

## DEED OF IRREVOCABLE UNDERTAKING – DIRECTOR

To: Drax Smart Generation Holdco Limited (the **Offeror**)  
Drax Power Station  
Selby  
North Yorkshire YO8 8PH

\_\_\_\_\_ 1 June \_\_\_\_\_ 2026

### Proposed offer for Bluefield Solar Income Fund Limited

#### 1. Introduction

I, the undersigned, understand that:

- 1.1 the Offeror is considering making an offer to acquire, directly or indirectly, all the issued and to be issued ordinary shares of £0.01 each (the **Ordinary Shares**) in the capital of Bluefield Solar Income Fund Limited (the **Target**) (the **Proposed Transaction**) other than those Ordinary Shares owned by the Offeror or any of its subsidiaries at the time of publication of the formal document (the **Scheme Document**) containing details of a Scheme (as defined below) or a formal document containing an Offer (as defined below) (the **Offer Document**);
- 1.2 it is intended that the Proposed Transaction will be implemented by way of a court-sanctioned scheme of arrangement under Part VIII of the Companies Law of Guernsey (a **Scheme**), but the Offeror has reserved the right to elect to implement the Proposed Transaction by way of a takeover offer (which shall be an offer for the purposes of Part XVIII of the Companies Law of Guernsey) (an **Offer**); and
- 1.3 the Proposed Transaction will be made substantially on the terms and conditions to be set out in a firm offer announcement to be made under Rule 2.7 of the City Code on Takeovers and Mergers (the **Code**) (the **Press Announcement**) and substantially in the form of the draft Press Announcement in Schedule 2, together with any additional terms and conditions as may be required by: (i) the Panel on Takeovers and Mergers (the Panel); (ii) the Code; (iii) the UK Listing Rules and the Disclosure Guidance and Transparency Rules of the Financial Conduct Authority; and (iv) any other relevant securities exchange and/or any other applicable law or regulation; or (v) as the Offeror and the Target may agree.

#### 2. Warranties and undertakings

Subject to the announcement of the Proposed Transaction in accordance with Rule 2.7 of the Code by 5.00 p.m. on 3 June 2026 (or such later date as the Offeror and the Target may agree), I irrevocably and unconditionally undertake, agree, represent and warrant to and with the Offeror that as at the date of this undertaking:

- 2.1 I have the power and authority to enter into this undertaking and perform my obligations under it;
- 2.2 I am the registered holder and beneficial owner of (or am otherwise able to control the exercise of all rights, including voting rights, attaching to) the Ordinary Shares specified in Schedule 1 (the **Shares**, which expression will be deemed to include any shares in the capital of the Target:
  - 2.2.1 attributable to or derived from the Shares or into which the Shares may be converted, subdivided or consolidated as a result of any reorganisation of the share capital of the Target; and/or
  - 2.2.2 in which I acquire an interest,

in each case after the date of this undertaking);

- 2.3 I am able to procure the transfer of the Shares free from all liens, equities, charges, encumbrances, options, rights of pre-emption, and any other third-party rights and interests of any nature;
- 2.4 I am not interested in, or otherwise able to control the exercise of voting rights attaching to, any shares or other securities of the Target other than those of which details are set out in Schedule 1;
- 2.5 unless and until the obligations under this undertaking lapse in accordance with the terms of this undertaking, I will not (and, if applicable, I will procure that the registered holder of the shares will not):
- 2.5.1 sell, transfer, charge, encumber, pledge or grant any option over or otherwise dispose of any of the Shares or any interest in any of the Shares except to the Offeror under the terms of the Proposed Transaction;
  - 2.5.2 accept or give any undertaking in respect of any other offer or similar transaction in respect of any of the Shares which might frustrate the Proposed Transaction or any part of it (whether it is conditional or unconditional and irrespective of the means by which it is to be implemented);
  - 2.5.3 acquire any further interest in any shares in the Target unless the Panel has first determined, and confirmed to the Offeror and the Target, that I am not acting in concert with the Offeror for the purpose of Note 9 on the definition of "acting in concert" in the Code; or
  - 2.5.4 enter into any agreement or arrangement with any person, whether conditionally or unconditionally, or solicit or encourage any person, to do any of the acts referred to in this paragraph 2.5; and
- 2.6 unless and until the obligations under this undertaking lapse in accordance with the terms of this undertaking, I will not, in my capacity as a shareholder of the Target, without the prior written consent of the Offeror, convene or requisition, or join in convening or requisitioning, any general or class meeting of the Target.

### 3. **Scheme**

Subject to your announcing the Proposed Transaction in accordance with Rule 2.7 of the Code by 5.00 p.m. on 3 June 2026 (or such later date as the Offeror and the Target may agree), I irrevocably and unconditionally undertake to the Offeror that, if the Proposed Transaction is implemented by way of a Scheme:

- 3.1 I shall (unless the Offeror otherwise requests in writing) exercise or, where applicable, procure the exercise of, all rights attaching to the Shares on any resolution (whether or not amended and whether put to a show of hands or a poll) which is proposed at any general or class meeting of the Target (including any adjournment thereof) or at any meeting of holders of shares in the Target convened pursuant to an order of the Royal Court of Guernsey (including any adjournment thereof) (any such meeting being a **Shareholders' Meeting**) which:
- 3.1.1 is necessary to implement the Proposed Transaction; or
  - 3.1.2 might reasonably be expected to impede or frustrate the Proposed Transaction in any way (which shall include any resolution to approve a scheme of arrangement, merger, acquisition or disposal relating to any shares in the Target or any of its subsidiaries, or any asset of the Target or any of its subsidiaries to a third party),

in each case only in accordance with the Offeror's instructions;

- 3.2 I shall exercise or, where applicable, procure the exercise of, all rights attaching to the Shares to requisition or join in the requisitioning of any general meeting of the Target for the purposes of voting

on any resolution referred to under paragraph 3.1, or to require the Target to give notice of any such meeting, only in accordance with the Offeror's instructions;

3.3 for the purposes of voting on any resolution referred to under paragraph 3.1, I shall, if required by the Offeror, execute, or procure the execution of, any form of proxy required by the Offeror appointing any person named by the Offeror to attend and vote at the relevant meetings and I shall not amend, revoke or withdraw any such form of proxy; and

3.4 without prejudice to paragraph 3.3, I shall after the despatch of the Scheme Document to shareholders of the Target (and without prejudice to any right I have to attend and vote in person at the Shareholders' Meetings to implement the Proposed Transaction (including any adjournment thereof)):

3.4.1 in the case of those Shares referred to in Schedule 1, as soon as reasonably practicable and in any event within ten Business Days of the date of the Scheme Document; or

3.4.2 in the case of any other Shares that I subsequently become able to control the voting rights in respect of, as soon as reasonably practicable and in any event within ten Business Days of the date on which I become able to control the exercise of the voting rights attaching to those Shares,

return, or procure the return of, if applicable, the signed forms of proxy enclosed with the Scheme Document (completed and signed and voting in favour of the resolutions to implement the Proposed Transaction) in accordance with the instructions printed on those forms of proxy or complete an electronic appointment of proxy, and, if applicable take or procure the taking of any other action, in respect of any Shares held in uncertificated form, which may be required by or on behalf of the Offeror or its nominated representative in order to make a valid proxy appointment and give valid proxy instructions (voting in favour of the resolutions to implement the Proposed Transaction).

#### 4. **Offer**

Subject to the announcement of the Proposed Transaction in accordance with Rule 2.7 of the Code by 5.00 p.m. on 3 June 2026 (or such later date as the Offeror and the Target may agree), I irrevocably and unconditionally undertake to the Offeror that, if the Proposed Transaction is implemented by way of an Offer:

4.1 upon the Offer being made, I will accept, or where applicable, procure the acceptance of the Offer in respect of the Shares and transfer the Shares free from all liens, charges, options, equities, encumbrances and rights of pre-emption and any other third party rights of any nature and together with all rights now or hereafter attaching thereto, including voting rights and the right to all dividends and other distributions (if any) declared, made or paid hereafter subject to the matters referred to in the Press Announcement;

4.2 I shall (unless the Offeror otherwise requests in writing) exercise or, where applicable, procure the exercise of, all rights attaching to the Shares on any resolution (whether or not amended and whether put to a show of hands or a poll) which is proposed at any Shareholders' Meeting which might otherwise reasonably be expected to impede or frustrate the Proposed Transaction in any way (which shall include any resolution to approve a scheme of arrangement, merger, acquisition or disposal relating to any shares in the Target or any of its subsidiaries, or any asset of the Target or any of its subsidiaries, by a third party) in accordance with the Offeror's instructions;

4.3 I shall, after the despatch of the Offer Document to shareholders of the Target:

4.3.1 in the case of those Shares referred to in Schedule 1, as soon as reasonably practicable and in any event within ten Business Days of the date of the Offer Document; or

4.3.2 in the case of any other Shares that I subsequently become able to control the voting rights in respect of, as soon as reasonably practicable and in any event within ten Business Days of the date on which I become able to control the voting rights attaching to those Shares,

duly accept (or procure acceptance of) the Offer in accordance with its terms in respect of such Shares; and

4.4 notwithstanding that the terms of the Offer Document will confer rights of withdrawal on accepting shareholders, I shall not withdraw any acceptance of the Offer in respect of the Shares or any further Shares or any of them and shall procure that no rights to withdraw any acceptance in respect of such Shares which I become able to control the voting rights in respect of, are exercised.

5. **Publicity and provision of information**

5.1 I acknowledge that in accordance with:

5.1.1 Rule 2.10 of the Code, particulars of this undertaking will be disclosed in the Press Announcement;

5.1.2 Rule 24.3 of the Code, particulars of this undertaking will be included in the Scheme Document and/or the Offer Document (as applicable); and

5.1.3 Rule 26.1 of the Code, this undertaking will be published on a website following release of the Press Announcement.

5.2 I consent to:

5.2.1 the issue of the Press Announcement with the references to me and this undertaking substantially in the form and context in which they appear in the form of the draft Press Announcement set out in this undertaking as Schedule 2;

5.2.2 the despatch of the Scheme Document and/or Offer Document (as applicable) containing particulars of this undertaking and, if required, details of my (and my close family relatives' and related trusts') interests and dealings in Target securities or Offeror securities as required by the Code; and

5.2.3 this undertaking being published on a website following issue of the Press Announcement.

5.3 Promptly and before publication, I will supply to the Offeror all information required to be included in the Scheme Document or the Offer Document (as applicable) concerning myself, my close family relatives and related trusts, including but not limited to:

5.3.1 my interests and the interests of any persons acting in concert with me for the purposes of the Code in securities of the Offeror and the Target; and

5.3.2 all my dealings, and the dealings of any persons acting in concert with me for the purposes of the Code in securities of the Offeror and the Target since commencement of the offer period (as defined in the Code).

5.4 I will notify the Offeror immediately of any dealings by me or my close family relatives and related trusts in securities of the Offeror and/or the Target after the date of this undertaking and before the obligations under this undertaking lapse in accordance with the terms of this undertaking.

6. **Lapse of undertaking**

All obligations under this undertaking will lapse and cease to have any effect:

6.1 immediately if the Press Announcement is not released by 5.00 p.m. on 3 June 2026 (or any later date agreed between the Target and the Offeror);

6.2 immediately if the Offeror announces, with the consent of the Panel, that it does not intend to proceed with the Proposed Transaction;

- 6.3 immediately if the Scheme does not become effective or the Offer does not become unconditional before 11.59 p.m. on the Long Stop Date (as defined in the Press Announcement);
- 6.4 on and from the time and date on which the Proposed Transaction lapses (or, in the case of an Offer, is withdrawn), save that switching from a Scheme to an Offer, or vice versa, shall not be deemed to constitute the lapsing or withdrawal of the Proposed Transaction, provided that the lapsing of this undertaking will not affect any accrued rights or liabilities in respect of non-performance of any obligation under this undertaking falling due for performance before such lapse; or
- 6.5 any third party announces, in accordance with the Code, a firm intention to make an offer (whether made by way of a contractual takeover offer or a scheme of arrangement) for the entire issued share capital of the Target (a **Competing Offer**) and such Competing Offer if made by way of contractual takeover offer is declared unconditional or, if proceeding by way of a scheme of arrangement, becomes effective.
- 6.6 If my obligations in this undertaking lapse, I shall have no claim against the Offeror and the Offeror shall have no claim against me, other than in respect of any prior breach of any of the terms of this undertaking.

## 7. **General**

- 7.1 By way of security for my obligations under this undertaking I irrevocably appoint, severally, each of the Offeror and any director of the Offeror to be my attorney to, in my name and on my behalf, sign, execute and deliver any documents and do all such acts and things as may be necessary for or incidental to the performance of my obligations under this undertaking. I agree that this power of attorney is irrevocable in accordance with section 4 of the Powers of Attorney Act 1971 until this undertaking lapses in accordance with clause 6.
- 7.2 If any of the Shares are not registered in my name, I will take all steps within my power to procure that the registered holder(s) of those Shares act in accordance with the terms of this undertaking.
- 7.3 I acknowledge that:
- 7.3.1 the release of the Press Announcement is at the Offeror's absolute discretion and the Offeror reserves the right not to release the Press Announcement;
- 7.3.2 nothing in this undertaking obliges the Offeror to despatch the Offer Document (or consent to the despatch of the Scheme Document, as applicable) if it is not required to do so under the Code;
- 7.3.3 without prejudice to my obligations in this undertaking, I am obliged to make appropriate disclosure under the Code by no later than 12 noon on the following Business Day in the event that I am no longer able to comply with the terms of this undertaking or no longer intend to do so;
- 7.3.4 I am not a client of J.P. Morgan Cazenove and accordingly it will not be responsible to me for providing the protections afforded to its clients or for giving advice in relation to the Proposed Transaction or in connection with this undertaking; and
- 7.3.5 I have been given an adequate opportunity to consider whether or not to give this undertaking and to obtain independent advice about the nature of this undertaking.
- 7.4 I acknowledge that, if I breach any of my obligations in this undertaking, damages alone would not be an adequate remedy and that an order for specific performance would be an essential element of any adequate remedy for that breach.
- 7.5 Any reference to a time, date or period in this undertaking is a reference to London time and may be extended by mutual agreement between the Offeror and the Target but, as regards any time, date or period originally fixed or so extended, time will be of the essence.

- 7.6 This undertaking will bind my estate and personal representatives.
- 7.7 No variation of this undertaking shall be effective unless agreed between each of the parties to it.
- 7.8 The ejusdem generis principle of construction shall not apply to this undertaking. Any phrase introduced by the terms "other", "including", "include" and "in particular" or any similar expression shall be construed as illustrative and shall not limit the sense of the words following or preceding those terms.
- 7.9 In this undertaking:
- 7.9.1 a reference to a "Business Day" means a day (other than a Saturday or Sunday) on which banks are generally open in London for normal business;
  - 7.9.2 a reference to a person having an "interest in shares" includes all interests which a person would be required to notify to the Target if he were a director of the Target; and
  - 7.9.3 the expression the "Proposed Transaction" extends to any improved or revised offer announced by or on behalf of the Offeror during the offer period, whether voluntary or mandatory, irrespective of how the improved or revised offer is to be implemented and, for the avoidance of doubt, this undertaking will continue to be binding in respect of the Shares in respect of any improved or revised offer; and
  - 7.9.4 references to "J.P. Morgan Cazenove" mean J.P. Morgan Securities plc, financial adviser and corporate broker to the Offeror.
- 7.10 This undertaking and any non-contractual obligations arising out of or in connection with it will be governed by, and construed in accordance with, English law.
- 7.11 The courts of England and Wales have exclusive jurisdiction to settle any dispute, claim or controversy arising out of or in connection with this undertaking (including a dispute, claim or controversy relating to any non-contractual obligations arising out of or in connection with this undertaking) and I irrevocably submit to the exclusive jurisdiction of the courts of England and Wales for all purposes in relation to this undertaking.

**SCHEDULE 1**

**THE SHARES**

<b>Name(s) of registered holders as appearing on the register of members</b>	<b>Name(s) of beneficial holders</b>	<b>No. of ordinary shares</b>
Hargreaves Lansdown Nominees Limited	Meriel Lenfestey	20,000

**SCHEDULE 2**  
**DRAFT PRESS ANNOUNCEMENT**

NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION IN WHOLE OR IN PART, IN, INTO OR FROM ANY JURISDICTION WHERE TO DO SO WOULD CONSTITUTE A VIOLATION OF THE RELEVANT LAWS OF SUCH JURISDICTION

THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION  
FOR IMMEDIATE RELEASE

1 June 2026

## RECOMMENDED CASH ACQUISITION

of

Bluefield Solar Income Fund Limited (“BSIF”)

by

Drax Smart Generation Holdco Limited (“Drax Bidco”)

a wholly-owned subsidiary of Drax Group plc (“Drax”)

to be implemented by means of a court-sanctioned scheme of arrangement under Part VIII of the Companies (Guernsey) Law, 2008 (as amended)

### Summary

- The boards of directors of each of BSIF and Drax Bidco are pleased to announce that they have reached agreement on the terms of a recommended all cash acquisition by Drax Bidco of the entire issued share capital of BSIF (the “**Acquisition**”). The Acquisition is to be effected by means of a court-sanctioned scheme of arrangement under Part VIII of the Companies Law.
- Under the terms of the Acquisition, BSIF Shareholders will be entitled to receive 92.574 pence in cash per BSIF Share (the “**Cash Consideration**”). In addition, BSIF Shareholders will be entitled to keep the second interim dividend of 2.25 pence per BSIF Share payable to qualifying BSIF Shareholders on or around 15 June 2026 (the “**Permitted Dividend**”). Accordingly, BSIF Shareholders (where they qualify for the Permitted Dividend) will be entitled to receive a total value of 94.824 pence per BSIF Share.
- The Cash Consideration values the entire issued share capital of BSIF at approximately £548 million, and represents:
  - a premium of approximately 28 per cent. to the Closing Price of 72.20 pence per BSIF Share on 4 November 2025 (being the last Business Day prior to the commencement of the Offer Period); and
  - a premium of approximately 19 per cent. to the one-month volume weighted average price of 78.06 pence per BSIF Share on 4 November 2025 (being the last Business Day prior to the commencement of the Offer Period).
- Including the Permitted Dividend, the terms of the Acquisition value the entire issued share capital of BSIF at approximately £561 million, and represent:

- a premium of approximately 31 per cent. to the Closing Price of 72.20 pence per BSIF Share on 4 November 2025 (being the last Business Day prior to the commencement of the Offer Period);
  - a premium of approximately 21 per cent. to the one-month volume weighted average price of 78.06 pence per BSIF Share on 4 November 2025 (being the last Business Day prior to the commencement of the Offer Period); and
  - a discount of approximately 9 per cent. to the unaudited 31 March 2026 net asset value of 104.52 pence per BSIF Share announced by BSIF on 14 May 2026.
- The terms of the Acquisition represent an enterprise value for BSIF of approximately £1,082 million.

