at Floor 2, Trafalgar Court, Les Banques, St Peter Port, Guernsey, GY1 4LY, on 17 August 2022 commencing at 10:00 to transact the following business.

Ordinary Business

To consider and, if thought fit, pass the following resolutions which will be proposed as ordinary resolutions:

1. To receive and consider the annual report and financial statements of the Company for the year ended 31 March 2022, together with the reports of the Directors and auditor contained therein.
2. To approve the Directors’ remuneration report for the year ended 31 March 2022 contained within the annual report and financial statements of the Company for the year ended 31 March 2022.
3. To approve the Company’s dividend policy, as set out in Part 1 of the circular to Shareholders dated 15 July 2022.
4. To re-elect Kevin Lyon as a Director of the Company.
5. To re-elect Patrick Firth as a Director of the Company.
6. To re-elect Vic Holmes as a Director of the Company.
7. To re-elect Jo Peacegood as a Director of the Company.
8. To elect Josephine Bush as a Director of the Company.
9. To re-appoint KPMG Channel Islands Limited as auditor of the Company to hold office until the conclusion of the next annual general meeting of the Company.
10. To authorise the Directors to set the remuneration of the auditor.

Special Business

To consider and, if thought fit, pass the following resolutions as special resolutions:

11. That, in accordance with article 7.7 of the Articles, the Directors be and are hereby generally and unconditionally authorised pursuant to the Articles to allot and issue (or sell treasury shares) up to such number of Ordinary Shares as shall be equivalent to 10% of the aggregate number of Ordinary Shares in issue (excluding treasury shares) at the date of passing of this resolution as if the pre-emption rights in article 7.2 of the Articles do not apply to such allotment and issue. This authority shall expire at the conclusion of the annual general meeting of the Company to be held in 2023 (unless renewed, varied or revoked by the Company prior to or on such date), save that the Company may, before such expiry, make any offer or agreement which would or might require Ordinary Shares to be allotted or issued (or treasury shares to be sold) after such expiry and the Directors may allot and issue Ordinary Shares (or sell treasury shares) in pursuance of any such offer or agreement as if the authority conferred hereby had not expired.
12. That, conditional on the passing of Resolution 11 and in addition to the authority granted thereunder, in accordance with article 7.7 of the Articles, the Directors be and are hereby generally and unconditionally authorised pursuant to the Articles to allot and issue (or sell treasury shares) up to such number of Ordinary Shares as shall be equivalent to 10% of the aggregate number of Ordinary Shares in issue (excluding treasury shares) at the date of passing of this resolution as if the pre-emption rights in article 7.2 of the Articles do not apply to such allotment and issue. This authority shall expire at the conclusion of the annual general meeting of the Company to be held in 2023 (unless renewed, varied or revoked by the

Company prior to or on such date), save that the Company may, before such expiry, make any offer or agreement which would or might require Ordinary Shares to be allotted or issued (or treasury shares to be sold) after such expiry and the Directors may allot and issue Ordinary Shares (or sell treasury shares) in pursuance of any such offer or agreement as if the authority conferred hereby had not expired.

13. That the Company be and is hereby general and unconditionally authorised in accordance with section 315 of the Companies (Guernsey) Law, 2008, as amended, (the “**Law**”) to make market purchases (as defined in section 316 of the Law) of Ordinary Shares (which may be cancelled or held as treasury shares, provided that:
- (i) the maximum number of Ordinary Shares hereby authorised to be purchased is 14.99% of the total number of Ordinary Shares in issue (excluding treasury shares) as at the date of the passing of this resolution;
 - (ii) the minimum price (exclusive of expenses) which may be paid for any Ordinary Shares shall be 1p; and
 - (iii) the maximum price (exclusive of expenses) that the Company may pay for any Ordinary Share is the higher of (a) an amount equal to 105% of the average of the mid-market quotations for the Ordinary Shares as derived from the Daily Official List of London Stock Exchange plc for the five business days immediately before the day on which such Ordinary Share is contracted to be purchased and (b) an amount equal to the higher of the price of the last independent trade and the highest current independent bid on the trading venue where the purchase is carried out;

and, unless renewed, the authority hereby conferred shall expire at the conclusion of the annual general meeting of the Company to be held in 2023, save that the Company, may, prior to such expiry, enter into a contract to purchase Ordinary Shares which will or may be completed or executed wholly or partly after such expiry.