### **Background to and reasons for the Acquisition**

- Drax believes the Acquisition of BSIF offers an attractive opportunity to grow its UK renewable generation business whilst being highly complementary to the Wider Drax Group's existing operations and FlexGen portfolio. The Acquisition offers Drax direct access into a c.0.9GW renewable portfolio, comprised of operating and under construction solar and wind assets, plus a >1GW (2.9GW gross capacity) development pipeline to be constructed across the next decade. These assets can complement the Wider Drax Group's existing portfolio of c.2.2GW of FlexGen assets and developments and 2.6GW of biomass, creating a broader base of UK generation assets and associated earnings.
- The Acquisition aligns with the Wider Drax Group's strategic and capital allocation priorities to allocate up to £2 billion of incremental investment (between 2025 and 2031), primarily in flexible and renewable energy to create value and growth in the short, medium and long-term, and to support delivery of the UK's objectives of energy security, affordability, and decarbonisation. Drax believes that the Acquisition is underpinned by strong cash generation, a disciplined approach to capital allocation, and attractive returns for Drax shareholders.
- BSIF, a publicly listed investment company which operates a portfolio of UK based renewable energy infrastructure assets (including photovoltaic plants, wind farms and small-scale wind turbines), supports Drax's core UK generation focus and, as an acquisition, represents a compelling opportunity to add operating assets with predominantly contracted cash flows, in addition to under construction and development assets to the Wider Drax Group's existing portfolio, with a focus in particular on the following key benefits:
  - Significant expansion of the Wider Drax Group's renewable generation capabilities;
  - Optimising Drax's generation mix, complementing FlexGen assets and biomass with solar and wind generation;
  - For the financial year ended 30 June 2025, BSIF generated underlying earnings of c.£95 million, EBITDA of c.£130 million and operating free cash flow of c.£118 million. BSIF will provide an opportunity to grow Drax's EBITDA from renewables, offering greater predictability and visibility of cash flows from a large operational portfolio that reduces the Wider Drax Group's earnings risk from grid connection delays. With an operational portfolio underpinned by long-term investment schemes and certificates, BSIF maintains a highly contracted revenue base, with 57 per cent.

of revenue generated from FiT, ROCs, CfDs and REGOs, and the remaining 43 per cent. derived from PPAs in the six months to 31 December 2025;

- Combining BSIF's portfolio with Drax's existing flexible generation assets, alongside Drax's marketing and trading capabilities, will create a broader renewables platform. This could enable Drax to improve revenues from renewable certificate trading, improve routes-to-market, and make better use of the Wider Drax Group's trading platform. It could also allow the combined portfolio to be dispatched more efficiently on a 24/7 basis, driving optimisation and market access cost savings;
- Provides a significant development opportunity, allowing Drax to continue to sustainably increase the scale of solar and BESS capacity. As at 31 December 2025, 545MWs of BSIF's solar development portfolio is underpinned by long-term 15-to-20 year CfD contracts, secured in Allocation Rounds 4, 5, 6 and 7;
- Offering the potential to unlock significant synergies across the Wider Drax Group's trading, operations and energy sales activities in addition to potential cost savings associated with listing costs and lower trading costs by utilising Drax's existing route-to-market platforms (including providing a route-to-market for over 2,000 embedded generators) and trading operations; and
- Accelerating Drax's contribution to the UK's national climate targets and ambitions for a clean power system and net zero objectives.

Drax expects that return on invested capital from the Acquisition will significantly exceed the Wider Drax Group's target weighted average cost of capital.

### **Recommendation**

- The BSIF Directors, who have been so advised by Deutsche Numis and Rothschild & Co as to the financial terms of the Acquisition, consider the terms of the Acquisition to be fair and reasonable. In providing their advice to the BSIF Directors, Deutsche Numis and Rothschild & Co have taken into account the commercial assessments of the BSIF Directors. Deutsche Numis and Rothschild & Co are providing independent financial advice to the BSIF Directors for the purposes of Rule 3 of the Code.
- Accordingly, the BSIF Directors unanimously intend to recommend that BSIF Shareholders vote in favour of the Scheme at the Court Meeting and the resolutions to be proposed at the General Meeting, as the BSIF Directors who hold BSIF Shares have irrevocably undertaken to do in respect of their own beneficial holdings of 176,800 BSIF Shares, representing, in aggregate, approximately 0.03 per cent. of the issued share capital of BSIF on 29 May 2026 (being the latest practicable date prior to this Announcement).
- Further details of these irrevocable undertakings are set out in Appendix III to this Announcement.

### **Information on Drax Bidco and Drax**

- Drax is a renewable energy company engaged in renewable power generation, the production of sustainable biomass and the sale of renewable electricity to businesses.
- Drax operates a generation portfolio of sustainable biomass (c.2.6GW), hydro-electric and pumped storage hydro assets (c.560MW) in England and Scotland. At Drax's Cruachan Power Station, a project which will add 40MW of additional capacity is progressing. Drax is constructing three open cycle gas turbine ("OCGT") assets, two in England and one in Wales

which, when commissioned, will provide capacity of c.900MW in aggregate. Drax is also developing a pipeline of battery energy storage system (“**BESS**”) investment opportunities comprising physical assets and capabilities to optimise third-party assets with the provision of route-to-market, floor and tolling structures. In October 2025, Drax agreed to acquire three BESS projects across Scotland and England from Apatura Limited which, when fully commissioned, will provide capacity of c.260MW in aggregate. The Wider Drax Group also has in place agreements for 450MW of tolling contracts, comprising 250MW from a 10-year tolling agreement with West Burton C Limited, a company owned by Fidra Energy, entered into in January 2026, and 200MW from a 15-year tolling agreement with Zenobē Coalburn Limited, entered into in February 2026.

- In March 2026, Drax completed the acquisition of Flexitricity Limited, a UK-based optimiser of flexible energy assets, with a scalable platform expected to support the Wider Drax Group’s ambition to develop a GW scale pipeline of BESS opportunities.
- The Wider Drax Group continues to evaluate opportunities to maximise value from the Drax Power Station site, including the potential for a c.100MW data centre, as well as other generation sources.
- Drax’s Energy Solutions business sells renewable electricity to industrial and commercial customers in the UK.
- The Wider Drax Group also operates a biomass pellet production business with 14 operational sites for a combination of own-use and third-party sales. As at 31 December 2025, the Wider Drax Group employed over 2,900 people in the UK, US, Canada and Japan. The Wider Drax Group reported total revenue of £5,391 million and Adjusted EBITDA of c.£947 million in the financial year ended 31 December 2025.
- Drax Bidco is a wholly-owned subsidiary undertaking of Drax. It owns the UK generation portfolio of Drax, being Drax Power Station, the hydro-electric and pumped storage hydro assets, the three OCGT assets and the three BESS projects under development acquired from Apatura Limited.

#### **Information on BSIF**

- BSIF was established in 2013 as the first UK-listed investment company focused primarily on UK solar energy infrastructure. At the time of its IPO, there was no listed vehicle dedicated to this sector and BSIF was therefore a pioneer in creating a new asset class within the UK investment company landscape.
- BSIF has grown into a scaled and established participant in the UK renewable energy market, building a high-quality portfolio of operational assets alongside a substantial proprietary development pipeline. This growth has been underpinned by the experience, stability and disciplined investment approach of its investment adviser, Bluefield, whose management team has been central to sourcing, developing and operating BSIF’s assets.
- As at 31 December 2025, BSIF had total assets of £639 million.
- As at 31 December 2025, BSIF owned an operational solar portfolio of 121 photovoltaic plants (consisting of 79 large scale sites, 39 micro sites and 3 roof top sites), 6 wind farms and 109 small scale UK onshore wind turbines, all 100 per cent. owned by BSIF, with a total capacity of 748.7MW. BSIF also has a 25 per cent. stake in a joint venture portfolio of UK solar assets in partnership with GLIL Infrastructure, who own the remaining 75 per cent. The total capacity of the joint venture portfolio is 412.1MW. BSIF’s total operating capacity was therefore

851.8MW as at 31 December 2025, composed of 793.5MW of solar and 58.3MW of onshore wind.

- In addition to the operational portfolio, BSIF benefits from its own proprietary development pipeline. As at 31 December 2025, this consisted of 946MW of solar projects and 1,915MW of BESS projects; 25MW of the pipeline was under construction, 1,204MW was fully consented, 47MW was in planning and 1,585MW was under development.
- In the year ending 30 June 2026, BSIF is expected to generate some 880 GWh of clean energy, enough to power around 326,000 homes, and avoid over 155,000 tonnes of CO<sub>2</sub>e emissions.

#### **Drax Board Statement**

- The Acquisition constitutes a “significant transaction” for Drax for the purposes of the UK Listing Rules and this Announcement constitutes a notification pursuant to Chapter 7 of the UK Listing Rules.
- Certain further information required to be notified by Drax pursuant to Chapter 7 of the UK Listing Rules will be set out in the Scheme Document.
- The Drax Directors believe that the Acquisition is in the best interests of Drax Shareholders as a whole.

#### **Timetable and Conditions**

- It is intended that the Acquisition will be implemented by way of a court-sanctioned scheme of arrangement under Part VIII of the Companies Law (although Drax Bidco reserves the right to implement the Acquisition by way of a Takeover Offer, with the Panel's consent and compliance with the Code).
- The Acquisition will be put to the BSIF Shareholders at the Court Meeting and the General Meeting. In order to become Effective, the Scheme must be approved by a majority in number of the Scheme Shareholders present and voting (and entitled to vote) at the Court Meeting, either in person or by proxy, representing at least 75 per cent. of the votes cast by those Scheme Shareholders. In addition, a special resolution implementing the Scheme and amending the articles of incorporation of BSIF must be passed by BSIF Shareholders representing at least 75 per cent. of votes cast at the General Meeting. Following the Court Meeting, the Scheme must also be sanctioned by the Court.
- The Acquisition is also subject to the Conditions and terms set out in Appendix I to this Announcement, including the UK National Security and Investment Condition.
- For the purposes of Rule 29.1(d) of the Code, a valuation of BSIF's portfolio will be included in the Scheme Document (or, if applicable, the Offer Document).
- The Scheme Document, containing further information about the Acquisition and the Scheme and notices of the Court Meeting and the General Meeting will be distributed to BSIF Shareholders (along with the Forms of Proxy for use in connection with the Court Meeting and the General Meeting) as soon as reasonably practicable and, in any event, within 28 days of the date of this Announcement (or such later time (if any) as Drax Bidco, BSIF and the Panel agree and, if required, the Court may approve).
- Subject to the satisfaction or (where applicable) waiver of the Conditions, the Acquisition is expected to become Effective during Q3 2026.

Commenting on the Acquisition, Michael Gibbons CBE, Chair of BSIF, said:

*“BSIF was a pioneer in creating the first UK-listed investment trust focused primarily on UK solar energy infrastructure. Since its IPO in 2013, BSIF’s operating portfolio has grown with the UK Solar PV market to c.850MW, including an expansion into the onshore wind and battery storage asset classes. In that time, BSIF has delivered a total shareholder return of 122 per cent. and, as at BSIF’s most recent results, generates enough green electricity to power over 326,000 homes with renewable energy. None of this would have been possible without the resources and considerable expertise of Bluefield Partners, the investment adviser whose management of this company has established them as one of the leading experts in the renewables industry.*

*However, since autumn 2022, a changed interest rate environment has contributed to BSIF Shares trading at a consistent double digit discount to NAV. Without fresh capital to invest in new projects, the portfolio’s quarterly NAVs have naturally declined with the payment of dividends. Against this changed backdrop, following an earlier evaluation of strategic options and shareholder feedback which indicated a clear preference for value maximising options, the BSIF Board acted decisively to initiate a Formal Sale Process. The BSIF Board is pleased with the conclusion of this process and believes the Acquisition at a 31 per cent. premium (including the Permitted Dividend) to the closing share price on 4 November 2025, represents a highly attractive outcome for BSIF Shareholders and a compelling opportunity to crystallise value in cash. The BSIF Board unanimously recommends that BSIF Shareholders vote in favour of the Acquisition.”*

Commenting on the Acquisition, Will Gardiner, CEO of Drax, said:

*“The UK’s energy system is rapidly evolving and to meet its changing needs Drax is transitioning too. We are excited about the opportunities we have to invest in growing our business and supporting the country’s long-term energy security by adding new sources of generation and storage to our portfolio.*

*BSIF could potentially be the biggest acquisition our business has ever made. It represents an attractive opportunity to substantially grow our renewable generation business, while being highly complementary to the Wider Drax Group’s existing operations and FlexGen portfolio. This deal can help meet the UK’s energy goals of security of supply, affordability and decarbonisation as rising levels of renewable electricity are expected to meet growing national power demand.*

*The Acquisition is part of our plan to allocate up to £2 billion into flexible and renewable energy through the decade, and can deliver a step change in Drax’s EBITDA and contracted cashflows and synergy benefits, which supports returns significantly in excess of Wider Drax Group target WACC. There is no change to our capital allocation policy as a result of the potential transaction. We remain committed to our balance sheet targets, including returns to shareholders.”*

***This summary should be read in conjunction with the full text of this Announcement. The Acquisition shall be subject to the Conditions and further terms set out in Appendix I to this Announcement and to the full terms and conditions which shall be set out in the Scheme Document. Appendix II to this Announcement contains the sources of information and bases of calculations of certain information contained in this Announcement, Appendix III contains a summary of the irrevocable undertakings in relation to this Acquisition, Appendix IV contains a discussion of the risks to Drax as a result of the Acquisition and Appendix V contains definitions of certain expressions used in this summary and in this Announcement.***

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Norton Rose Fulbright LLP is acting as legal adviser to BSIF. Pinsent Masons LLP is acting as legal adviser to Drax Bidco and Drax.

### **Analyst, investor and media presentations**

Drax will host a presentation for analysts and investors today at 11:30 a.m. (London time) to discuss the Acquisition. The webcast will be available at: <https://secure.emincote.com/client/drax/drax035>

The registration for the analyst conference call will be available at: [https://secure.emincote.com/client/drax/drax035/vip\\_connect](https://secure.emincote.com/client/drax/drax035/vip_connect).

Subject to certain restrictions, the slides used in the presentation will be available to all interested parties at: [drax.com/investors/results-reports-presentations/](https://drax.com/investors/results-reports-presentations/)

### **Important notices**

*J.P. Morgan Securities plc, which conducts its UK investment banking business as J.P. Morgan Cazenove (“J.P. Morgan Cazenove”), is authorised in the United Kingdom by the PRA and regulated in the United Kingdom by the Prudential Regulation Authority (“PRA”) and the Financial Conduct Authority. J.P. Morgan Cazenove is acting as financial adviser exclusively for Drax Bidco and Drax and no one else in connection with the subject matter of this Announcement and will not regard any other person as its client in relation to the matters set out in this Announcement and will not be responsible to anyone other than Drax Bidco and Drax for providing the protections afforded to clients of J.P. Morgan Cazenove or its affiliates, nor for providing advice in connection with the subject matter of this Announcement.*

*Deutsche Bank AG is a joint stock corporation incorporated with limited liability in the Federal Republic of Germany, with its head office in Frankfurt am Main where it is registered in the Commercial Register of the District Court under number HRB 30 000. Deutsche Bank AG is authorised under German banking law. The London branch of Deutsche Bank AG (trading for these purposes as Deutsche Numis) (“Deutsche Numis”) is registered in the register of the companies for England and Wales (registration number BR000005) with its registered address and principal place of business at 21 Moorfields, London, EC2Y 9DB, United Kingdom. Deutsche Bank AG is authorised and regulated by the European Central Bank and the German Federal Financial Supervisory Authority (BaFin). With respect to activities undertaken in the UK, Deutsche Numis is authorised by the PRA. It is subject to regulation by the Financial Conduct Authority and limited regulation by the PRA. Deutsche Numis is acting for BSIF and for no one else in connection with the subject matter of this Announcement and will not regard any other person (whether or not a recipient thereof) as its client and will not be responsible to anyone other than BSIF for providing the protections afforded to clients of Deutsche Numis or for advising any such person in connection with the subject matter of this Announcement, or any transaction or arrangement referred to therein.*

*N.M. Rothschild & Sons Limited (“Rothschild & Co”), which is authorised and regulated by the Financial Conduct Authority in the United Kingdom, is acting exclusively for BSIF and for no one else in connection with the subject matter of this Announcement and will not be responsible to anyone other than BSIF for providing the protections afforded to its clients or for providing advice in connection with the subject matter of this Announcement.*

### **Inside information**

*This Announcement contains inside information as stipulated under the Market Abuse Regulation (EU) No. 596/2014 as it forms part of UK law by virtue of the European Union (Withdrawal) Act 2018. Upon the publication of this Announcement via a Regulatory Information Service, this inside information will be considered to be in the public domain.*

*The person responsible for arranging for the release of this Announcement on behalf of BSIF is Chezi Hanford (Company Secretary) and the person responsible for making this announcement on behalf of Drax is Rebecca Dunn (Company Secretary).*

### **Further information**

*This Announcement is for information purposes only and is not intended to and does not constitute, or form part of, any offer to sell or an invitation to purchase any securities; a solicitation of an offer to buy, otherwise acquire, subscribe for, sell or otherwise dispose of any securities pursuant to the Acquisition or otherwise; or the solicitation of any vote or approval in any jurisdiction pursuant to the Acquisition or otherwise nor shall there be any purchase, sale, issuance or exchange of securities or such solicitation in any jurisdiction in which such offer, solicitation, sale issuance or exchange is unlawful. The Acquisition will be made solely by means of the Scheme Document (or, if the Acquisition is implemented by way of a Takeover Offer, the Offer Document) which, together with any related forms of proxy (or, in the case of a Takeover Offer, forms of acceptance), will contain the full terms and conditions of the Acquisition, including details of how to vote in respect of the Scheme (or, in the case of a Takeover Offer, how to accept the offer). Any decision in respect of, or other response to, the Acquisition should be made only on the basis of the information contained in the Scheme Document (or, if the Acquisition is implemented by way of a Takeover Offer, the Offer Document).*

*BSIF will prepare the Scheme Document to be distributed to BSIF Shareholders. BSIF and Drax Bidco urge BSIF Shareholders to read the Scheme Document (or any other document by which the Acquisition is made) in full when it becomes available because it will contain important information relating to the Acquisition, including details of how to vote in respect of the Scheme. Any vote in respect of resolutions to be proposed at the General Meeting, and any decision in respect of the Scheme or other response in relation to the Acquisition by BSIF Shareholders should be made only on the basis of the information contained in the Scheme Document (or, if the Acquisition is implemented by way of a Takeover Offer, the Offer Document).*

*The statements contained in this Announcement are made as at the date of this Announcement, unless some other time is specified in relation to them, and publication of this Announcement shall not give rise to any implication that there has been no change in the facts set forth in this Announcement since such date.*

*This Announcement does not constitute a prospectus or prospectus equivalent document.*

*Drax Bidco reserves the right to elect (with the consent of the Panel) to implement the Acquisition by way of a Takeover Offer as an alternative to the Scheme. In such event, the Takeover Offer will be implemented on substantially the same terms, so far as applicable, as those which would apply to the Scheme, subject to appropriate amendments to reflect the change in structure by which the Acquisition is to be implemented and compliance with all applicable laws.*

### **Overseas shareholders**

*The release, publication or distribution of this Announcement in jurisdictions other than the United Kingdom or Guernsey, and the availability of the Acquisition to BSIF Shareholders who are not resident in the United Kingdom or Guernsey, may be restricted by the laws and/or regulations of those jurisdictions and therefore persons into whose possession this Announcement comes should inform themselves about and observe such restrictions. In particular, the ability of persons who are not resident in the United Kingdom or Guernsey to vote their BSIF Shares with respect to the Scheme at the Court Meeting or the resolution(s) at the General Meeting, or to execute and deliver forms of proxy appointing another to vote at the Court Meeting or the General Meeting on their*

*behalf, may be affected by the laws of the relevant jurisdictions in which they are located. Further details in relation to Overseas Shareholders will be contained in the Scheme Document (or, if the Acquisition is implemented by way of a Takeover Offer, the Offer Document). Any failure to comply with any such restrictions may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Acquisition disclaim any responsibility or liability for the violation of such restrictions by any person.*

*Unless otherwise determined by Drax Bidco or required by the Code, and permitted by applicable law and regulation, the Acquisition will not be made available, directly or indirectly, in, into or from a Restricted Jurisdiction. Accordingly, copies of this Announcement and all documents relating to the Acquisition are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in, into or from a Restricted Jurisdiction, and persons receiving this Announcement and all documents relating to the Acquisition (including custodians, nominees and trustees) must not mail or otherwise distribute or send them in, into or from such Restricted Jurisdiction. If the Acquisition is implemented by way of a Takeover Offer (unless otherwise permitted by applicable law or regulation), the Takeover Offer may not be made, directly or indirectly, in or into, or by use of mails or any other means or instrumentality (including, without limitation, facsimile, e-mail or other electronic transmission, telex or telephone) of interstate or foreign commerce of, or any facility of a national, state or other securities exchange of any Restricted Jurisdiction and the Takeover Offer will not be capable of acceptance by any such use, means, instrumentality or facilities or from within any Restricted Jurisdiction.*

*This Announcement has been prepared in connection with proposals in relation to a scheme of arrangement pursuant to and for the purpose of complying with English law, Guernsey law and the Code and information disclosed may not be the same as that which would have been disclosed if this Announcement had been prepared in accordance with the laws of jurisdictions outside the United Kingdom or Guernsey. Nothing in this Announcement should be relied on for any other purpose.*

*The Acquisition shall be subject to the applicable requirements of the Code, the Panel, the London Stock Exchange, the Financial Conduct Authority and the UK Listing Rules.*

#### **Additional information for investors in the United States**

*The Acquisition relates to shares of a Guernsey company with a listing on the Main Market and is proposed to be effected by means of a court-sanctioned scheme of arrangement under the laws of Guernsey. A transaction effected by means of a court-sanctioned scheme of arrangement governed by the laws of Guernsey is not subject to the tender offer rules or the proxy solicitation rules under the US Exchange Act of 1934, as amended (the “**US Exchange Act**”).*

*Accordingly, the Acquisition is subject to the disclosure and procedural requirements applicable to schemes of arrangements involving a target company incorporated in Guernsey and listed on the Main Market which differ from the requirements of United States tender offer and proxy solicitation rules.*

*However, if Drax Bidco were to elect to implement the Acquisition by means of a Takeover Offer and determines to extend such Takeover Offer into the United States, such Takeover Offer shall be made in compliance with all applicable United States laws and regulations, including, without limitation, to the extent applicable, Section 14(e) of the US Exchange Act and Regulation 14E thereunder. Such a Takeover Offer would be made in the United States by Drax Bidco and no one else.*

*In the event that the Acquisition is implemented by way of a Takeover Offer, in accordance with normal United Kingdom practice and pursuant to Rule 14e-5(b) of the US Exchange Act (if*

applicable), Drax Bidco, its affiliates, their advisers and their nominees or brokers (acting as agents), may from time to time make certain purchases of, or arrangements to purchase, shares or other securities of BSIF, other than pursuant to such Takeover Offer, during the period in which such Takeover Offer would remain open for acceptance. These purchases may occur either in the open market at prevailing prices or in private transactions at negotiated prices and would comply with applicable law, including the US Exchange Act. Any information about such purchases or arrangements to purchase shall be disclosed as required in the UK, shall be available to all investors (including US investors) via a Regulatory Information Service and shall also be available on the London Stock Exchange website at [www.londonstockexchange.com](http://www.londonstockexchange.com).

The receipt of consideration by a US holder for the transfer of its BSIF Shares pursuant to the Scheme is likely to be a taxable transaction for United States federal income tax purposes and under applicable US state and local, as well as overseas and other, tax laws. Each BSIF Shareholder is urged to consult their independent professional advisers immediately regarding the tax consequences of the Acquisition applicable to them, including under applicable United States federal, state and local, as well as overseas and other, tax laws.

Financial information relating to BSIF included in this Announcement and the Scheme Document has been or shall have been prepared in accordance with accounting standards applicable in Guernsey and the United Kingdom and may not be comparable to financial information of United States companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the United States ("US GAAP"). US GAAP differs in certain significant respects from accounting standards applicable in Guernsey and the United Kingdom. None of the financial information in this Announcement has been audited in accordance with auditing standards generally accepted in the United States or the auditing standards of the Public Company Accounting Oversight Board (United States).

It may be difficult for US holders of BSIF Shares to enforce their rights and any claim arising out of the US federal securities laws in connection with the Acquisition, since Drax Bidco and BSIF are each organised in countries other than the United States, and some or all of their officers and directors may be residents of, and some or all of their assets may be located in, jurisdictions other than the United States. As a result, US holders of BSIF Shares may not be able to effect service of process upon a non-US company or its officers or directors or to enforce against them a judgment of a US court for violations of federal or state securities laws of the United States, including judgments based upon the civil liability provisions of the US federal securities laws. US holders of BSIF Shares may not be able to sue a non-US company or its officers or directors in a non-US court for violations of US securities laws. Further, it may be difficult to compel a non-US company and its affiliates to subject themselves to a US court's jurisdiction or judgment.

Neither the US Securities and Exchange Commission nor any US state securities commission has approved or disapproved or passed judgment upon the fairness or the merits of the Acquisition or determined if this Announcement is adequate, accurate or complete. Any representation to the contrary is a criminal offence in the United States.

### **Forward-looking statements**

This Announcement (including information incorporated by reference in this Announcement), oral statements made regarding the Acquisition, and other information published by Drax Bidco or BSIF may contain statements about Drax Bidco and BSIF that are or may be deemed to be forward-looking statements. All statements other than statements of historical facts included in this Announcement may be forward-looking statements. Without limitation, any statements preceded or followed by or that include the words "targets", "plans", "believes", "expects", "aims", "intends", "will",

"may", "shall", "should", "anticipates", "estimates", "projects", "is subject to", "budget", "scheduled", "forecast" or words or terms of similar substance or the negative thereof, are forward-looking statements. Forward-looking statements include (without limitation) statements relating to the following: (i) assets, future capital expenditures, expenses, revenues, earnings, synergies, economic performance, indebtedness, financial condition, dividend policy, losses and future prospects; and (ii) business and management strategies and the expansion and growth of Drax Bidco's or BSIF's operations and potential synergies resulting from the Acquisition.

Such forward-looking statements are prospective in nature and are not based on historical facts, but rather on current expectations and projections of the management of Drax Bidco and BSIF about future events, and are therefore subject to risks and uncertainties that could significantly affect expected results and are based on certain key assumptions. Many factors could cause actual results to differ materially from those projected or implied in any forward-looking statements, including: increased competition, the outcome of business or industry restructuring, the outcome of any litigation, changes in economic conditions, currency fluctuations, changes in interest and tax rates, changes in laws, regulations or regulatory policies, developments in legal or public policy doctrines, or the timing and success of future offer opportunities or major investment projects. Other unknown or unpredictable factors could cause actual results to differ materially from those in the forward-looking statements. Such forward-looking statements should therefore be construed in light of such factors. Neither Drax Bidco nor BSIF, nor any of their respective associates or directors, officers or advisers, provides any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this Announcement will actually occur. Due to such uncertainties and risks, readers are cautioned not to place undue reliance on such forward-looking statements, which speak only as of the date hereof. All subsequent oral or written forward looking statements attributable to any member of the Wider Drax Group or the BSIF Group, or any of their respective associates, directors, officers, employees or advisers, are expressly qualified in their entirety by the cautionary statement above.

Drax Bidco and BSIF expressly disclaim any obligation to update any forward-looking or other statements contained herein, except as required by applicable law or by the rules of any competent regulatory authority, whether as a result of new information, future events or otherwise.

#### **No profit forecasts or estimates or quantified financial benefit statement**

No statement in this Announcement is intended as, or is to be construed as, a profit forecast, profit estimate or quantified financial benefit statement for any period and no statement in this Announcement should be interpreted to mean that earnings or earnings per share for BSIF or for Drax for the current or future financial years would necessarily match or exceed the historical published earnings or earnings per share for BSIF or for Drax.

#### **Disclosure requirements of the Code**

Under Rule 8.3(a) of the Code, any person who is interested in 1 per cent. or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the Offer Period and, if later, following the announcement in which any securities exchange offeror is first identified. An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 p.m. (London time) on the 10th business day following the commencement of the Offer Period and, if appropriate, by no later than 3.30 p.m.

*(London time) on the 10th business day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.*

*Under Rule 8.3(b) of the Code, any person who is, or becomes, interested in 1 per cent. or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s), save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 p.m. (London time) on the business day following the date of the relevant dealing.*

*If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they shall be deemed to be a single person for the purpose of Rule 8.3.*

*Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).*

*Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Panel's website at <http://www.thetakeoverpanel.org.uk>, including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. You should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.*

#### **Information relating to BSIF Shareholders**

*Please be aware that addresses, electronic addresses and certain information provided by BSIF Shareholders, persons with information rights and other relevant persons for the receipt of communications from BSIF may be provided to Drax Bidco during the Offer Period as requested under Section 4 of Appendix 4 of the Code.*

#### **Publication on website and availability of hard copies**

*A copy of this Announcement will be made available, free of charge, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, on Drax Bidco's website at <https://www.drax.com/BluefieldSolarIncomeFundLimited> and BSIF's website at <https://bluefieldsif.com/strategic-review-and-formal-sales-process/> respectively by no later than 12 noon (London time) on the Business Day following the date of this Announcement.*

*For the avoidance of doubt, the contents of these websites and any websites accessible from hyperlinks on these websites are not incorporated into and do not form part of this Announcement.*

#### **Right to receive documents in hard copy form**

*BSIF Shareholders and persons with information rights may request a hard copy of this Announcement, free of charge, by: (i) contacting Computershare Investor Services (Guernsey) Limited during business hours on +44 (0) 370 707 4040 (lines are open from 8.30 a.m. to 5.30 p.m., Monday to Friday (excluding public holidays in England and Wales )); or (ii) by submitting a request via email on [info@computershare.co.je](mailto:info@computershare.co.je). A person so entitled may also request that all future*

*documents, announcements and information in relation to the Acquisition be sent to them in hard copy form.*

***Rounding***

*Certain figures included in this Announcement have been subjected to rounding adjustments. Accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.*

***General***

*If you are in any doubt about the contents of this Announcement or the action you should take, you are recommended to seek your own independent financial advice immediately from your stockbroker, bank manager, solicitor, accountant or independent financial adviser duly authorised under FSMA if you are resident in the United Kingdom or, if not, from another appropriately authorised independent financial adviser.*

NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION IN WHOLE OR IN PART, IN, INTO OR FROM ANY JURISDICTION WHERE TO DO SO WOULD CONSTITUTE A VIOLATION OF THE RELEVANT LAWS OF SUCH JURISDICTION

THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION  
FOR IMMEDIATE RELEASE

1 June 2026

## RECOMMENDED CASH ACQUISITION

of

Bluefield Solar Income Fund Limited (“BSIF”)

by

Drax Smart Generation Holdco Limited (“Drax Bidco”)

a wholly-owned subsidiary of Drax Group plc (“Drax”)

to be implemented by means of a court-sanctioned scheme of arrangement under Part VIII of the Companies (Guernsey) Law, 2008, as amended

### 1 Introduction

The boards of directors of each of Drax Bidco and BSIF are pleased to announce that they have reached agreement on the terms of a recommended all cash acquisition by Drax Bidco pursuant to which Drax Bidco will acquire the entire issued share capital of BSIF (the “**Acquisition**”). The Acquisition is to be effected by means of a court-sanctioned scheme of arrangement under Part VIII of the Companies Law.

### 2 The Acquisition

Under the terms of the Acquisition, which shall be subject to the Conditions and further terms set out in Appendix I to this Announcement and to be set out in the Scheme Document, BSIF Shareholders will be entitled to receive 92.574 pence in cash per BSIF Share (the “**Cash Consideration**”). In addition, BSIF Shareholders will be entitled to keep the second interim dividend of 2.25 pence per BSIF Share payable to qualifying BSIF Shareholders on or around 15 June 2026 (the “**Permitted Dividend**”). Accordingly, BSIF Shareholders (where they qualify for the Permitted Dividend) will be entitled to receive a total value of 94.824 pence per BSIF Share.

The Cash Consideration values the entire issued share capital of BSIF at approximately £548 million, and represents:

- a premium of approximately 28 per cent. to the Closing Price of 72.20 pence per BSIF Share on 4 November 2025 (being the last Business Day prior to the commencement of the Offer Period); and
- a premium of approximately 19 per cent. to the one-month volume weighted average price of 78.06 pence per BSIF Share on 4 November 2025 (being the last Business Day prior to the commencement of the Offer Period).

Including the Permitted Dividend, the terms of the Acquisition value the entire issued share capital of BSIF at approximately £561 million, and represent:

- a premium of approximately 31 per cent. to the Closing Price of 72.20 pence per BSIF Share on 4 November 2025 (being the last Business Day prior to the commencement of the Offer Period);
- a premium of approximately 21 per cent. to the one-month volume weighted average price of 78.06 pence per BSIF Share on 4 November 2025 (being the last Business Day prior to the commencement of the Offer Period); and
- a discount of approximately 9 per cent. to the unaudited 31 March 2026 net asset value of 104.52 pence per BSIF Share announced by BSIF on 14 May 2026.

The terms of the Acquisition represent an enterprise value for BSIF of approximately £1,082 million.

Other than in relation to the Permitted Dividend, if, on or after the date of this Announcement and on or prior to the Effective Date, any dividend, distribution or other return of value is announced, declared, made, or paid or becomes payable in respect of BSIF, Drax Bidco reserves the right to reduce the Cash Consideration payable under the terms of the Acquisition by an amount up to the amount of any such dividend, other distribution or return of value, in which case any reference in this Announcement to the Cash Consideration will be deemed to be a reference to the Cash Consideration so reduced. If (but only to the extent) Drax Bidco exercises this right or makes such a reduction in respect of a dividend, other distribution or return of value, BSIF Shareholders shall be entitled to receive and retain any such dividend, distribution, or other return of value declared, made, or paid.

The Scheme Document, containing further information about the Acquisition and notices of the Court Meeting and the General Meeting will be distributed to BSIF Shareholders (along with the Forms of Proxy for use in connection with the Court Meeting and the General Meeting) as soon as reasonably practicable and, in any event, within 28 days of the date of this Announcement (or such later time (if any) as Drax Bidco, BSIF and the Panel agree and, if required, the Court may approve). It is expected that the Court Meeting and the General Meeting shall be held in July 2026 and that, subject to the satisfaction or (where applicable) waiver of the Conditions, the Acquisition is expected to become Effective during Q3 2026.

### **3 Background to and reasons for the Acquisition**

Drax believes the Acquisition of BSIF offers an attractive opportunity to grow its UK renewable generation business whilst being highly complementary to the Wider Drax Group's existing operations and FlexGen portfolio. The Acquisition offers Drax direct access into a 0.9GW renewable portfolio, comprised of operating and under construction solar and wind assets, plus a >1GW (2.9GW gross capacity) development pipeline to be constructed across the next decade. These assets can complement the Wider Drax Group's existing portfolio of c.2.2GW of FlexGen assets and developments and 2.6GW of biomass, creating a broader base of UK generation assets and associated earnings.

The Acquisition aligns with the Wider Drax Group's strategic and capital allocation priorities to allocate up to £2 billion of incremental investment (between 2025 and 2031), primarily in flexible and renewable energy to create value and growth in the short, medium and long-term, and to support delivery of the UK's objectives of energy security, affordability, and decarbonisation. Drax believes

that the Acquisition is underpinned by strong cash generation from BSIF's operational portfolio, a disciplined approach to capital allocation, and attractive returns for Drax shareholders.

NESO expects demand for power to double, with most of that demand being met by embedding renewable generation into the future of the UK power system, as well as driving an increasing need for flexible generation. Drax believes these strong demand, industry and policy tailwinds are supported by the increased focus on UK energy security, resulting from recent geopolitical events, which are expected to drive a growing requirement for domestic generation capacity in the UK. Moreover, expectations of rising power demand driven by AI, data centres and the broader electrification of transport and industry will support higher long-term demand for power over the decades to come. Drax believes that solar and wind assets, when combined with the Wider Drax Group's existing UK generation portfolio, would be well placed to support energy security and decarbonisation of the UK system, and in doing so create long-term sustained value for the Wider Drax Group.

BSIF, a publicly listed investment company which operates a portfolio of UK based renewable energy infrastructure assets (including photovoltaic plants, wind farms and small-scale wind turbines), supports Drax's core UK generation focus and, as an acquisition, represents a compelling opportunity to add operating assets with predominantly contracted cash flows, in addition to under construction and development assets to the Wider Drax Group's existing portfolio, with a focus in particular on the following key benefits:

- Significant expansion of the Wider Drax Group's renewable generation capabilities;
- Optimising Drax's generation mix, complementing FlexGen assets and biomass with solar and wind generation;
- For the financial year ended 30 June 2025, BSIF generated underlying earnings of c.£95 million, EBITDA of c.£130 million and operating free cash flow of c.£118 million. BSIF will provide an opportunity to grow Drax's EBITDA from renewables, offering greater predictability and visibility of cash flows from a large operational portfolio that reduces the Wider Drax Group's earnings risk from grid connection delays. With an operational portfolio underpinned by long-term investment schemes and certificates, BSIF maintains a highly contracted revenue base, with 57 per cent. of revenue generated from FiT, ROCs, CfDs and REGOs, and the remaining 43 per cent. derived from PPAs in the six months to 31 December 2025;
- Combining BSIF's portfolio with Drax's existing flexible generation assets, alongside Drax's marketing and trading capabilities, will create a broader renewables platform. This could enable Drax to improve revenues from renewable certificate trading, improve routes-to-market, and make better use of the Wider Drax Group's trading platform. It could also allow the combined portfolio to be dispatched more efficiently on a 24/7 basis, driving optimisation and market access cost savings;
- Provides a significant development opportunity, allowing Drax to continue to sustainably increase the scale of solar and BESS capacity. As at 31 December 2025, 545MWs of BSIF's solar development portfolio is underpinned by long-term 15-to-20 year CfD contracts, secured in Allocation Rounds 4, 5, 6 and 7;
- Offering the potential to unlock significant synergies across the Wider Drax Group's trading, operations and energy sales activities in addition to potential cost savings associated with listing costs and lower trading costs by utilising Drax's existing route-to-

market platforms (including providing a route-to-market for over 2,000 embedded generators) and trading operations; and

- Accelerating Drax's contribution to the UK's national climate targets and ambitions for a clean power system and net zero objectives.

Drax expects that return on invested capital from the Acquisition will significantly exceed the Wider Drax Group's target weighted average cost of capital.

The Cash Consideration will be entirely debt financed through a £1.1 billion bridge financing facility (which will be subsequently refinanced). The borrower under the bridge financing facility is Drax Corporate. Drax Corporate will then lend the full amount of the facility to Drax Bidco pursuant to an intra-group loan agreement.

Drax remains committed to its current credit ratings and its long-term Net Debt to Adjusted EBITDA target of 2.0x, as well as its existing capital allocation policy, including its plans to return over £1 billion to shareholders (2025-3031) via a sustainable and growing dividend and its ongoing £450 million share buyback programme. The first £75 million tranche of the programme was completed in April 2026 and Drax expects to continue the programme in due course, with the precise timing and cadence of subsequent phases subject to the completion of the Acquisition and the maintenance of the Wider Drax Group's balance sheet priorities. Drax will however pause the current share buyback programme, pending the completion of the Acquisition, whilst it ensures the strength of its balance sheet and delivery of its investment priorities. Returns to shareholders and growth investment follow a capital ranking process which aims to maximise risk adjusted returns to shareholders. Drax continues to target free cash flow of c.£3 billion (2025-2031) from its existing businesses, as announced at its Full Year 2025 results, with c.£2 billion allocated to investment in flexible and renewable generation and the return of over £1 billion to shareholders.

Following the Acquisition becoming Effective, the earnings, assets and liabilities of the BSIF Group will be consolidated into the earnings, assets and liabilities of the Wider Drax Group. The earnings, assets and liabilities of the Wider Drax Group would thereby be increased.

#### **4 Recommendation**

The BSIF Directors, who have been so advised by Deutsche Numis and Rothschild & Co as to the financial terms of the Acquisition, consider the terms of the Acquisition to be fair and reasonable. In providing their advice to the BSIF Directors, Deutsche Numis and Rothschild & Co have taken into account the commercial assessments of the BSIF Directors. Deutsche Numis and Rothschild & Co are providing independent financial advice to the BSIF Directors for the purposes of Rule 3 of the Code.

Accordingly, the BSIF Directors unanimously intend to recommend that BSIF Shareholders vote in favour of the Scheme at the Court Meeting and the resolutions to be proposed at the General Meeting (or, in the event that the Acquisition is implemented by way of a Takeover Offer, to accept or procure acceptance of the Takeover Offer), as the BSIF Directors who hold BSIF Shares have irrevocably undertaken to do in respect of their own beneficial holdings of 176,800 BSIF Shares, representing, in aggregate, approximately 0.03 per cent. of the issued share capital of BSIF on 29 May 2026 (being the latest practicable date prior to this Announcement).

#### **5 Background to and reasons for the recommendation**

##### ***Background***

BSIF was established in 2013 as the first UK-listed investment company focused primarily on UK solar energy infrastructure. At the time of its IPO, there was no listed vehicle dedicated to this sector and BSIF was therefore a pioneer in creating a new asset class within the UK investment company landscape.

BSIF has grown into a scaled and established participant in the UK renewable energy market, building a high-quality portfolio of operational assets alongside a substantial proprietary development pipeline. This growth has been underpinned by the experience, stability and disciplined investment approach of its investment adviser, Bluefield, whose management team has been central to sourcing, developing and operating BSIF's assets.