By Order of the Board

Ocorian Administration (Guernsey) Limited
Company Secretary

Registered Office

PO Box 286
Floor 2, Trafalgar Court
Les Banques
St Peter Port
Guernsey
Channel Islands
GY1 4LY

15 July 2022

Notes :

The following notes explain your general rights as a Shareholder and your right to attend and vote at this meeting or to appoint someone else to vote on your behalf.

1. To be entitled to attend and vote at the meeting (and for the purposes of the determination by the Company of the number of votes they may cast), Shareholders must be registered in the Register of Members of the Company at the close of trading on 15 August 2022. Changes to the Register of Members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the meeting.
2. Shareholders are entitled to appoint another person as a proxy to exercise all or part of their rights to attend and to speak and vote on their behalf at the meeting. A Shareholder may appoint more than one proxy in relation to the meeting provided that each proxy is appointed to exercise the rights attached to a different Ordinary Share or Ordinary Shares held by that Shareholder. A proxy need not be a Shareholder of the Company.
3. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's Register of Members in respect of the joint holding (the first names being the most senior).

4. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the meeting.
5. You can vote:
 - (i) By logging on to www.signalshares.com and following the instructions; or
 - (ii) By requesting a hard copy form of proxy directly from the Company's registrars, Link Group, on Tel: 0371 664 0300. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 09:00 – 17:30, Monday to Friday excluding public holidays in England and Wales. Hard copy proxy forms should be returned by post, by courier or by hand to PXS 1, Link Group, Central Square, 29 Wellington Street, Leeds, LS1 4DL; or
 - (iii) In the case of CREST members, by utilising the CREST electronic proxy appointment service in accordance with the procedure set out below.

In each case the Proxy Appointment must be received by Link Group by 10:00 on 15 August 2022.

6. If you return more than one Proxy Appointment, either by paper or electronic communication, the appointment received last by Link Group before the latest time for the receipt of proxies will take precedence. You are advised to read the terms and conditions of use carefully. Electronic communication facilities are open to all Shareholders and those who use them will not be disadvantaged.
7. The return of a completed form of proxy, electronic filing or any CREST Proxy Instruction (as described in note 9 below) will not prevent a Shareholder from attending the meeting and voting in person if he/she is permitted and wishes to do so.
8. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the meeting (and any adjournment of the meeting) by using the procedures described in the CREST Manual (available from www.euroclear.com/site/public/EUI). CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
9. In order for a proxy appointment or instruction made by means of CREST to be valid, the appropriate CREST message (a '**CREST Proxy Instruction**') must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted so as to be received by the issuer's agent (ID RA10) by 10:00 on 15 August 2022. For this purpose, the time of receipt will be taken to mean the time (as determined by the timestamp applied to the message by the CREST application host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
10. CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting system procedures are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 34 of the Uncertificated Securities (Guernsey) Regulations 2009.

11. Any corporation which is a Shareholder can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a Shareholder provided that no more than one corporate representative exercises powers in relation to the same shares.
12. As at 1 July 2022, the Company's ordinary issued share capital consisted of 589,346,901 Ordinary Shares, carrying one vote each. Therefore, the total voting rights in the Company as at 1 July 2022 are 589,346,901.
13. Any Shareholder attending the meeting has the right to ask questions. The Company must cause to be answered any such question relating to the business being dealt with at the meeting but no such answer need be given if: (a) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information; (b) the answer has already been given on a website in the form of an answer to a question; or (c) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.
14. The following documents are, subject to any restrictions, available for inspection during normal business hours at the registered office of the Company on any business day from the date of this notice until the time of the meeting and may also be inspected at the meeting venue, as specified in this notice, from 09:00 on the day of the meeting until the conclusion of the meeting:
 - (i) the Articles of Incorporation of the Company, as amended;
 - (ii) the Annual Report and Financial Statements for the year ended 31 March 2022; and
 - (iii) this document.