As at 31 December 2025, BSIF owned an operational solar portfolio of 121 photovoltaic plants (consisting of 79 large scale sites, 39 micro sites and 3 roof top sites), 6 wind farms and 109 small scale UK onshore wind turbines, all 100 per cent. owned by BSIF, with a total capacity of 748.7MW. BSIF also has a 25 per cent. stake in a joint venture portfolio of UK solar assets in partnership with GLIL Infrastructure, who own the remaining 75 per cent. The total capacity of the joint venture portfolio is 412.1MW. BSIF's total operating capacity was therefore 851.8MW as at 31 December 2025, composed of 793.5MW of solar and 58.3MW of onshore wind.

In addition to the operational portfolio, BSIF benefits from its own proprietary development pipeline. As at 31 December 2025, this consisted of 946MW of solar projects and 1,915MW of BESS projects; 25MW of the pipeline was under construction, 1,204MW was fully consented, 47MW was in planning and 1,585MW was under development.

In the financial year ending 30 June 2026, BSIF is expected to generate some 880 GWh of clean energy, enough to power around 326,000 homes, and avoid over 155,000 tonnes of CO<sub>2</sub>e emissions.

### ***Market backdrop and evaluation of strategic options***

Despite these strengths, the BSIF Board has for some time recognised the structural challenges facing listed renewable investment companies. A period of higher sterling interest rates has prevailed since autumn 2022 and the BSIF Shares have traded at a persistent discount to NAV, at times reaching approximately 40 per cent.

This has prevented BSIF from raising capital from the public markets, which had previously supported BSIF's NAV growth and the financing of its development pipeline. Whilst Bluefield has supported BSIF in creating a series of liquidity events and identifying other sources of capital, in the absence of consistent access to new equity capital, BSIF has been unable to expand its asset base at scale, resulting in a natural NAV decline for BSIF Shareholders.

BSIF is not alone in facing these structural challenges; the wider sector has continued to suffer from persistent discounts to NAV, sustained outflows, and weak sentiment towards real asset investment vehicles.

Against this backdrop, the BSIF Board announced in its Interim Report on 27 February 2025 that it was committed to exploring strategic initiatives to address the share price discount and to continue maximising value for BSIF Shareholders. In conjunction with Bluefield and its own financial advisers in Deutsche Numis and Rothschild & Co, the BSIF Board evaluated numerous and diverse possibilities to maximise value for BSIF Shareholders including continuing under the current business model, pursuing a structural evolution towards a more integrated and growth-oriented platform, and the potential sale of BSIF or its assets.

After a period of market engagement (which included the evaluation of potential offers for BSIF's assets), the BSIF Board engaged extensively with BSIF Shareholders in the weeks following the publication of the 2025 Annual Report published on 21 October 2025 in relation to a potential transition to a more integrated and growth-orientated business model to unlock long-term value (including the potential internalisation of its investment adviser and changes to its dividend policy).

It became clear during this engagement that such a transition was unlikely to be the preferred strategic direction of BSIF Shareholders as a whole. The BSIF Board received a variety of views from BSIF Shareholders, including some supporting the existing business model and strategy. However, a majority of BSIF Shareholders expressed a clear preference for alternative value-maximising options, such as the potential sale of BSIF or its assets.

This feedback, together with the insights gained from its evaluation of alternative strategic initiatives, informed the BSIF Board's decision to pursue a broad and more competitive sales process in order to maximise value for BSIF Shareholders.

### ***Strategic Review and Formal Sale Process***

Accordingly, on 5 November 2025, the BSIF Board announced its decision to initiate a coordinated Strategic Review and Formal Sale Process ("**FSP**") which has now successfully concluded.

The FSP was conducted in the public domain to attract interest from a diverse range of potential acquirers and to maximise value for BSIF Shareholders. Deutsche Numis and Rothschild & Co conducted an extensive and thorough marketing exercise and held discussions with a wide range of potentially interested parties. The process generated significant interest from strategic investors, financial institutions and financial sponsors.

The first phase of the process provided potentially interested parties with a limited set of confidential information, including a financial model and summary presentation. In February 2026, the BSIF Board received a number of attractive and credible non-binding proposals from a range of potential acquirers. Following a thorough evaluation process, a targeted and discrete number of parties were invited to participate in the next phase of the process and undertake more extensive due diligence ahead of submitting revised non-binding proposals.

On 15 May 2026, Drax submitted a revised non-binding proposal, subject to finalisation of limited remaining confirmatory due diligence, amongst other items. Following a short period of evaluation and negotiation, the BSIF Board progressed discussions with Drax and agreed the terms of the Acquisition as set out in this Announcement.

### ***Conclusion and reasons for the recommendation***

The extensive, public, and competitive nature of the FSP, combined with BSIF's earlier evaluation of strategic options including the potential sale of BSIF or its assets, has enabled the BSIF Board to fully and robustly test the value of BSIF's portfolio with the market and identify the most attractive available outcome for BSIF Shareholders.

Including the Permitted Dividend, the terms of the Acquisition values the entire issued share capital of BSIF at approximately £561 million, and represents:

- a premium of approximately 31 per cent. to the Closing Price of 72.20 pence per BSIF Share on 4 November 2025 (being the last Business Day prior to the commencement of the Offer Period);

- a premium of approximately 21 per cent. to the one-month volume weighted average price of 78.06 pence per BSIF Share on 4 November 2025 (being the last Business Day prior to the commencement of the Offer Period); and
- a discount of approximately 9 per cent. to the unaudited 31 March 2026 net asset value of 104.52 pence per BSIF Share announced by BSIF on 14 May 2026.

The BSIF Board believes that the Acquisition represents an attractive and compelling opportunity for BSIF Shareholders to crystallise value in cash.

***Therefore, after careful consideration together with Deutsche Numis and Rothschild & Co, the BSIF Board has concluded that the Acquisition is in the best interests of BSIF Shareholders. Accordingly, the BSIF Directors unanimously intend to recommend the Acquisition to BSIF's Shareholders.***

## **6 Shareholder support**

Drax Bidco has received irrevocable undertakings from each of the BSIF Directors who hold BSIF Shares to vote in favour of the Scheme at the Court Meeting and the resolutions to be proposed at the General Meeting (or, in the event that the Acquisition is implemented by way of a Takeover Offer, to accept or procure acceptance of the Takeover Offer), in respect of a total of 176,800 BSIF Shares, representing, in aggregate, approximately 0.03 per cent. of the issued share capital of BSIF on 29 May 2026 (being the latest practicable date prior to this Announcement).

Further details of these irrevocable undertakings are set out in Appendix III to this Announcement.

## **7 Information on Drax Bidco and Drax**

Drax is a renewable energy company engaged in renewable power generation, the production of sustainable biomass and the sale of renewable electricity to businesses.

Drax operates a generation portfolio of sustainable biomass (c.2.6GW), hydro-electric and pumped storage hydro assets (c.560MW) in England and Scotland. At Drax's Cruachan Power Station, a project which will add 40MW of additional capacity is progressing. Drax is constructing three OCGT assets, two in England and one in Wales which, when commissioned, will provide capacity of c.900MW in aggregate. Drax is also developing a pipeline of BESS investment opportunities comprising physical assets and capabilities to optimise third-party assets with the provision of route-to-market, floor and tolling structures. In October 2025, Drax agreed to acquire three BESS projects across Scotland and England from Aputura Limited which, when fully commissioned, will provide capacity of c.260MW in aggregate. The Wider Drax Group also has in place agreements for 450MW of tolling contracts, comprising 250MW from a 10-year tolling agreement with West Burton C Limited, a company owned by Fidra Energy, entered into in January 2026, and 200MW from a 15-year tolling agreement with Zenobē Coalburn Limited, entered into in February 2026.

In March 2026, Drax completed the acquisition of Flexitricity Limited, a UK-based optimiser of flexible energy assets, with a scalable platform expected to support the Wider Drax Group's ambition to develop a GW scale pipeline of BESS opportunities.

The Wider Drax Group continues to evaluate opportunities to maximise value from the Drax Power Station site, including the potential for a c.100MW data centre, as well as other generation sources.

Drax's Energy Solutions business sells renewable electricity to industrial and commercial customers in the UK.

The Wider Drax Group also operates a biomass pellet production business with 14 operational sites for a combination of own-use and third-party sales. As at 31 December 2025, the Wider Drax Group employed over 2,900 people in the UK, US, Canada and Japan. The Wider Drax Group reported total revenue of £5,391 million in 2025 and Adjusted EBITDA of c.£947 million in the financial year ended 31 December 2025.

Drax Bidco is a wholly-owned subsidiary undertaking of Drax. It owns the UK generation portfolio of Drax, being Drax Power Station, the hydro-electric and pumped storage hydro assets, the three OCGT assets and the three BESS projects under development acquired from Apatura Limited.

## **8 Drax Board Statement**

The Acquisition constitutes a “significant transaction” for Drax for the purposes of the UK Listing Rules and this Announcement constitutes a notification pursuant to Chapter 7 of the UK Listing Rules.

Certain further information required to be notified by Drax pursuant to Chapter 7 of the UK Listing Rules will be set out in the Scheme Document.

The Drax Directors believe that the Acquisition is in the best interests of Drax Shareholders as a whole.

## **9 Information on BSIF**

BSIF was established in 2013 as the first UK-listed investment company focused primarily on UK solar energy infrastructure. At the time of its IPO, there was no listed vehicle dedicated to this sector and BSIF was therefore a pioneer in creating a new asset class within the UK investment company landscape.

BSIF has grown into a scaled and established participant in the UK renewable energy market, building a high-quality portfolio of operational assets alongside a substantial proprietary development pipeline. This growth has been underpinned by the experience, stability and disciplined investment approach of its investment adviser, Bluefield, whose management team has been central to sourcing, developing and operating BSIF’s assets.

As at 31 December 2025, BSIF had total assets of £639 million.

As at 31 December 2025, BSIF owned an operational solar portfolio of 121 photovoltaic plants (consisting of 79 large scale sites, 39 micro sites and 3 roof top sites), 6 wind farms and 109 small scale UK onshore wind turbines, all 100 per cent. owned by BSIF, with a total capacity of 748.7MW. BSIF also has a 25 per cent. stake in a joint venture portfolio of UK solar assets in partnership with GLIL Infrastructure, who own the remaining 75 per cent. The total capacity of the joint venture portfolio is 412.1MW. BSIF’s total operating capacity was therefore 851.8MW as at 31 December 2025, composed of 793.5MW of solar and 58.3MW of onshore wind.

In addition to the operational portfolio, BSIF benefits from its own proprietary development pipeline. As at 31 December 2025, this consisted of 946MW of solar projects and 1,915MW of BESS projects; 25MW of the pipeline was under construction, 1,204MW was fully consented, 47MW was in planning and 1,585MW was under development.

In the financial year ending 30 June 2026, BSIF is expected to generate some 880 GWh of clean energy, enough to power around 326,000 homes, and avoid over 155,000 tonnes of CO<sub>2</sub>e emissions.

## **10 Strategic plans, management, employees, pensions, research and development and locations for BSIF**

### ***Strategic plans***

Drax Bidco recognises the breadth and quality of BSIF's portfolio of renewable generation assets which will, upon completion of the Acquisition, be integrated into Drax's broader portfolio of generation assets with Drax seeking to leverage its existing capabilities and capital base to enhance operational performance.

It was set out in BSIF's announcement of the commencement of its Formal Sale Process on 5 November 2025 that Bluefield, BSIF's manager and provider of a range of services including asset management, operations and maintenance, construction management and project development would also support the sale of its business in tandem with a sale of BSIF. As such, Drax was invited to (and did) conduct due diligence on Bluefield concurrently with the BSIF Formal Sale Process. To date, Drax has declined to make any proposal for the acquisition of Bluefield or the renegotiation of any existing arrangements between the BSIF Group and the Bluefield Group.

Drax Bidco intends to enter into further discussions with the partners and management team of Bluefield after the date of this Announcement, with the aim of reaching alignment in respect of these matters within three months following the Effective Date, to identify how Bluefield's expertise and capabilities can most effectively be retained to ensure continuity of stewardship for the BSIF portfolio, which may include an acquisition of all or part of the businesses of the Bluefield Group, the variation of existing contractual arrangements between the Bluefield Group and the BSIF or the continuation of existing contractual arrangements for a period of time following the Effective Date.

### ***Board composition and governance arrangements***

Drax Bidco intends to delist BSIF immediately following the Effective Date. Consequently, Drax Bidco will not require listed company governance structures and accordingly, it is intended that each of the BSIF Directors will step down from the board of directors of BSIF, and the directors of the BSIF Group companies will step down from the boards of each of the BSIF Group companies, upon the Effective Date.

### ***Employees, management and pensions***

As BSIF is an externally-managed investment company, BSIF does not have any employees and therefore does not operate any pension schemes, nor does it have any arrangements in place for any employee involvement in its capital.

### ***Headquarters, fixed assets, research and development***

BSIF has no fixed place of business, fixed assets (other than its renewable generation assets), research and development function or headquarters. Following completion of the Acquisition, and subject to any agreements or arrangements which may be agreed with the partners and

management team of Bluefield as mentioned in this paragraph 10, it is intended that BSIF will be managed from Drax's existing office locations.

### ***Asset management arrangements***

As set out above, Drax Bidco intends to enter into further discussions with the partners and management team of Bluefield, BSIF's manager and provider of a range of services including asset management, operations and maintenance, construction management and project development, after the date of this Announcement, with the aim of reaching alignment in respect of these matters within three months of the Effective Date.

### ***Trading facilities***

It is intended that dealings in, and registration of transfers of, BSIF Shares (other than the registration of the transfer of the Scheme Shares to Drax Bidco pursuant to the Scheme) will be suspended shortly before the Effective Date at a time to be set out in the Scheme Document. It is further intended that applications will be made to the London Stock Exchange to cancel the trading in the BSIF Shares on the main market, and to the FCA to cancel the listing of the BSIF Shares on the Official List, in each case with effect from or shortly following the Effective Date. Further details about the delisting and cancellation of trading of the BSIF Shares can be found in paragraph 14 of this Announcement.

### ***Post-offer undertakings***

No statements in this paragraph 10 are "post-offer undertakings" for the purposes of Rule 19.5 of the Code.

## **11 Financing**

The Cash Consideration payable to BSIF Shareholders under the terms of the Acquisition will be entirely debt financed through a £1.1 billion bridge financing facility (and an intra-group loan) to satisfy the certain funds requirement of the Code.

J.P. Morgan Cazenove, in its capacity as financial adviser to Drax Bidco, confirms that it is satisfied that sufficient resources are available to Drax Bidco to satisfy in full the Cash Consideration payable to BSIF Shareholders under the terms of the Acquisition.

## **12 Offer-related arrangements**

### ***Confidentiality Undertaking***

BSIF and Drax Corporate entered into a confidentiality agreement on 25 November 2025 (the "**Confidentiality Undertaking**") pursuant to which Drax has undertaken to keep confidential certain information relating to, inter alia, the Acquisition and BSIF and not to disclose it to third parties (other than certain permitted parties) unless required by law or regulation. The confidentiality obligations under the Confidentiality Undertaking shall terminate on the earlier of completion of the Acquisition and two years following the date of the Confidentiality Undertaking. The Confidentiality Undertaking also contains customary non-solicit and standstill provisions, applicable for twelve months respectively, in each case subject to customary carve outs.

### ***Inducement Fee Agreement***

BSIF and Drax Bidco have entered into the Inducement Fee Agreement pursuant to which BSIF has agreed to pay to Drax Bidco an inducement fee of an amount in cash equal to £5,481,122, being one per cent. of the Cash Consideration, in the event that a competing offer is made for BSIF by a third party which is not acting in concert with Drax Bidco and such competing offer is declared unconditional or becomes effective.

### **13 Related Party Transaction with Bluefield**

As more particularly described below, BSIF has agreed to pay a fee to its investment adviser, Bluefield, in respect of certain out of scope additional services provided by it in connection with the Formal Sale Process and the Acquisition. The agreement to pay such fee constitutes a related party transaction for the purposes of the UK Listing Rules. Bluefield, as BSIF's investment adviser, is a related party of BSIF under the UK Listing Rules.

#### ***Additional Services Fee***

In accordance with the existing amended and restated investment advisory agreement dated 21 December 2023 made between BSIF, Bluefield Renewables 1 Limited and Bluefield, as supplemented by an agreement dated 16 February 2026 (the "**Investment Advisory Agreement**"), BSIF has agreed to pay Bluefield a fee of £1.75 million in respect of the provision of certain out of scope additional services by it in connection with the Formal Sale Process and the Acquisition (the "**Additional Services Fee**").

The Additional Services Fee relates to certain services provided by Bluefield in connection with the Formal Sale Process and the Acquisition in addition to the usual investment advisory and other services provided by it in accordance with the Investment Advisory Agreement for which Bluefield receives an annual advisory fee. These additional services were extensive and included, among other things, supporting and coordinating due diligence, participating in bidder engagement processes, coordinating site visits, and providing financial analysis and modelling support.

Bluefield is interested in this transaction as the recipient of the Additional Services Fee.

As the applicable percentage ratios in respect of the Additional Services Fee exceed 0.25 per cent. but are less than 5 per cent., the Additional Services Fee constitutes a relevant related party transaction for the purposes of UKLR 8.2.1R (as modified by UKLR 11).

The BSIF Board considers the terms of the Additional Services Fee to be fair and reasonable as far as BSIF Shareholders are concerned and has been so advised by Deutsche Numis, which is acting as sponsor to BSIF for the purposes of this transaction.

#### ***Other transactions with Bluefield in the previous 12 months***

BSIF has also entered into the following transactions with Bluefield within the preceding 12 months:

##### **(i). Sale of interest in Longpasture Solar Farm**

In August 2025, BSIF paid a fee of £712,000 to Bluefield in connection with the sale of New Road Solar Limited's 60 per cent. interest in Longpasture Solar Farm, a fully consented co-located 70MW solar and 40MW battery storage project developed with Lightrock Power, to Enviromena.

Bluefield's interest in this transaction arose under the Investment Advisory Agreement, pursuant to which Bluefield is entitled to receive 20 per cent. of the development profit realised by BSIF on such disposals. The fee was calculated in accordance with this development profit-sharing mechanism.

##### **(ii). Sale of development pipeline to Lyceum joint venture**

In August 2025, BSIF also paid a fee of £383,000 to Bluefield in connection with the sale of a renewable energy development pipeline, comprising a 44MW co-located solar project and a 25MW battery storage project (under construction), together with a c.150MW pipeline of near-stage development assets, to the Lyceum joint venture.

Bluefield's interest in this transaction arose as the recipient of a negotiated M&A advisory fee in respect of the origination, structuring and execution of the transaction.

#### **14 Structure of and Conditions to the Acquisition**

It is intended that the Acquisition will be effected by means of a Court-approved scheme of arrangement between BSIF and the Scheme Shareholders under Part VIII of the Companies Law, although Drax Bidco reserves the right to implement the Acquisition by means of a Takeover Offer (with the Panel's consent and in compliance with the Code).

The purpose of the Scheme is to provide for Drax Bidco to become the holder of the entire issued share capital of BSIF. This is to be achieved by the transfer of the Scheme Shares to Drax Bidco, in consideration for which the Scheme Shareholders shall receive the Cash Consideration.

The Acquisition shall be subject to the Conditions and further terms set out below and in Appendix I to this Announcement and to be set out in the Scheme Document and shall only become Effective, if, among other things, the following events occur on or before 11.59 p.m. on the Long Stop Date:

- the approval of the Scheme by a majority in number of the Scheme Shareholders who are present and vote (and are entitled to vote), whether in person or by proxy, at the Court Meeting (or any adjournment or postponement thereof) and who represent at least 75 per cent. of the votes cast by those Scheme Shareholders;
- the resolutions required to approve and implement the Scheme being duly passed by BSIF Shareholders representing the requisite majority or majorities of votes cast at the General Meeting (or any adjournment or postponement thereof);
- the satisfaction of the UK National Security and Investment Condition; and
- the sanction of the Scheme by the Court (with or without modification, but subject to any modification being on terms acceptable to BSIF and Drax Bidco).

The Scheme will lapse if:

- the Court Meeting and the General Meeting are not held on or before the 22nd day after the expected date of such meetings to be set out in the Scheme Document in due course (or such later date, if any, (a) as Drax Bidco and BSIF may agree or (b) (in a competitive situation) as may be specified by Drax Bidco with the consent of the Panel, and in each case that (if so required) the Court may allow);
- the Court Hearing is not held on or before the 22nd day after the expected date of such hearing as first announced by BSIF through a Regulatory Information Service (or such later date, if any, (a) as Drax Bidco and BSIF may agree or (b) (in a competitive situation) as may be specified by Drax Bidco with the consent of the Panel, and in each case that (if so required) the Court may allow); or
- the Scheme does not become Effective on or before 11.59 p.m. on the Long Stop Date (or such later date, if any, (a) as Drax Bidco and BSIF may agree or (b) (in a competitive situation) as may be specified by Drax Bidco with the consent of the Panel, and in each case that (if so required) the Court may allow).

Subject to satisfaction (or waiver, where applicable) of the Conditions, the Scheme is expected to become Effective during Q3 2026.

The Acquisition does not require the approval of the shareholders of Drax.

Upon the Scheme becoming Effective, it will be binding on all Scheme Shareholders, irrespective of whether or not they attended or voted, or how they voted, at the Court Meeting or the General Meeting. The Cash Consideration for the Acquisition will be despatched to Scheme Shareholders no later than 14 days after the Effective Date.

BSIF Shares which will be acquired pursuant to the Acquisition will be acquired fully paid and free from all liens, equities, charges, encumbrances, options, rights of pre-emption and any other third party rights and interests of any nature whatsoever and together with all rights now or hereafter attaching or accruing to them, including voting rights and the right to receive and retain in full all dividends and other distributions (if any) declared, made or paid or any other return of capital or value by reference to a record date after the Effective Date.

Except with the Panel's consent, settlement of the Cash Consideration to which any Scheme Shareholder is entitled under the Scheme will be implemented in full in accordance with the terms of the Scheme without regard to any lien, right of set-off, counterclaim or other analogous right to which Drax Bidco may otherwise be, or claim to be, entitled as against such Scheme Shareholder and will be effected in the manner described in this Announcement.

Further details of the Scheme, including an indicative timetable for its implementation, will be set out in the Scheme Document, which shall be distributed to BSIF Shareholders (along with the Forms of Proxy for use in connection with the Court Meeting and the General Meeting) in due course.

The Scheme will be governed by Guernsey law and will be subject to the jurisdiction of the Court. The Acquisition and the Scheme will also be subject to, among other things, the applicable requirements of the Code, the UK Listing Rules, the Panel, the London Stock Exchange and the FCA.

## **15 Cancellation of admission to trading and surrender of registration as a collective investment scheme**

It is intended that dealings in, and registration of transfers of, BSIF Shares will be suspended shortly before the Effective Date at a time to be set out in the Scheme Document. It is further intended that applications will be made to cancel trading in BSIF Shares on the Main Market of the London Stock Exchange with effect from or shortly following the Effective Date.

On the first Business Day after the Effective Date, entitlements to BSIF Shares held within the CREST system will be cancelled, and share certificates in respect of BSIF Shares will cease to be valid.

In addition, it is intended that, following the Effective Date, an application will be made to surrender BSIF's registration as a collective investment scheme regulated by the Guernsey Financial Services Commission.

## **16 Disclosure of Interests in BSIF**

Except for the irrevocable undertakings referred to in paragraph 6 above and Appendix III, as at the date of this Announcement, neither Drax Bidco, nor any of its directors, nor, so far as Drax Bidco is aware, any person acting in concert (within the meaning of the Code) with Drax Bidco for the purposes of the Acquisition:

- has any interest in, or right to subscribe for, any BSIF Shares nor does any such person have any short position in BSIF Shares (whether conditional or absolute and whether in the money or otherwise), including any short position under a derivative, any agreement to sell, any delivery obligation or right to require another person to purchase or take delivery of BSIF Shares;
- has borrowed or lent any BSIF Shares or entered into any financial collateral arrangements relating to BSIF Shares; or
- is party to any dealing of the kind referred to in Note 11 on the definition of acting in concert in the Code in relation to the relevant securities of BSIF.

It has not been possible for Drax Bidco to make enquiries of all of its concert parties in advance of the release of this Announcement. Therefore, all relevant details in respect of Drax Bidco's concert parties shall be included in the Opening Position Disclosure in accordance with Rule 8.1(a) and Note 2(a)(i) on Rule 8 of the Code.

## **17 General**

Drax Bidco reserves the right to elect (with the consent of the Panel and in compliance with the Code) to implement the Acquisition by way of a Takeover Offer for the BSIF Shares as an alternative to the Scheme. In such event, the Takeover Offer shall be implemented on the same terms, so far as applicable, as those which would apply to the Scheme, subject to appropriate amendments, including (without limitation) an acceptance condition set at a level permitted by the Panel.

The Acquisition shall be made subject to the Conditions and further terms set out in Appendix I to this Announcement and to be set out in the Scheme Document. The bases and sources of certain financial information contained in this Announcement are set out in Appendix II to this Announcement. A summary of the irrevocable undertakings given in relation to the Acquisition is contained in Appendix III to this Announcement. For a discussion of the risks to Drax as a result of the Acquisition see Appendix IV. Certain terms used in this Announcement are defined in Appendix V to this Announcement.

The Scheme Document, containing further information about the Acquisition and notices of the Court Meeting and the General Meeting will be distributed to BSIF Shareholders (along with the Forms of Proxy for use in connection with the Court Meeting and the General Meeting) as soon as reasonably practicable and, in any event, within 28 days of the date of this Announcement (or such later time (if any) as Drax Bidco, BSIF and the Panel agree and, if required, the Court may approve).

For the purposes of Rule 29.1(d) of the Code, a valuation of BSIF's portfolio will be included in the Scheme Document.

Deutsche Numis, Rothschild & Co and J.P. Morgan Cazenove have each given and not withdrawn their consent to the publication of this Announcement with the inclusion herein of the references to their names in the form and context in which they appear.

## **18 Documents available on website**

Copies of the following documents will be made available on Drax Bidco's website at <https://www.drax.com/BluefieldSolarIncomeFundLimited> and BSIF's website at <https://bluefieldsif.com/strategic-review-and-formal-sales-process/> until the Effective Date:

- this Announcement;
- the Confidentiality Undertaking;

- the Inducement Fee Agreement;
- the irrevocable undertakings referred to in paragraph 6 above and summarised in Appendix III to this Announcement;
- documents relating to the financing of the Scheme referred to in paragraph 11 above; and
- the written consent letters from each of Deutsche Numis, Rothschild & Co and J.P. Morgan Cazenove referred to in paragraph 17 above.

For the avoidance of doubt, the contents of these websites and any websites accessible from hyperlinks on these websites are not incorporated into and do not form part of this Announcement.

#### **Enquiries:**

##### **Drax and Drax Bidco**

###### ***Enquiries:***

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(Sole Financial Adviser and Corporate Broker to Drax and Drax Bidco)

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Norton Rose Fulbright LLP is acting as legal adviser to BSIF. Pinsent Masons LLP is acting as legal adviser to Drax Bidco and Drax.

**Analyst, investor and media presentations**

Drax will host a presentation for analysts and investors today at 11:30 a.m. (London time) to discuss the Acquisition. The webcast will be available at: <https://secure.emincote.com/client/drax/drax035>

The registration for the analyst conference call will be available at: [https://secure.emincote.com/client/drax/drax035/vip\\_connect](https://secure.emincote.com/client/drax/drax035/vip_connect).

Subject to certain restrictions, the slides used in the presentation will be available to all interested parties at: [drax.com/investors/results-reports-presentations/](https://drax.com/investors/results-reports-presentations/)

**Important notices**

*J.P. Morgan Securities plc, which conducts its UK investment banking business as J.P. Morgan Cazenove (“J.P. Morgan Cazenove”), is authorised in the United Kingdom by the PRA and regulated in the United Kingdom by the Prudential Regulation Authority (“PRA”) and the Financial Conduct Authority. J.P. Morgan Cazenove is acting as financial adviser exclusively for Drax Bidco and Drax and no one else in connection with the subject matter of this Announcement and will not regard any other person as its client in relation to the matters set out in this Announcement and will not be responsible to anyone other than Drax Bidco and Drax for providing the protections afforded to clients of J.P. Morgan Cazenove or its affiliates, nor for providing advice in connection with the subject matter of this Announcement.*

*Deutsche Bank AG is a joint stock corporation incorporated with limited liability in the Federal Republic of Germany, with its head office in Frankfurt am Main where it is registered in the Commercial Register of the District Court under number HRB 30 000. Deutsche Bank AG is authorised under German banking law. The London branch of Deutsche Bank AG (trading for these purposes as Deutsche Numis) (“Deutsche Numis”) is registered in the register of the companies for England and Wales (registration number BR000005) with its registered address and principal place of business at 21 Moorfields, London, EC2Y 9DB, United Kingdom. Deutsche Bank AG is authorised and regulated by the European Central Bank and the German Federal Financial Supervisory Authority (BaFin). With respect to activities undertaken in the UK, Deutsche Numis is authorised by the PRA. It is subject to regulation by the Financial Conduct Authority and limited regulation by the PRA. Deutsche Numis is acting for BSIF and for no one else in connection with the subject matter of this Announcement and will not regard any other person (whether or not a recipient thereof) as its client and will not be responsible to anyone other than BSIF for providing the protections afforded to clients of Deutsche Numis or for advising any such person in connection with the subject matter of this Announcement, or any transaction or arrangement referred to therein.*

*N.M. Rothschild & Sons Limited (“**Rothschild & Co**”), which is authorised and regulated by the Financial Conduct Authority in the United Kingdom, is acting exclusively for BSIF and for no one else in connection with the subject matter of this Announcement and will not be responsible to anyone other than BSIF for providing the protections afforded to its clients or for providing advice in connection with the subject matter of this Announcement.*

### **Inside information**

*This Announcement contains inside information as stipulated under the Market Abuse Regulation (EU) No. 596/2014 as it forms part of UK law by virtue of the European Union (Withdrawal) Act 2018. Upon the publication of this Announcement via a Regulatory Information Service, this inside information will be considered to be in the public domain.*

*The person responsible for arranging for the release of this Announcement on behalf of BSIF is Chezi Hanford (Company Secretary) and the person responsible for making this Announcement on behalf of Drax is Rebecca Dunn (Company Secretary).*

### **Further information**

*This Announcement is for information purposes only and is not intended to and does not constitute, or form part of, any offer to sell or an invitation to purchase any securities; a solicitation of an offer to buy, otherwise acquire, subscribe for, sell or otherwise dispose of any securities pursuant to the Acquisition or otherwise; or the solicitation of any vote or approval in any jurisdiction pursuant to the Acquisition or otherwise nor shall there be any purchase, sale, issuance or exchange of securities or such solicitation in any jurisdiction in which such offer, solicitation, sale issuance or exchange is unlawful. The Acquisition will be made solely by means of the Scheme Document (or, if the Acquisition is implemented by way of a Takeover Offer, the Offer Document) which, together with any related forms of proxy (or, in the case of a Takeover Offer, forms of acceptance), will contain the full terms and conditions of the Acquisition, including details of how to vote in respect of the Scheme (or, in the case of a Takeover Offer, how to accept the offer). Any decision in respect of, or other response to, the Acquisition should be made only on the basis of the information contained in the Scheme Document (or, if the Acquisition is implemented by way of a Takeover Offer, the Offer Document).*

*BSIF will prepare the Scheme Document to be distributed to BSIF Shareholders. BSIF and Drax Bidco urge BSIF Shareholders to read the Scheme Document (or any other document by which the Acquisition is made) in full when it becomes available because it will contain important information relating to the Acquisition, including details of how to vote in respect of the Scheme. Any vote in respect of resolutions to be proposed at the General Meeting, and any decision in respect of the Scheme or other response in relation to the Acquisition by BSIF Shareholders should be made only on the basis of the information contained in the Scheme Document (or, if the Acquisition is implemented by way of a Takeover Offer, the Offer Document).*

*The statements contained in this Announcement are made as at the date of this Announcement, unless some other time is specified in relation to them, and publication of this Announcement shall not give rise to any implication that there has been no change in the facts set forth in this Announcement since such date.*

*This Announcement does not constitute a prospectus or prospectus equivalent document.*

*Drax Bidco reserves the right to elect (with the consent of the Panel) to implement the Acquisition by way of a Takeover Offer as an alternative to the Scheme. In such event, the Takeover Offer will be implemented on substantially the same terms, so far as applicable, as those which would apply*

to the Scheme, subject to appropriate amendments to reflect the change in structure by which the Acquisition is to be implemented and compliance with all applicable laws.

### **Overseas shareholders**

*The release, publication or distribution of this Announcement in jurisdictions other than the United Kingdom or Guernsey, and the availability of the Acquisition to BSIF Shareholders who are not resident in the United Kingdom or Guernsey, may be restricted by the laws and/or regulations of those jurisdictions and therefore persons into whose possession this Announcement comes should inform themselves about and observe such restrictions. In particular, the ability of persons who are not resident in the United Kingdom or Guernsey to vote their BSIF Shares with respect to the Scheme at the Court Meeting or the resolution(s) at the General Meeting, or to execute and deliver forms of proxy appointing another to vote at the Court Meeting or the General Meeting on their behalf, may be affected by the laws of the relevant jurisdictions in which they are located. Further details in relation to Overseas Shareholders will be contained in the Scheme Document (or, if the Acquisition is implemented by way of a Takeover Offer, the Offer Document). Any failure to comply with any such restrictions may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Acquisition disclaim any responsibility or liability for the violation of such restrictions by any person.*

*Unless otherwise determined by Drax Bidco or required by the Code, and permitted by applicable law and regulation, the Acquisition will not be made available, directly or indirectly, in, into or from a Restricted Jurisdiction. Accordingly, copies of this Announcement and all documents relating to the Acquisition are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in, into or from a Restricted Jurisdiction, and persons receiving this Announcement and all documents relating to the Acquisition (including custodians, nominees and trustees) must not mail or otherwise distribute or send them in, into or from such Restricted Jurisdiction. If the Acquisition is implemented by way of a Takeover Offer (unless otherwise permitted by applicable law or regulation), the Takeover Offer may not be made, directly or indirectly, in or into, or by use of mails or any other means or instrumentality (including, without limitation, facsimile, e-mail or other electronic transmission, telex or telephone) of interstate or foreign commerce of, or any facility of a national, state or other securities exchange of any Restricted Jurisdiction and the Takeover Offer will not be capable of acceptance by any such use, means, instrumentality or facilities or from within any Restricted Jurisdiction.*

*This Announcement has been prepared in connection with proposals in relation to a scheme of arrangement pursuant to and for the purpose of complying with English law, Guernsey law and the Code and information disclosed may not be the same as that which would have been disclosed if this Announcement had been prepared in accordance with the laws of jurisdictions outside the United Kingdom or Guernsey. Nothing in this Announcement should be relied on for any other purpose.*

*The Acquisition shall be subject to the applicable requirements of the Code, the Panel, the London Stock Exchange, the Companies Law, the Financial Conduct Authority and the UK Listing Rules.*

### **Additional information for investors in the United States**

*The Acquisition relates to shares of a Guernsey company with a listing on the Main Market and is proposed to be effected by means of a court-sanctioned scheme of arrangement under the laws of Guernsey. A transaction effected by means of a court-sanctioned scheme of arrangement governed by the laws of Guernsey is not subject to the tender offer rules or the proxy solicitation rules under the US Exchange Act of 1934, as amended (the “**US Exchange Act**”).*

*Accordingly, the Acquisition is subject to the disclosure and procedural requirements applicable to schemes of arrangements involving a target company incorporated in Guernsey and listed on the Main Market which differ from the requirements of United States tender offer and proxy solicitation rules.*

*However, if Drax Bidco were to elect to implement the Acquisition by means of a Takeover Offer and determines to extend such Takeover Offer into the United States, such Takeover Offer shall be made in compliance with all applicable United States laws and regulations, including, without limitation, to the extent applicable, Section 14(e) of the US Exchange Act and Regulation 14E thereunder. Such a Takeover Offer would be made in the United States by Drax Bidco and no one else.*

*In the event that the Acquisition is implemented by way of a Takeover Offer, in accordance with normal United Kingdom practice and pursuant to Rule 14e-5(b) of the US Exchange Act (if applicable), Drax Bidco, its affiliates, their advisers and their nominees or brokers (acting as agents), may from time to time make certain purchases of, or arrangements to purchase, shares or other securities of BSIF, other than pursuant to such Takeover Offer, during the period in which such Takeover Offer would remain open for acceptance. These purchases may occur either in the open market at prevailing prices or in private transactions at negotiated prices and would comply with applicable law, including the US Exchange Act. Any information about such purchases or arrangements to purchase shall be disclosed as required in the UK, shall be available to all investors (including US investors) via a Regulatory Information Service and shall also be available on the London Stock Exchange website at [www.londonstockexchange.com](http://www.londonstockexchange.com).*

*The receipt of consideration by a US holder for the transfer of its BSIF Shares pursuant to the Scheme is likely to be a taxable transaction for United States federal income tax purposes and under applicable US state and local, as well as overseas and other, tax laws. Each BSIF Shareholder is urged to consult their independent professional advisers immediately regarding the tax consequences of the Acquisition applicable to them, including under applicable United States federal, state and local, as well as overseas and other, tax laws.*

*Financial information relating to BSIF included in this Announcement and the Scheme Document has been or shall have been prepared in accordance with accounting standards applicable in Guernsey and the United Kingdom and may not be comparable to financial information of United States companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the United States (“US GAAP”). US GAAP differs in certain significant respects from accounting standards applicable in Guernsey and the United Kingdom. None of the financial information in this Announcement has been audited in accordance with auditing standards generally accepted in the United States or the auditing standards of the Public Company Accounting Oversight Board (United States).*

*It may be difficult for US holders of BSIF Shares to enforce their rights and any claim arising out of the US federal securities laws in connection with the Acquisition, since Drax Bidco and BSIF are each organised in countries other than the United States, and some or all of their officers and directors may be residents of, and some or all of their assets may be located in, jurisdictions other than the United States. As a result, US holders of BSIF Shares may not be able to effect service of process upon a non-US company or its officers or directors or to enforce against them a judgment of a US court for violations of federal or state securities laws of the United States, including judgments based upon the civil liability provisions of the US federal securities laws. US holders of BSIF Shares may not be able to sue a non-US company or its officers or directors in a non-US court for violations of US securities laws. Further, it may be difficult to compel a non-US company and its affiliates to subject themselves to a US court’s jurisdiction or judgment.*

Neither the US Securities and Exchange Commission nor any US state securities commission has approved or disapproved or passed judgment upon the fairness or the merits of the Acquisition or determined if this Announcement is adequate, accurate or complete. Any representation to the contrary is a criminal offence in the United States.

### **Forward-looking statements**

This Announcement (including information incorporated by reference in this Announcement), oral statements made regarding the Acquisition, and other information published by Drax Bidco or BSIF may contain statements about Drax Bidco and BSIF that are or may be deemed to be forward-looking statements. All statements other than statements of historical facts included in this Announcement may be forward-looking statements. Without limitation, any statements preceded or followed by or that include the words “targets”, “plans”, “believes”, “expects”, “aims”, “intends”, “will”, “may”, “shall”, “should”, “anticipates”, “estimates”, “projects”, “is subject to”, “budget”, “scheduled”, “forecast” or words or terms of similar substance or the negative thereof, are forward-looking statements. Forward-looking statements include (without limitation) statements relating to the following: (i) assets, future capital expenditures, expenses, revenues, earnings, synergies, economic performance, indebtedness, financial condition, dividend policy, losses and future prospects; and (ii) business and management strategies and the expansion and growth of Drax Bidco’s or BSIF’s operations and potential synergies resulting from the Acquisition.

Such forward-looking statements are prospective in nature and are not based on historical facts, but rather on current expectations and projections of the management of Drax Bidco and BSIF about future events, and are therefore subject to risks and uncertainties that could significantly affect expected results and are based on certain key assumptions. Many factors could cause actual results to differ materially from those projected or implied in any forward-looking statements, including: increased competition, the outcome of business or industry restructuring, the outcome of any litigation, changes in economic conditions, currency fluctuations, changes in interest and tax rates, changes in laws, regulations or regulatory policies, developments in legal or public policy doctrines, or the timing and success of future offer opportunities or major investment projects. Other unknown or unpredictable factors could cause actual results to differ materially from those in the forward-looking statements. Such forward-looking statements should therefore be construed in light of such factors. Neither Drax Bidco nor BSIF, nor any of their respective associates or directors, officers or advisers, provides any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this Announcement will actually occur. Due to such uncertainties and risks, readers are cautioned not to place undue reliance on such forward-looking statements, which speak only as of the date hereof. All subsequent oral or written forward looking statements attributable to any member of the Wider Drax Group or the BSIF Group, or any of their respective associates, directors, officers, employees or advisers, are expressly qualified in their entirety by the cautionary statement above.

Drax Bidco and BSIF expressly disclaim any obligation to update any forward-looking or other statements contained herein, except as required by applicable law or by the rules of any competent regulatory authority, whether as a result of new information, future events or otherwise.

### **No profit forecasts or estimates or quantified financial benefit statement**

No statement in this Announcement is intended as, or is to be construed as, a profit forecast, profit estimate or quantified financial benefit statement for any period and no statement in this Announcement should be interpreted to mean that earnings or earnings per share for BSIF or for Drax for the current or future financial years would necessarily match or exceed the historical published earnings or earnings per share for BSIF or for Drax.

### **Disclosure requirements of the Code**

*Under Rule 8.3(a) of the Code, any person who is interested in 1 per cent. or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the Offer Period and, if later, following the announcement in which any securities exchange offeror is first identified. An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 p.m. (London time) on the 10<sup>th</sup> business day following the commencement of the Offer Period and, if appropriate, by no later than 3.30 p.m. (London time) on the 10<sup>th</sup> business day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.*

*Under Rule 8.3(b) of the Code, any person who is, or becomes, interested in 1 per cent. or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s), save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 p.m. (London time) on the business day following the date of the relevant dealing.*

*If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they shall be deemed to be a single person for the purpose of Rule 8.3.*

*Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).*

*Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Panel's website at <http://www.thetakeoverpanel.org.uk>, including details of the number of relevant securities in issue, when the Offer Period commenced and when any offeror was first identified. You should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.*

### **Information relating to BSIF Shareholders**

*Please be aware that addresses, electronic addresses and certain information provided by BSIF Shareholders, persons with information rights and other relevant persons for the receipt of communications from BSIF may be provided to Drax Bidco during the Offer Period as requested under Section 4 of Appendix 4 of the Code.*

### **Publication on website and availability of hard copies**

*A copy of this Announcement will be made available, free of charge, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, on Drax Bidco's website at <https://drax.com/BluefieldSolarIncomeFundLimited> and BSIF's website at*

*<https://bluefieldsif.com/strategic-review-and-formal-sales-process/> respectively by no later than 12 noon (London time) on the Business Day following the date of this Announcement.*

*For the avoidance of doubt, the contents of these websites and any websites accessible from hyperlinks on these websites are not incorporated into and do not form part of this Announcement.*

***Right to receive documents in hard copy form***

*BSIF Shareholders and persons with information rights may request a hard copy of this Announcement, free of charge, by: (i) contacting Computershare Investor Services (Guernsey) Limited during business hours on +44 (0) 370 707 4040 (lines are open from 8.30 a.m. to 5.30 p.m., Monday to Friday (excluding public holidays in England and Wales)); or (ii) by submitting a request via email on [info@computershare.co.je](mailto:info@computershare.co.je). A person so entitled may also request that all future documents, announcements and information in relation to the Acquisition be sent to them in hard copy form.*

***Rounding***

*Certain figures included in this Announcement have been subjected to rounding adjustments. Accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.*

***General***

*If you are in any doubt about the contents of this Announcement or the action you should take, you are recommended to seek your own independent financial advice immediately from your stockbroker, bank manager, solicitor, accountant or independent financial adviser duly authorised under FSMA if you are resident in the United Kingdom or, if not, from another appropriately authorised independent financial adviser.*

## APPENDIX I

### CONDITIONS AND FURTHER TERMS OF THE ACQUISITION

#### Part A: Conditions to the Scheme and the Acquisition

- 1 The Acquisition is conditional upon the Scheme becoming unconditional and Effective, subject to the provisions of the Code, by no later than 11.59 p.m. on the Long Stop Date.
- 2 The Scheme shall be subject to the following conditions:
  - (a)
    - (i) its approval by a majority in number of the Scheme Shareholders who are present and voting (and entitled to vote), either in person or by proxy, at the Court Meeting and at any separate class meeting which may be required (or any adjournment or postponement thereof), and who represent not less than 75 per cent. of the votes cast by those Scheme Shareholders; and
    - (ii) such Court Meeting and any such separate class meeting (or any adjournment or postponement thereof) being held on or before the 22<sup>nd</sup> day after the expected date of the Court Meeting to be set out in the Scheme Document in due course (or such later date, if any, (a) as Drax Bidco and BSIF may agree or (b) (in a competitive situation) as may be specified by Drax Bidco with the consent of the Panel, and in each case (if so required) with the approval of the Court);
  - (b)
    - (i) the resolution(s) required to implement the Scheme being duly passed by BSIF Shareholders representing not less than 75 per cent. of the votes cast at the General Meeting (or any adjournment or postponement thereof); and
    - (ii) such General Meeting (or any adjournment or postponement thereof) being held on or before the 22<sup>nd</sup> day after the expected date of such meeting to be set out in the Scheme Document in due course (or such later date, if any, (a) as Drax Bidco and BSIF may agree or (b) (in a competitive situation) as may be specified by Drax Bidco with the consent of the Panel, and in each case (if so required) with the approval of the Court); and
  - (c)
    - (i) the sanction of the Scheme by the Court (with or without modification, but subject to any modification being on terms acceptable to BSIF and Drax Bidco); and
    - (ii) the Court Hearing being held on or before the 22<sup>nd</sup> day after the expected date of the Court Hearing as first announced by BSIF through a Regulatory Information Service (or such later date, if any, (a) as Drax Bidco and BSIF may agree or (b) (in a competitive situation) as may be specified by Drax Bidco with the consent of the Panel, and in each case (if so required) with the approval of the Court).
- 3 In addition, subject as stated in Part B below and to the requirements of the Panel, the Acquisition shall be conditional upon the following Conditions and, accordingly, the sanction

of the Scheme by the Court will not be sought unless such Conditions (as amended, if appropriate) have been satisfied or, where relevant, waived:

**Official authorisations, regulatory clearances and third party clearances**

(a)

- (i) insofar as Drax is satisfied that the Acquisition constitutes a notifiable transaction under the National Security and Investment Act 2021 (the “**NSIA**”), the requisite notification having been made and the Secretary of State responsible for decisions under the NSIA (the “**Secretary of State**”) confirming that no further action will be taken under the NSIA in relation to the Acquisition or making a final order under the NSIA in respect of the Acquisition, the provisions of which allow the Acquisition to proceed on terms reasonably satisfactory to Drax Bidco, and such order not being varied in a manner that is not reasonably satisfactory to Drax Bidco before the Effective Date; or
- (ii) if a notification is not made under Condition 3(a)(i) above and, prior to the date on which all other Conditions are satisfied or waived, the Secretary of State issues a call-in notice within the meaning of the NSIA in relation to the Acquisition, the Secretary of State: (A) confirming that no further action will be taken under the NSIA in relation to the Acquisition; or (B) making a final order under the NSIA in respect of the Acquisition, the provisions of which allow the Acquisition to proceed on terms reasonably satisfactory to Drax Bidco, and such order not being varied in a manner that is not reasonably satisfactory to Drax Bidco before the Effective Date,

(the “**UK National Security and Investment Condition**”);

- (b) other than in respect of, or in connection with, Condition 3(a) above, the waiver (or non-exercise within any applicable time limits) by any relevant government or governmental, quasi-governmental, supranational, statutory, regulatory, environmental or investigative body, court, trade agency, association, institution, any entity owned or controlled by any relevant government or state, or any other body or person whatsoever in any jurisdiction (each a “**Third Party**”) of any termination right, right of pre-emption, first refusal or similar right (which is material in the context of the Wider BSIF Group taken as a whole or in the context of the Acquisition) arising as a result of or in connection with the Acquisition including, without limitation, its implementation and financing or the proposed direct or indirect acquisition of any shares or other securities in, or control or management of, BSIF by Drax Bidco or any member of the Wider Drax Group;
- (c) other than in respect of, or in connection with, Condition 3(a) above, all notifications, filings or applications which are necessary or appropriate having been made in connection with the Acquisition and all applicable waiting and other time periods (including any extensions thereof) under the laws or regulation of any jurisdiction having expired, lapsed or been terminated (as appropriate) and all statutory or regulatory obligations in any jurisdiction having been complied with in connection with the Acquisition or the acquisition by any member of the Wider Drax Group of any shares or other securities in, or control of, BSIF and all authorisations, orders, grants, recognitions, determinations, confirmations, consents, licences, clearances, permissions, exemptions and approvals deemed necessary or appropriate by Drax

Bidco or any member of the Wider Drax Group for or in respect of the Acquisition including, without limitation, its implementation and financing or the proposed direct or indirect acquisition of any shares or other securities in, or control of, BSIF or any member of the Wider BSIF Group by any member of the Wider Drax Group having been obtained in terms and in a form reasonably satisfactory to Drax Bidco from all appropriate Third Parties or persons with whom any member of the Wider BSIF Group has entered into contractual arrangements and all such authorisations, orders, grants, recognitions, determinations, confirmations, consents, licences, clearances, permissions, exemptions and approvals deemed necessary or appropriate to carry on the business of any member of the Wider BSIF Group which are material in the context of the Wider Drax Group or the BSIF Group as a whole or for or in respect of the Acquisition including, without limitation, its implementation or financing remaining in full force and effect and all filings necessary for such purpose having been made and there being no notice or intimation of any intention to revoke or not to renew any of the same at the time at which the Acquisition becomes otherwise unconditional and all necessary statutory or regulatory obligations in any jurisdiction having been complied with;

- (d) other than in respect of, or in connection with, Condition 3(a) above, no Third Party having given notice of a decision to take, institute, implement or threaten any action, proceeding, suit, investigation, enquiry or reference (and, in each case, not having withdrawn the same), or having enacted, made or proposed any statute, regulation, decision or order, or change to published practice (and in each case, not having withdrawn the same) or having taken any other step, and there not continuing to be outstanding any statute, regulation, decision or order, which in each case would or might reasonably be expected to:
  - (i) require, prevent or delay the divestiture, or materially alter the terms envisaged for any proposed divestiture by any member of the Wider Drax Group or any member of the Wider BSIF Group of all or any portion of their respective businesses, assets or property or impose any limitation on the ability of any of them to conduct their respective businesses (or any of them) or to own any of their respective assets or properties or any part thereof which, in any such case, is material in the context of the Wider Drax Group or the Wider BSIF Group in either case taken as a whole or in the context of the Acquisition;
  - (ii) require, prevent or delay the divestiture by any member of the Wider Drax Group of any shares or other securities in BSIF or any member of the Wider Drax Group;
  - (iii) impose any material limitation on, or result in a delay in, the ability of any member of the Wider Drax Group directly or indirectly to acquire or to hold or to exercise effectively any rights of ownership in respect of shares or loans or securities convertible into shares or any other securities (or the equivalent) in any member of the Wider BSIF Group or the Wider Drax Group or to exercise voting or management control over any such member;
  - (iv) otherwise adversely affect the business, assets, profits or prospects of any member of the Wider Drax Group or of any member of the Wider BSIF Group to an extent which is material in the context of the Wider Drax Group or the

Wider BSIF Group in either case taken as a whole or in the context of the Acquisition;

- (v) make the Acquisition or its implementation or the acquisition or proposed acquisition by Drax Bidco or any member of the Wider Drax Group of any shares or other securities in, or control of BSIF void, illegal, and/or unenforceable under the laws of any jurisdiction, or otherwise, directly or indirectly, restrain, restrict, prohibit, delay, challenge or otherwise interfere with the same, or impose additional conditions or obligations with respect thereto;
- (vi) require any member of the Wider Drax Group or the Wider BSIF Group to offer to acquire any shares or other securities (or the equivalent) or interest in any member of the Wider BSIF Group or the Wider Drax Group owned by any third party;
- (vii) impose any limitation on the ability of any member of the Wider BSIF Group to integrate or co-ordinate its business, or any part of it, with the businesses of any other members which is adverse to and material in the context of the Wider BSIF Group taken as a whole or in the context of the Acquisition; or
- (viii) result in any member of the Wider BSIF Group ceasing to be able to carry on business under any name under which it presently does so,

and all applicable waiting and other time periods (including any extensions thereof) during which any such Third Party could institute, implement or threaten any action, proceeding, suit, investigation, enquiry or reference or any other step under the laws of any jurisdiction in respect of the Acquisition or the acquisition or proposed acquisition of any BSIF Shares having expired, lapsed or been terminated;

**Certain matters arising as a result of any arrangement, agreement etc.**

- (e) save as Disclosed, there being no provision of any agreement, arrangement, licence, permit or other instrument to which any member of the Wider BSIF Group is a party or by or to which any such member or any of its assets may be bound, entitled or subject, or any circumstance which in consequence of the Acquisition or the acquisition or proposed acquisition of any shares or other securities (or equivalent) in BSIF or because of a change in the control or management of BSIF or otherwise, could or might result in any of the following to an extent which is material and adverse in the context of the Wider BSIF Group, or the Wider Drax Group, in either case taken as a whole, or in the context of the Acquisition:
  - (i) any moneys borrowed by or any other indebtedness or liabilities (actual or contingent) of, or grant available to any such member, being or becoming repayable or capable of being declared repayable immediately or earlier than their or its stated maturity date or repayment date or the ability of any such member to borrow moneys or incur any indebtedness being withdrawn or inhibited or being capable of becoming or being withdrawn or inhibited;
  - (ii) any such agreement, arrangement, licence, permit or instrument or the rights, liabilities, obligations or interests of any such member thereunder being terminated or adversely modified or affected or any obligation or liability arising or any action being taken or arising thereunder;

- (iii) any asset or interest of any such member being or failing to be disposed of or charged or ceasing to be available to any such member or any right arising under which any such asset or interest could be required to be disposed of or charged or could cease to be available to any such member otherwise than in the ordinary course of business;
- (iv) the creation or enforcement of any mortgage, charge or other security interest over the whole or any part of the business, property, assets or interest of any such member or any such mortgage, charge or other security interest (whenever created, arising or having arisen) having become enforceable;
- (v) any liability of any member of the Wider BSIF Group to make any severance, termination, bonus or other payment to any of its directors or other officers;
- (vi) the rights, liabilities, obligations or interests of any such member, or the business of any such member with, any person, firm, company or body (or any arrangement or arrangements relating to any such interest or business) being terminated, adversely modified or affected or any onerous obligation or liability arising or any adverse action being taken thereunder;
- (vii) the value of any such member or its financial or trading position or prospects being prejudiced or adversely affected;
- (viii) any such member ceasing to be able to carry on business under any name under which it presently does so; or
- (ix) the creation or acceleration of any liability, actual or contingent, by any such member (including any material tax liability or any obligation to obtain or acquire any material authorisation, order, grant, recognition, determination, confirmation, consent, licence, clearance, permission, exemption, approval, notice, waiver, concession, agreement or exemption from any Third Party or any person) other than trade creditors or other liabilities incurred in the ordinary course of business or in connection with the Acquisition,

and no event having occurred which, under any provision of any agreement, arrangement, licence, permit or other instrument to which any member of the Wider BSIF Group is a party or by or to which any such member or any of its assets may be bound, entitled or subject, would or might reasonably be expected to result in any of the events or circumstances as are referred to in sub-paragraphs (i) to (ix) of this Condition;

**Certain events occurring since Last Accounts Date**

- (f) save as Disclosed, no member of the Wider BSIF Group having, since the Last Accounts Date:
  - (i) save as between BSIF and wholly-owned subsidiaries of BSIF, issued or agreed to issue, authorised or proposed the issue of additional shares of any class;
  - (ii) save as between BSIF and wholly-owned subsidiaries of BSIF, issued or agreed to issue, authorised or proposed the issue of securities convertible into shares of any class or rights, warrants or options to subscribe for, or acquire, any such shares or convertible securities or transferred or sold or

- agreed to transfer or sell or authorised or proposed the transfer or sale of BSIF Shares out of treasury;
- (iii) other than to another member of the BSIF Group, recommended, declared, paid or made or made or proposed to recommend, declare, pay or make any bonus issue, dividend or other distribution whether payable in cash or otherwise;
  - (iv) save for intra-BSIF Group transactions, merged or demerged with any body corporate or acquired or disposed of or transferred, mortgaged or charged or created any security interest over any assets or any right, title or interest in any asset (including shares and trade investments) or authorised or proposed or announced any intention to propose any merger, demerger, acquisition or disposal, transfer, mortgage, charge or security interest, in each case, other than in the ordinary course of business and, in each case, to the extent which is material in the context of the Wider BSIF Group taken as a whole or in the context of the Acquisition;
  - (v) save for intra-BSIF Group transactions, made or authorised or proposed or announced an intention to propose any change in its loan capital in each case, to the extent which is material in the context of the Wider BSIF Group taken as a whole or in the context of the Acquisition;
  - (vi) save for intra-BSIF Group transactions, issued, authorised or proposed the issue of, or made any change in or to, any debentures or, save in the ordinary course of business, incurred or increased any indebtedness or become subject to any contingent liability;
  - (vii) purchased, redeemed or repaid or announced any proposal to purchase, redeem or repay any of its own shares or other securities or reduced or, save in respect to the matters mentioned in sub-paragraphs (i) or (ii) above, made any other change to any part of its share capital in each case, to the extent which is material in the context of the Wider BSIF Group taken as a whole in the context of the Acquisition;
  - (viii) save for intra-BSIF Group transactions, implemented, or authorised, proposed or announced its intention to implement, any reconstruction, merger, demerger, amalgamation, scheme, commitment or other transaction or arrangement otherwise than in the ordinary course of business;
  - (ix) entered into or varied or authorised, proposed or announced its intention to enter into or vary any contract, transaction, arrangement or commitment (whether in respect of capital expenditure or otherwise) which is of a long term, onerous or unusual nature or magnitude or which is or could be restrictive on the business of any member of the Wider BSIF Group or the Wider Drax Group or which involves or could involve an obligation of such a nature or magnitude which is other than in the ordinary course of business and which is material in the context of the Wider BSIF Group taken as a whole or in the context of the Acquisition;
  - (x) (other than in respect of a member which is dormant and was solvent at the relevant time) taken any corporate action or steps or had any legal proceedings started or threatened against it in relation to the suspension of

payments, a moratorium of any indebtedness, or petition presented or made for its winding-up (voluntary or otherwise), dissolution or reorganisation or for the appointment of a receiver, administrative receiver, administrator, manager, trustee or similar officer of all or any part of its assets or revenues or any analogous proceedings in any jurisdiction or appointed any analogous person in any jurisdiction or had any such person appointed, in each case, to the extent which is material in the context of the Wider BSIF Group taken as a whole or in the context of the Acquisition;

- (xi) entered into any contract, transaction or arrangement which would be restrictive on the business of any member of the Wider BSIF Group or the Wider Drax Group other than of a nature and extent which is normal in the context of the business concerned;
- (xii) entered into, implemented or authorised the entry into of, any joint venture, asset or profit sharing arrangement, partnership or merger of business or corporate entities (other than the Scheme);
- (xiii) waived or compromised any claim otherwise than in the ordinary course of business which is material in the context of the Wider BSIF Group taken as a whole or in the context of the Acquisition;
- (xiv) made any material alteration to its memorandum or articles of association or other incorporation documents;
- (xv) been unable, or admitted in writing that it is unable, to pay its debts or commenced negotiations with one or more of its creditors with a view to rescheduling or restructuring any of its indebtedness, or having stopped or suspended (or threatened to stop or suspend) payment of its debts generally or ceased or threatened to cease carrying on all or a substantial part of its business;
- (xvi) entered into any contract, commitment, arrangement or agreement otherwise than in the ordinary course of business or passed any resolution or made any offer (which remains open for acceptance) with respect to or announced any intention to, or proposed to, effect any of the transactions, matters or events referred to in this Condition 3(f);
- (xvii) terminated or varied the terms of any agreement or arrangement between any member of the Wider BSIF Group and any other person in a manner which would or might reasonably be expected to have a material adverse effect on the financial position of the Wider BSIF Group taken as a whole or in the context of the Acquisition;
- (xviii) taken (or agreed or proposed to take) any action which requires, or would require, the consent of the Panel or the approval of BSIF Shareholders in general meeting in accordance with, or as contemplated by, Rule 21.1 of the Code;
- (xix) entered into or varied in a material way the terms of, or made any offer (which remains open for acceptance) to enter into or vary to a material extent, any contracts, agreement or arrangement with any of the directors or senior executives of any members of the Wider BSIF Group; or

- (xx) waived or compromised any claim which is material in the context of the Wider BSIF Group taken as a whole or in the context of the Acquisition, otherwise than in the ordinary course;

**No adverse change, litigation or regulatory enquiry**

- (g) save as Disclosed, since the Last Accounts Date:
  - (i) no adverse change or deterioration having occurred in the business, assets, financial or trading position or profits or prospects or operational performance of any member of the Wider BSIF Group which, in any such case, is material in the context of the Wider BSIF Group taken as a whole or in the context of the Acquisition and no circumstances have arisen which would or might reasonably be expected to result in such adverse change or deterioration;
  - (ii) no litigation, arbitration proceedings, prosecution or other legal proceedings to which any member of the Wider BSIF Group is or may become a party (whether as a plaintiff, defendant or otherwise) and no enquiry, review or investigation by, or complaint or reference to, any Third Party or other investigative body against or in respect of any member of the Wider BSIF Group having been instituted, announced, implemented or threatened by or against or remaining outstanding in respect of any member of the Wider BSIF Group which in any such case has had or might reasonably be expected to have a material adverse effect on the Wider BSIF Group taken as a whole or in the context of the Acquisition;
  - (iii) no contingent or other liability of any member of the Wider BSIF Group having arisen or become apparent to Drax Bidco or increased which has had or might reasonably be expected to have a material adverse effect on the Wider BSIF Group taken as a whole or in the context of the Acquisition;
  - (iv) no enquiry or investigation by, or complaint or reference to, any Third Party having been threatened, announced, implemented, instituted by or remaining outstanding against or in respect of any member by or the Wider BSIF Group which in any case is material in the context of the Wider BSIF Group taken as a whole;
  - (v) no member of the Wider BSIF Group having conducted its business in breach of any applicable laws and regulations and which is material in the context of the Wider BSIF Group as a whole or in the context of the Acquisition; and
  - (vi) no steps having been taken which are likely to result in the withdrawal, cancellation, termination or modification of any licence or permit held by any member of the Wider BSIF Group which is necessary for the proper carrying on of its business and the withdrawal, cancellation, termination or modification of which has had, or would reasonably be expected to have, an adverse effect which is material in the context of the Wider BSIF Group taken as a whole or in the context of the Acquisition;

**No discovery of certain matters**

- (h) save as Disclosed, Drax Bidco not having discovered:

- (i) that any financial, business or other information concerning the Wider BSIF Group as contained in the information publicly disclosed or disclosed at any time to any member of the Wider Drax Group by or on behalf of any member of the Wider BSIF Group is materially misleading, contains a material misrepresentation of fact or omits to state a fact necessary to make that information not misleading, in each case, to an extent which is material in the context of the Wider BSIF Group taken as a whole or in the context of the Acquisition;
  - (ii) that any member of the Wider BSIF Group or partnership, company or other entity in which any member of the Wider BSIF Group has a significant economic interest and which is not a subsidiary undertaking of BSIF, is subject to any liability (contingent or otherwise) which is not disclosed in the annual report and accounts of BSIF Group for the financial year ended 30 June 2025, in each case, to the extent which is material in the context of the Wider BSIF Group taken as a whole or in the context of the Acquisition; or
  - (iii) any information which affects the import of any information disclosed at any time by or on behalf of any member of the Wider BSIF Group and which is material in the context of the Wider BSIF Group taken as a whole or in the context of the Acquisition;
- (i) save as Disclosed, Drax Bidco not having discovered that:
- (i) any past or present member of the Wider BSIF Group has failed to comply with any and/or all applicable legislation or regulation, of any jurisdiction with regard to the use, treatment, handling, storage, carriage, disposal, spillage, release, discharge, leak or emission of any waste or hazardous substance or any substance likely to impair the environment or harm human health or animal health or otherwise relating to environmental matters or the health and safety of humans, or that there has otherwise been any such use, treatment, handling, storage, carriage, disposal, spillage, release, discharge, leak or emission (whether or not the same constituted a non-compliance by any person with any such legislation or regulations, and wherever the same may have taken place) any of which storage, carriage, disposal, spillage, release, discharge, leak or emission would be likely to give rise to any liability, cost or penalty for non-compliance (in each case, whether actual or contingent) on the part of any member of the Wider BSIF Group and which is material in the context of the Wider BSIF Group taken as a whole or in the context of the Acquisition;
  - (ii) there is, or is likely to be, for any reason whatsoever, any liability (actual or contingent) of any past or present member of the Wider BSIF Group to make good, remediate, repair, reinstate or clean up any property or any controlled waters now or previously owned, occupied, operated or made use of or controlled by any such past or present member of the Wider BSIF Group (or on its behalf) or by any person for which a member of the Wider BSIF Group is or has been responsible, or in which any such member may have or previously have had or be deemed to have had an interest, under any environmental legislation, common law, regulation, notice, circular or order of any Third Party in any jurisdiction or to contribute to the cost thereof or associated therewith or indemnify any person in relation thereto and which

is material in the context of the Wider BSIF Group taken as a whole or in the context of the Acquisition;

- (iii) circumstances exist (whether as a result of the making of the Acquisition or otherwise) which would be reasonably likely to lead to any Third Party instituting, or whereby any member of the Wider Drax Group or any present or past member of the Wider BSIF Group would be likely to be required to institute, an environmental audit or take any other steps which would in any such case be reasonably likely to result in any liability (whether actual or contingent) to improve, modify existing or install new plant, machinery or equipment or carry out changes in the processes currently carried out or make good, remediate, repair, re-instate or clean up any land or other asset currently or previously owned, occupied or made use of by any past or present member of the Wider BSIF Group (or on its behalf) or by any person for which a member of the Wider BSIF Group is or has been responsible, or in which any such member may have or previously have had or be deemed to have had an interest which is material in the context of the Wider BSIF Group taken as a whole or in the context of the Acquisition; or
- (iv) circumstances exist whereby a person or class of persons would be likely to have any claim or claims in respect of any product or process of manufacture or materials used therein currently or previously manufactured, sold or carried out by any past or present member of the Wider BSIF Group which claim or claims would be likely, materially and adversely, to affect any member of the Wider BSIF Group and which is material in the context of the Wider BSIF Group taken as a whole or in the context of the Acquisition; and

**Anti-corruption, economic sanctions, criminal property and money laundering**

- (j) save as Disclosed, Drax Bidco not having discovered that:
  - (i) (A) any past or present member, director, officer or employee of the Wider BSIF Group is or has at any time engaged in any activity, practice or conduct which would constitute an offence under the Bribery Act 2010, the US Foreign Corrupt Practices Act of 1977, the Prevention of Corruption (Bailiwick of Guernsey) Law, 2003 or any other applicable anti-corruption or anti-bribery law, rule or regulation or any other applicable law, rule, or regulation concerning improper payments or kickbacks or (B) any person that performs or has performed services for or on behalf of the Wider BSIF Group is or has at any time engaged in any activity, practice or conduct in connection with the performance of such services which would constitute an offence under the Bribery Act 2010, the US Foreign Corrupt Practices Act of 1977, the Prevention of Corruption (Bailiwick of Guernsey) Law, 2003 or any other applicable anti-corruption or anti-bribery law, rule or regulation or any other applicable law, rule, or regulation concerning improper payments or kickbacks; or
  - (ii) any asset of any member of the Wider BSIF Group constitutes criminal property as defined by section 340(3) of the Proceeds of Crime Act 2002 (but disregarding paragraph (b) of that definition) or proceeds of crime under any other applicable law, rule, or regulation concerning money laundering or proceeds of crime or any member of the Wider BSIF Group is found to have

- engaged in activities constituting money laundering under any applicable law, rule, or regulation concerning money laundering; or
- (iii) any past or present member, director, officer or employee of the Wider BSIF Group, or any other person for whom any such person may be liable or responsible, is or has engaged in any conduct which would violate applicable economic sanctions or dealt with, made any investments in, made any funds or assets available to or received any funds or assets from:
- (A) any government, entity or individual in respect of which US, UK or European Union persons, or persons operating in those territories, are prohibited from engaging in activities or doing business, or from receiving or making available funds or economic resources, by US, UK or European Union laws or regulations, including the economic sanctions administered by the United States Office of Foreign Assets Control, or HM Revenue and Customs; or
- (B) any government, entity or individual targeted by any of the economic sanctions of the United Nations, the United States, the United Kingdom, the European Union or any of its member states, save that this shall not apply if and to the extent that it is or would be unenforceable by reason of breach of any applicable Blocking Law; or
- (iv) any past or present member, director, officer or employee of the Wider BSIF Group, or any other person for whom any such person may be liable or responsible:
- (A) has engaged in conduct which would violate any relevant anti-terrorism laws, rules, or regulations, including but not limited to the U.S. Anti-Terrorism Act;
- (B) has engaged in conduct which would violate any relevant anti-boycott law, rule, or regulation or any applicable export controls, including but not limited to the Export Administration Regulations administered and enforced by the U.S. Department of Commerce or the International Traffic in Arms Regulations administered and enforced by the U.S. Department of State;
- (C) has engaged in conduct which would violate any relevant laws, rules, or regulations concerning human rights, including but not limited to any law, rule, or regulation concerning false imprisonment, torture or other cruel and unusual punishment, or child labour; or
- (D) is debarred or otherwise rendered ineligible to bid for or to perform contracts for or with any government, governmental instrumentality, or international organisation or found to have violated any applicable law, rule, or regulation concerning government contracting or public procurement; or
- (v) any member of the Wider BSIF Group is or has been engaged in any transaction which would cause Drax Bidco or any member of the Wider Drax Group to be in breach of any law or regulation upon its acquisition of BSIF,

including but not limited to the economic sanctions of the United States Office of Foreign Assets Control, or HM Revenue and Customs, or any other relevant government authority.

## **Part B: Certain further terms of the Acquisition**

1. Subject to the requirements of the Panel and the Code, Drax Bidco reserves the right in its sole discretion to waive:
  - (a) the deadline set out in paragraph 1 of Part A of this Appendix I, and any of the deadlines set out in paragraph 2 of Part A of this Appendix I for the timing of the Court Meeting, the General Meeting and the Court Hearing. If any such deadline is not met, Drax Bidco shall make an announcement by 8.00 a.m. on the Business Day following such deadline confirming whether it has invoked or waived the relevant Condition or agreed with BSIF (or, as the case may be, the Panel) to extend the deadline in relation to the relevant Condition; and
  - (b) in whole or in part, all or any of the Conditions set out in Part A of this Appendix I, except for the Conditions set out in paragraph 2(a)(i), 2(b)(i) and 2(c)(i) of Part A of this Appendix I which cannot be waived.
2. Conditions set out in paragraphs 2(a), 2(b) and 3 of Part A of this Appendix I must each be satisfied or (if capable of waiver) be waived by Drax Bidco by the commencement of the Court Hearing. Drax Bidco shall be under no obligation to waive (if capable of waiver), to determine to be or remain satisfied or to treat as satisfied any of the Conditions set out in paragraph 3 of Part A of this Appendix I that it is entitled (with the consent of the Panel and subject to the requirements of the Code) to invoke, by a date earlier than the latest date specified above for the fulfilment or waiver thereof, notwithstanding that the other Conditions may at such earlier date have been waived or fulfilled and that there are at such earlier date no circumstances indicating that any such Conditions may not be capable of fulfilment.
3. Under Rule 13.5(a) of the Code, Drax Bidco may not invoke a Condition to the Acquisition so as to cause the Acquisition not to proceed, to lapse or to be withdrawn unless the circumstances which give rise to the right to invoke the Condition are of material significance to Drax Bidco in the context of the Acquisition. Drax Bidco may only invoke a condition that is subject to Rule 13.5(a) with the consent of the Panel and any condition that is subject to Rule 13.5(a) may be waived by Drax Bidco. Conditions set out in paragraphs 1 and 2 of Part A of this Appendix I and, if applicable, any acceptance condition if the Acquisition is implemented by means of a Takeover Offer, are not subject to Rule 13.5(a) of the Code.
4. If Drax Bidco is required by the Panel to make an offer for BSIF Shares under the provisions of Rule 9 of the Code, Drax Bidco may make such alterations to any of the Conditions and the terms of the Acquisition as are necessary to comply with the provisions of Rule 9 of the Code.
5. Drax Bidco reserves the right to elect to implement the Acquisition by way of a Takeover Offer as an alternative to the Scheme (with the Panel's consent). In such an event, the Acquisition will be implemented on the same terms and conditions as those which would apply to the Scheme, subject to appropriate amendments including (without limitation) the inclusion of an acceptance condition set at 90 per cent. of the BSIF Shares to which such Takeover Offer relates (or such lesser percentage as Drax Bidco may determine, subject to the rules of the Code and in consultation with the Panel, being in any case more than 50 per cent. of the BSIF Shares), or any amendments required by, or deemed appropriate by, Drax Bidco under applicable law or any amendments necessary to reflect the Takeover Offer. Further, if sufficient acceptances of such Takeover Offer are received and/or sufficient BSIF Shares are otherwise acquired, it is the

intention of Drax Bidco to apply the provisions of Part XVIII of the Companies Law to compulsorily acquire any outstanding BSIF Shares to which such Takeover Offer relates.

6. BSIF Shares which will be acquired pursuant to the Acquisition will be acquired fully paid and free from all liens, equities, charges, encumbrances, options, rights of pre-emption and any other third party rights and interests of any nature whatsoever and together with all rights now or hereafter attaching or accruing to them, including voting rights and the right to receive and retain in full all dividends and other distributions (if any) declared, made or paid or any other return of capital or value by reference to a record date after the Effective Date.
7. Other than in relation to the Permitted Dividend, if, on or after the date of this Announcement and on or prior to the Effective Date, any dividend, distribution or other return of value is announced, declared, made, or paid or becomes payable in respect of BSIF, Drax Bidco reserves the right (without prejudice to any right Drax Bidco may have, with the consent of the Panel, to invoke the Condition set out in paragraph 3(f)(iii) of Part A of this Appendix I) to reduce the Cash Consideration payable under the terms of the Acquisition by an amount up to the amount of any such dividend, other distribution or return of value, in which case any reference in this Announcement or in the Scheme Document to the Cash Consideration will be deemed to be a reference to the Cash Consideration so reduced. If (but only to the extent) Drax Bidco exercises this right or makes such a reduction in respect of a dividend, other distribution or return of value, BSIF Shareholders shall be entitled to receive and retain any such dividend, distribution, or other return of value declared, made, or paid. For the avoidance of doubt, any exercise by Drax Bidco of its rights referred to in this paragraph shall not be regarded as constituting any revision or variation of the Acquisition.
8. Except with the Panel's consent, settlement of the Cash Consideration to which any Scheme Shareholder is entitled under the Scheme will be implemented in full in accordance with the terms of the Scheme without regard to any lien, right of set-off, counterclaim or other analogous right to which Drax Bidco may otherwise be, or claim to be, entitled as against such Scheme Shareholder and will be effected in the manner described in this Announcement.
9. The Acquisition is not being made, directly or indirectly, in, into or from, or by use of the mails of, or by any means of instrumentality (including, but not limited to, facsimile, email or other electronic transmission, telex or telephone) of interstate or foreign commerce of, or of any facility of a national, state or other securities exchange of, any Restricted Jurisdiction where to do so would violate the laws of that jurisdiction.
10. The Scheme is governed by the laws of Guernsey and is subject to the jurisdiction of the Court, and to the Conditions and further terms set out in this Appendix I and to be set out in the Scheme Document. The Acquisition is subject to the applicable requirements of the Code, the UK Listing Rules, the Companies Law, the Panel, the London Stock Exchange, and the Financial Conduct Authority.
11. Each of the Conditions shall be regarded as a separate Condition and shall not be limited by reference to any other Condition.
12. The Acquisition is subject to, inter alia, the Conditions set out in Part A and the further terms of the Acquisition set out in Part B of this Appendix I to this Announcement. The Acquisition is also

subject to the full terms and conditions which will be set out in the Scheme Document and such further terms as may be required to comply with the provisions of the Code.

## **APPENDIX II**

### **SOURCES OF INFORMATION AND BASES OF CALCULATION**

- i. As at 29 May 2026 (being the latest practicable date prior to the date of this Announcement), BSIF has in issue and admitted to trading on the Main Market 592,080,033 ordinary shares (excluding 19,372,184 ordinary shares held in treasury) of 0.01 pence each in issue. The International Securities Identification Number (ISIN) of BSIF Shares is GG00BB0RDB98.
- ii. Any references to the issued share capital of BSIF are based on the 592,080,033 BSIF Shares referred to in paragraph i above.
- iii. Unless otherwise stated, all prices and Closing Prices for BSIF Shares are closing quotations derived from Bloomberg.
- iv. The volume-weighted average price of a BSIF Share is derived from Bloomberg for the relevant period.
- v. The enterprise value of £1,082 million of BSIF has been calculated based on:
  - a. the terms of the Acquisition (including the Permitted Dividend), valuing the entire issued share capital of BSIF at approximately £561 million, plus
  - b. BSIF's net debt of £521 million, comprising £554 million of total external debt, net of £0.05 million Fund level cash and £33.0 million of immediate holding company cash, derived from BSIF's unaudited interim accounts for the period ended 31 December 2025;
- vi. BSIF's total shareholder return of 122 per cent. is based on the total shareholder return since BSIF's IPO on 11 July 2013, reflecting a share price on admission of 100p assuming all dividends received by BSIF Shareholders during the period have been re-invested in the BSIF Shares and a final price of 92.574 pence, with all relevant data sourced from LSEG Workspace.
- vii. Unless otherwise stated, the financial information relating to BSIF is extracted from the audited consolidated financial statements of BSIF for the financial year to 30 June 2025 or the unaudited consolidated financial statements of BSIF for the half financial year to 31 December 2025, in each case prepared in accordance with UK-adopted International Accounting Standards in conformity with the requirements of the Companies Law.
- viii. "Operating free cash flow" for the financial year ended 30 June 2025 is stated after deducting reported group corporation tax of £9.6 million and an electricity generator levy of £2.9 million from BSIF's EBITDA.
- ix. Unless otherwise stated, the financial information relating to Drax has been extracted or derived (without any adjustment) from the annual report and audited accounts of Drax for the financial year ended 31 December 2025.
- x. Certain figures included in this Announcement have been subject to rounding adjustments.

### APPENDIX III IRREVOCABLE UNDERTAKINGS

The following BSIF Directors have given irrevocable undertakings to vote (or, where applicable, procure the voting) in favour of the Scheme at the Court Meeting and the resolutions to be proposed at the General Meeting and, if Drax Bidco exercises its right to implement the Acquisition by way of a Takeover Offer, to accept (or, where applicable, procure) acceptance of such Takeover Offer in respect of their personal beneficial holdings of BSIF Shares (or those of their immediate family):

#### BSIF Directors' Irrevocable Undertakings

Name of BSIF Director	Number of BSIF Shares in respect of which undertaking is given	Percentage of BSIF issued share capital as at 29 May 2026
Michael Gibbons	37,800	0.01%
Glen Suarez	14,000	0.00%
Meriel Lenfestey	20,000	0.00%
Elizabeth Burne	15,000	0.00%
Christopher Waldron	90,000	0.02%
<b>TOTAL</b>	176,800	0.03%

The obligations of the BSIF Directors under the irrevocable undertakings shall remain binding in the event that a higher competing offer is made for BSIF and shall lapse and cease to have effect on and from the following occurrences:

- immediately if Drax Bidco announces, with the consent of the Panel, that it does not intend to proceed with the Acquisition;
- immediately if the Scheme does not become Effective or the Takeover Offer does not become unconditional before 11.59 p.m. on the Long Stop Date; or
- on and from the time and date on which the Acquisition lapses (or, in the case of a Takeover Offer, is withdrawn), save that switching from a Scheme to a Takeover Offer, or vice versa, shall not be deemed to constitute the lapsing or withdrawal of the Acquisition, provided that the lapsing of the irrevocable undertaking will not affect any accrued rights or liabilities in respect of non-performance of any obligation under the irrevocable undertaking falling due for performance before such lapse.

## **APPENDIX IV RISK FACTORS**

As the Acquisition constitutes a "significant transaction" for Drax for the purposes of the UK Listing Rules, Drax is required to describe any risks associated with the Acquisition which are summarised below.

### ***The Acquisition is subject to the Conditions which may not be satisfied or waived***

Completion of the Acquisition is subject to the Conditions being satisfied (or, if permitted, waived). A summary of the principal Conditions to which the Acquisition is subject is set out at paragraph 14 above of this Announcement and the Conditions are set out in full in Appendix I to this Announcement. The Conditions must be satisfied, or where permitted, waived, by the Long Stop Date (subject to the Code). However, the Acquisition is currently expected to become Effective during Q3 2026.

There is no guarantee that the Conditions will be satisfied in the necessary time frame (or waived, if applicable). The applicable regulatory authorities have discretion in imposing conditions in granting their consent, which could result in a delay in completion of, or a decision not to complete, the Acquisition. Failure to satisfy (or, where permitted, waive) these Conditions may result in the Acquisition not being completed.

Delay in completing the Acquisition will prolong the period of uncertainty for the Wider Drax Group and the Wider BSIF Group and both delay and failure to complete the Acquisition may result in the accrual of additional costs to their respective businesses without any of the potential benefits of the Acquisition having been achieved.

Drax Bidco's ability to invoke a Condition (other than the Conditions set out in paragraphs 2(a)(i), 2(b)(i) and 2(c)(i) of Part A of Appendix I to this Announcement) to either lapse its offer or to delay completion of the Acquisition is subject to the Panel's consent. In granting its consent, the Panel would need to be satisfied that the underlying circumstances are of "material significance" to Drax Bidco in the context of the Acquisition and this is a high threshold to fulfil. Consequently, there is a significant risk that Drax Bidco may be required to complete the Acquisition even where certain Conditions have not been satisfied or where a material adverse change has occurred to the Wider BSIF Group. If any of the events described above were to occur, they may result in additional costs and/or the delay or the failure (partial or otherwise) to realise the financial benefits relating to the Acquisition identified by the parties or may otherwise impact Drax Bidco's strategy and operations.

### ***The Combined Group's success will be dependent upon its ability to integrate the BSIF Group, manage existing contractual arrangements with Bluefield and deliver the expected benefits of the Acquisition; such benefits may not be fully achieved.***

The Combined Group's future prospects will, in part, be dependent upon the Combined Group's ability to integrate the BSIF Group successfully, without disruption to the existing business.

The integration process following the Effective Date may be more complex than anticipated. Successful integration will require a significant amount of management time and may affect the ability of the management team of the Combined Group to run the business effectively during the period of integration and to execute the Wider BSIF Group's existing strategic priorities. If the integration process proves more difficult than is being anticipated, there is a risk to the operational performance of the Combined Group.

The Combined Group may face various challenges when integrating the BSIF Group into the Wider Drax Group, including, among others, standardising policies and procedures, processes and systems and integrating legal entities.

In addition, the BSIF Group is party to a number of existing contractual agreements with Bluefield pursuant to which a range of services including asset management, operations and maintenance, construction management and project development are provided by Bluefield, BSIF's manager. These agreements may only be terminated in limited circumstances (or at the end of the existing term of the relevant agreement). As a result, the Combined Group may have limited ability to renegotiate the scope or pricing of services under the agreements following the Effective Date. Any changes to the scope of services or associated fees would need to be separately agreed with Bluefield.

If the Combined Group does not acquire Bluefield or is otherwise required to replace some or all of the services currently provided, the Combined Group may need to transition such services in-house or to alternative providers. This could result in operational disruption, increased costs, and execution risk, particularly if such transition is undertaken without the full cooperation of the existing service provider. In addition, any misalignment of incentives or deterioration in the relationship with Bluefield following the Effective Date could adversely affect the level or quality of services provided.

The continued operation of the arrangements, including any limitations on the Combined Group's ability to amend or terminate such arrangements or to align them with the Combined Group's policies, systems and strategic objectives, may make it more difficult to fully integrate the BSIF Group and realise anticipated synergies. If the Combined Group does not properly manage these challenges, they may impair the ability of the Combined Group to properly execute the integration of the BSIF Group.

Whilst the Drax Directors believe that the Acquisition will achieve material benefits, unanticipated events, liabilities, tax impacts or unknown pre-existing issues may arise or become apparent (whether as a result of a decision or action taken by a regulator with jurisdiction over the Combined Group's business or otherwise) which could result in the costs of integration being higher and the realisable benefits being lower than expected, resulting in a material adverse effect on the business, results of operations, financial condition and/or prospects of the Combined Group and the market price of Drax Shares. No assurance can be given that the integration process will deliver all or substantially all of the expected benefits within the assumed time frame.

***The prospect of completion of the Acquisition could disrupt the businesses of the Wider Drax Group and/or the Wider BSIF Group, which could have material adverse effects on the business, financial condition, results of operations and prospects of the Wider Drax Group, the Wider BSIF Group or the Combined Group and the market price of Drax Shares.***

The prospect of completion of the Acquisition could disrupt the businesses of the Wider Drax Group and the Wider BSIF Group. For example, current and prospective partners may, in response to the announcement of the Acquisition, terminate, change or defer their custom, which could materially and adversely affect the revenues and profits of the Wider Drax Group or the Wider BSIF Group and/or any anticipated growth in revenues. Furthermore, market reaction to and/or speculation regarding the likelihood of completion of the Acquisition could increase the volatility of the price of Drax shares.

If the Wider Drax Group and/or the Wider BSIF Group fail to manage these risks effectively, the business and financial results of the Wider Drax Group, the Wider BSIF Group and/or the Combined Group could be adversely affected. In addition, the Wider Drax Group may incur higher than expected transaction and integration related costs.

***Changes to government support arrangements for low-carbon generation may affect the Combined Group's revenues***

Certain of the Wider BSIF Group's assets benefit from, or may in the future depend on, government support mechanisms for low-carbon electricity generation, including the Renewables Obligation ("RO") regime and CfDs or similar arrangements. Government policy in this area is subject to change. Any modification, replacement or withdrawal of existing support schemes, including any potential transition of assets from the RO regime to CfDs or alternative mechanisms, could affect the level, duration and structure of support available to the Wider BSIF Group's assets and may result in changes to the timing and profile of revenues derived from those assets.

While alternative support arrangements may provide different revenue characteristics, including changes to revenue visibility or exposure to market conditions, the terms of any such arrangements are uncertain and may not be as favourable as those currently in place which may adversely affect the Wider BSIF Group's future revenues, including any anticipated growth arising from the Acquisition.

## APPENDIX V DEFINITIONS

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

<b>Acquisition</b>	has the meaning given to it in paragraph 2
<b>Additional Services Fee</b>	the fee of £1.75 million to be paid by BSIF to Bluefield in respect of the provision of certain out of scope additional services by it in connection with the Formal Sale Process and the Acquisition
<b>Adjusted EBITDA</b>	earnings before interest, tax, depreciation, amortisation, other gains and losses and impairment of non-current assets, excluding the impact of exceptional items and certain remeasurements, earnings from associates and earnings attributable to non-controlling interests
<b>AI</b>	artificial intelligence
<b>Announcement</b>	this announcement
<b>BESS</b>	battery energy storage system
<b>Blocking Law</b>	(i) any provision of Council Regulation (EC) No 2271/1996 of 22 November 1996 (or any law or regulation implementing such Regulation in any member state of the European Union); or (ii) any provision of Council Regulation (EC) No 2271/1996 of 22 November 1996, as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018
<b>Bluefield</b>	Bluefield Partners LLP
<b>Bluefield Group</b>	Bluefield and its group undertakings from time to time
<b>BSIF</b>	Bluefield Solar Income Fund Limited
<b>BSIF Board</b>	the board of directors of BSIF as at the publication of this Announcement or, where the context so requires, the directors of BSIF from time to time
<b>BSIF Directors</b>	the directors of BSIF as at the publication of this Announcement or, where the context so requires, the directors of BSIF from time to time
<b>BSIF Group</b>	BSIF and its group undertakings from time to time, and includes Lyceum Solar Limited together with its associated undertakings
<b>BSIF Shareholders</b>	the holders of BSIF Shares
<b>BSIF Shares</b>	ordinary shares of 0.01 pence in the capital of BSIF
<b>Business Day</b>	a day (other than Saturdays, Sundays and public holidays in the UK) on which banks are open for business in London and Guernsey

<b>Cash Consideration</b>	has the meaning given to it in paragraph 2
<b>CfDs</b>	contracts for difference
<b>Closing Price</b>	the closing price of a BSIF Share on a particular trading day as derived from Bloomberg
<b>Code</b>	the City Code on Takeovers and Mergers, as amended from time to time
<b>Combined Group</b>	the Wider Drax Group as enlarged by the BSIF Group following the Scheme becoming Effective
<b>Companies Law</b>	the Companies (Guernsey) Law, 2008, as amended from time to time
<b>Conditions</b>	the conditions to the implementation of the Acquisition, as set out in Part A of Appendix I to this Announcement and to be set out in the Scheme Document
<b>Confidentiality Undertaking</b>	means the confidentiality undertaking entered into between Drax Corporate and BSIF dated 25 November 2025
<b>Court</b>	the Royal Court of Guernsey
<b>Court Hearing</b>	the hearing by the Court of the application to sanction the Scheme under Part VIII of the Companies Law
<b>Court Meeting</b>	the meeting (or meetings) of Scheme Shareholders to be convened pursuant to an order of the Court under the Companies Law for the purpose of considering and, if thought fit, approving the Scheme (with or without amendment approved or imposed by the Court and agreed by Drax Bidco and BSIF), including any adjournment or postponement thereof, notice of which is to be contained in the Scheme Document
<b>CREST</b>	the system for the paperless settlement of trades in securities and the holding of uncertificated securities operated by Euroclear
<b>Dealing Disclosure</b>	has the same meaning as in Rule 8 of the Code
<b>Deutsche Numis</b>	Deutsche Numis AG's London branch trading as Deutsche Numis
<b>Disclosed</b>	the information fairly disclosed by, or on behalf of, BSIF (i) in the annual report and accounts of BSIF Group for the financial period ended 30 June 2025; (ii) in this Announcement; (iii) in any other announcement to a Regulatory Information Service by, or on behalf of, BSIF prior to the date of this Announcement; or (iv) as otherwise fairly disclosed to Drax Bidco or Drax (or its respective officers, employees, agents or advisers) (including via the virtual data room operated by or on behalf of BSIF in respect of the Acquisition and any management

	presentations, diligence calls or meetings in connection with the Acquisition attended by Drax Bidco or Drax (or its respective officers, employees, agents or advisers)) prior to the date of this Announcement
<b>Drax</b>	Drax Group plc
<b>Drax Bidco</b>	Drax Smart Generation Holdco Limited, a wholly owned subsidiary of Drax
<b>Drax Corporate</b>	Drax Corporate Limited, a wholly owned subsidiary of Drax
<b>Drax Directors</b>	the directors of Drax as at the publication of this Announcement or, where the context so requires, the directors of Drax from time to time
<b>Drax Shareholders</b>	the holders of ordinary shares in the capital of Drax
<b>Drax Shares</b>	the ordinary shares of 11 16/29 pence in the capital of Drax
<b>EBITDA</b>	earnings before interest, tax, depreciation and amortisation
<b>Effective</b>	in the context of the Acquisition: <ul style="list-style-type: none"> <li>(a) if the Acquisition is implemented by way of the Scheme, the Scheme having become effective pursuant to its terms; or</li> <li>(b) if the Acquisition is implemented by way of a Takeover Offer, such Takeover Offer having become or been declared unconditional in all respects in accordance with the requirements of the Code</li> </ul>
<b>Effective Date</b>	the date on which the Acquisition becomes Effective
<b>Euroclear</b>	Euroclear UK & International Limited
<b>Excluded Shares</b>	BSIF Shares at any relevant time which (if any): (a) are registered in the name of or beneficially owned by Drax Bidco or any member of the Wider Drax Group or any other person holding shares in Drax Bidco; or (b) held as treasury shares
<b>FCA or Financial Conduct Authority</b>	the Financial Conduct Authority acting in its capacity as the competent authority for the purposes of Part VI of FSMA
<b>FiTs</b>	feed-in Tariffs
<b>FlexGen</b>	flexible generation
<b>Forms of Proxy</b>	the forms of proxy for use in connection with each of the Court Meeting and the General Meeting, which shall accompany the Scheme Document

<b>FSMA</b>	the Financial Services and Markets Act 2000, as amended from time to time
<b>General Meeting</b>	the general meeting of BSIF Shareholders (including any adjournment or postponement thereof) to be convened in connection with the Scheme, notice of which is to be contained in the Scheme Document
<b>GLIL Infrastructure</b>	GLIL Corporate Holdings 6 Limited
<b>Guernsey</b>	the Island of Guernsey
<b>GW</b>	gigawatt
<b>Inducement Fee Agreement</b>	the inducement fee agreement dated 1 June 2026 entered into between BSIF and Drax Bidco
<b>Investment Advisory Agreement</b>	the existing amended and restated investment advisory agreement dated 21 December 2023 made between BSIF, Bluefield Renewables 1 Limited and Bluefield, as supplemented by an agreement dated 16 February 2026
<b>IPO</b>	initial public offering
<b>J.P. Morgan Cazenove</b>	J.P. Morgan Securities plc, which conducts its UK investment banking business as J.P. Morgan Cazenove
<b>Last Accounts Date</b>	30 June 2025
<b>London Stock Exchange</b>	London Stock Exchange plc
<b>Long Stop Date</b>	31 December 2026, or such later date: (i) as may be agreed in writing by Drax Bidco and BSIF (with the Panel's consent, if required); or (ii) (in a competitive situation) as may be specified by Drax Bidco with the consent of the Panel; or (iii) as the Panel may direct under the Note on Section 3 of Appendix 7 of the Code, and, in each case, as the Court may approve (if such approval is required)
<b>Main Market</b>	main market of the London Stock Exchange
<b>NAV</b>	net asset value
<b>NESO</b>	the National Energy System Operator
<b>Net Debt</b>	net debt is calculated by taking the Wider Drax Group's borrowings, adjusting for the impact of associated hedging instruments, lease liabilities and subtracting cash and cash equivalents. Net debt excludes the share of borrowings, lease liabilities and cash and cash equivalents attributable to non-controlling interests.
<b>NSIA</b>	the National Security and Investment Act 2021
<b>OCGT</b>	open cycle gas turbine
<b>Offer Document</b>	the document containing a Takeover Offer
<b>Offer Period</b>	the offer period (as defined in the Code) relating to BSIF which commenced on 5 November 2025

<b>Opening Position Disclosure</b>	has the same meaning as in Rule 8 of the Code
<b>Overseas Shareholders</b>	BSIF Shareholders (or nominees of, or custodians or trustees for BSIF Shareholders) not resident in, or nationals or citizens of, the United Kingdom or Guernsey
<b>Panel</b>	the Panel on Takeovers and Mergers
<b>Permitted Dividend</b>	the second interim dividend payment of 2.25 pence per BSIF Share in relation to the financial year ending 30 June 2026 announced on 14 May 2026
<b>PPAs</b>	power purchase agreements
<b>REGOs</b>	renewable energy guarantees of origin certificates
<b>Regulatory Information Service</b>	any information service authorised from time to time by the FCA for the purpose of disseminating regulatory announcements
<b>Restricted Jurisdiction</b>	any jurisdiction where local laws or regulations may result in a significant risk of civil, regulatory or criminal exposure if information concerning the Acquisition is sent or made available to BSIF Shareholders
<b>ROCs</b>	renewable obligation certificates
<b>Rothschild &amp; Co</b>	N M Rothschild & Sons Limited
<b>Scheme or Scheme of Arrangement</b>	the proposed scheme of arrangement under Part VIII of the Companies Law between BSIF and Scheme Shareholders in connection with the Acquisition, with or subject to any modification, addition or condition approved or imposed by the Court and agreed by BSIF and Drax Bidco
<b>Scheme Document</b>	the document to be sent to BSIF Shareholders containing, amongst other things, the Scheme, an explanatory statement for the purposes of Part VIII of the Companies Law and the notices convening the Court Meeting and the General Meeting
<b>Scheme Record Time</b>	the time and date specified as such in the Scheme Document, expected to be 6.00 p.m. on the Business Day immediately after the Court Hearing, or such other time as BSIF and Drax Bidco may agree
<b>Scheme Shareholder</b>	a holder of Scheme Shares from time to time
<b>Scheme Shares</b>	(a) the BSIF Shares in issue at the date of the Scheme Document; (b) any BSIF Shares issued after the date of the Scheme Document and prior to the Scheme Voting Record Time; and (c) any BSIF Shares issued at or after the Scheme Voting Record Time and prior to the Scheme Record Time in respect of which the original or any subsequent holder thereof is bound by the Scheme, or shall by such time have agreed in writing to be bound by

	the Scheme, in each case which remain in issue at the Scheme Record Time but in each case other than Excluded Shares
<b>Scheme Voting Record Time</b>	the date and time specified in the Scheme Document by reference to which entitlement to vote at the Court Meeting will be determined, expected to be 6.00 p.m. on the day which is two Business Days before the Court Meeting or, if the Court Meeting is adjourned or postponed to 6.00 p.m. on the day which is two Business Days before the date of such adjourned or postponed Court Meeting
<b>Significant Interest</b>	in relation to an undertaking, a direct or indirect interest of 20 per cent. or more of the total voting rights conferred by the equity share capital of such undertaking
<b>Takeover Offer</b>	should the Acquisition be implemented by way of a takeover offer for the purposes of section 337 of the Companies Law, the offer to be made by or on behalf of Drax Bidco to acquire the entire issued share capital of BSIF and, where the context admits, any subsequent revision, variation, extension or renewal of such takeover offer
<b>Third Party</b>	each of a central bank, government or governmental, quasi-governmental, supranational, statutory, regulatory, environmental, administrative, fiscal or investigative body, court, trade agency, association, institution, environmental body, employee representative body or any other body or person whatsoever in any jurisdiction
<b>UK Listing Rules or UKLRs</b>	the UK listing rules made by the FCA under Part VI of FSMA and contained in the publication of the same name, as amended from time to time or (as applicable) any set of rules and regulations replacing the same from time to time
<b>UK National Security and Investment Condition</b>	has the meaning ascribed to it in Condition 3(a) of Appendix I of this Announcement
<b>United Kingdom or UK</b>	the United Kingdom of Great Britain and Northern Ireland
<b>United States or US</b>	the United States of America, its territories and possessions, any state of the United States of America, the District of Columbia and all other areas subject to its jurisdiction and any political sub-division thereof
<b>US Exchange Act</b>	the United States Securities Exchange Act 1934, as amended
<b>WACC</b>	weighted average cost of capital
<b>Wider Drax Group</b>	Drax and its subsidiary undertakings, associated undertakings and any other undertaking in which Drax

and/or such undertakings (aggregating their interests) have a Significant Interest

**Wider BSIF Group**

BSIF and its subsidiary undertakings, associated undertakings and any other undertaking in which BSIF and/or such undertakings (aggregating their interests) have a Significant Interest, and includes Lyceum Solar Limited together with its associated undertakings

For the purposes of this Announcement, “**subsidiary**”, “**subsidiary undertaking**” and “**undertaking**” have the respective meanings given thereto by the United Kingdom Companies Act 2006 and “**associated undertaking**” has the meaning given thereto by paragraph 19 of Schedule 6 to the United Kingdom Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, other than paragraph 19(1)(b) of Schedule 6 to those regulations which shall be excluded for this purpose.

All references to “**pounds**”, “**pounds Sterling**”, “**Sterling**”, “**£**”, “**pence**”, “**penny**” and “**p**” are to the lawful currency of the United Kingdom.

All the times referred to in this Announcement are London times unless otherwise stated.

References to the singular include the plural and vice versa.

I intend this document to be a deed and execute and deliver it as a deed.

Dated: 1 June 2026

Name:

Meriel Lenfestey

EXECUTED and delivered as a  
Deed by the person named  
above in the presence of:  
Witness's signature:

)  
)  
)

 .....  
(Signature)

 .....

(Signature of Witness)

Name:  .....

Address:  .....

 .....  
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