

The background of the slide is an aerial photograph of a rural landscape. In the center, there is a large field where solar panels have been installed, arranged in neat rows. The surrounding area consists of rolling hills, fields, and some trees. The entire image has a dark blue overlay.

bluefield

SOLAR INCOME FUND
RESULTS FOR THE YEAR ENDED 30 JUNE 2020

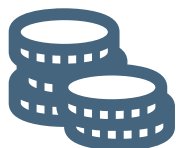
CONFIDENTIAL

RECORD EARNINGS¹

Highest earnings from low risk portfolio



Gross Earnings of 12.03pps



Dividend of 7.90pps post amortisation



Carry forward of 2.23pps



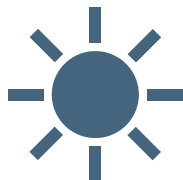
Low risk portfolio and power strategy

POWER STRATEGY EXCELS IN TIME OF COVID

Portfolio and power fixes drive record earnings

IRRADIATION

+ 11.1%



- Outside typical variance - first time since IPO
 - Witnessing higher inter-month volatility in period
 - Seven year average remains within 5-7% bound forecast
-

GENERATION

+8.3%



- High capture rates and energy production
 - 'Clipping' of production due to high irradiation
 - Isolated issues on plants resulting in lower availability
-

REVENUES

+6.6%



- Power strategy performed extremely well under Covid 'test'
- Low risk approach, PPAs typically fixed for 12-36 months
- Went into Covid with over 90% of revenues fixed

ANNUAL RESULTS HIGHLIGHTS

Excellent performance in the financial year¹

	FY 2019/20	FY 2018/19	FY 2017/18
Total underlying earnings	12.03	11.01	9.67
Debt amortisation	(2.50)	(2.40)	(2.24)
Reserves brought forward	0.60	0.30	0.30
Total funds available for distribution	10.13	8.91	7.73
Dividend distribution ²	(7.90)	(8.31)	(7.43)
Reserves carried forward	2.23	0.60	0.30
Net asset value per share	117.0	118.0	113.3

POWER PRICE FIXES PROTECTED AGAINST MARKET FALL

c. £10m benefit from power price contract fixes vs baseload prices

BSIF's average PPA price and UK power price (£/MWh)¹



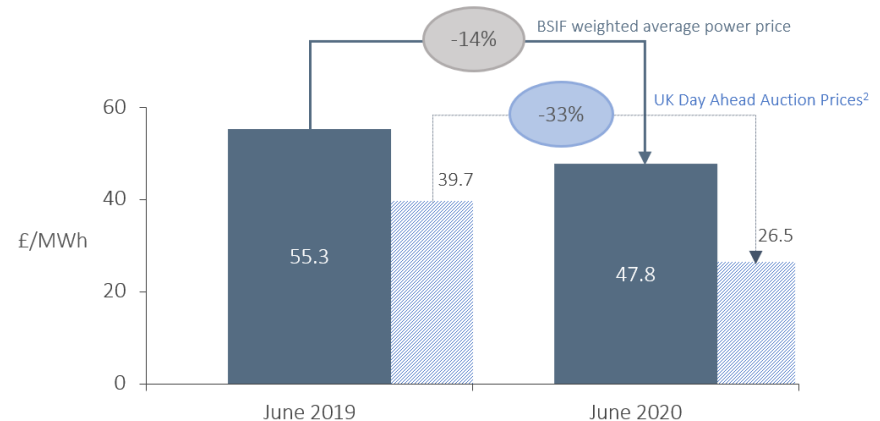
BSIF portfolio power price compared to UK Day Ahead Auction Prices²

Weighted average fixed power price (BSIF)

- - £7.5/MWh since June 2019

UK Day Ahead Auction Prices

- - £13.2/MWh since June 2019



SOLAR PV: REVENUE GENERATION

Converting irradiance to portfolio income

Power Generation Process

Solar irradiation

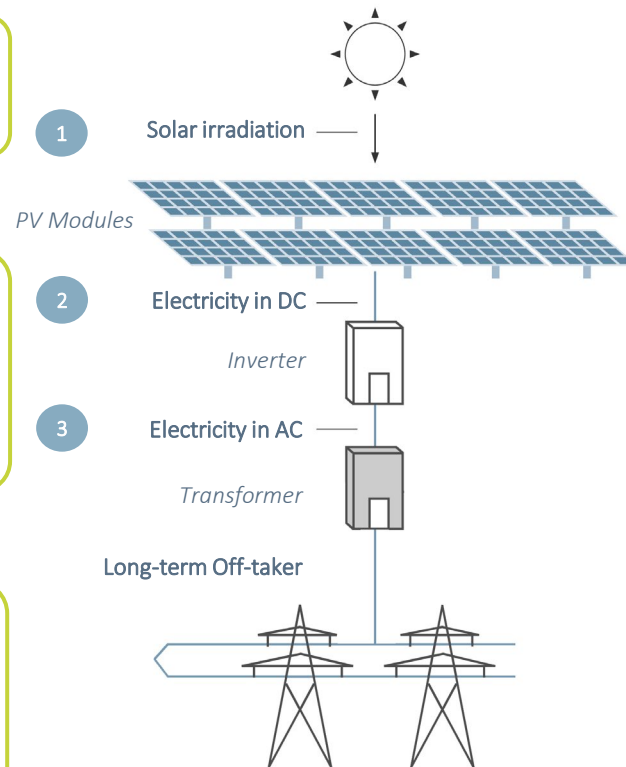
- Expected variability +/- 7% based on 90% confidence interval

Plant performance

- Warranted by contractor
- Expectations set by lenders technical advisor based on analysis of plant design and expected losses

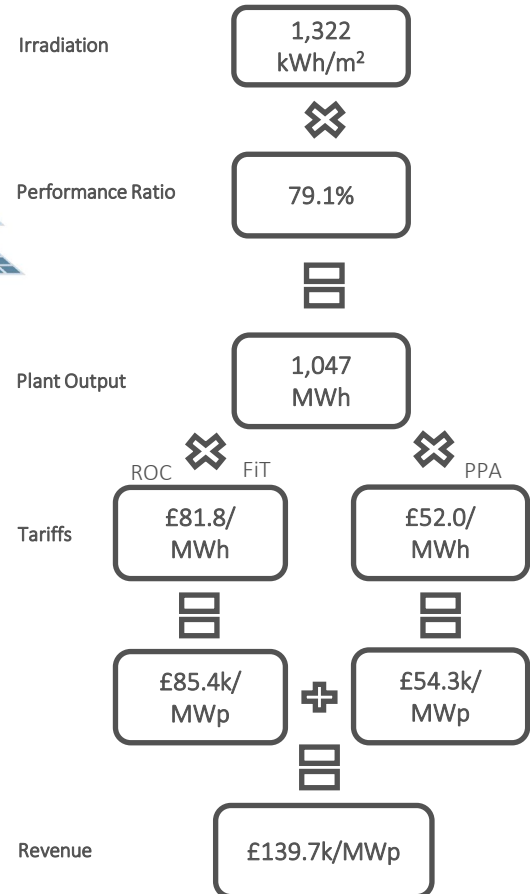
Output

- Power revenues based on PPAs fixed contracts
- ROC/FiT tariffs fixed on commissioning for 20-25 years



Revenue Generation Process

FY 2019/20 per MWp¹



CONSOLIDATED PORTFOLIO EARNINGS

Converting income into covered dividends

	Year to 30 June 2020 (£m) ¹	Year to 30 June 2019 (£m) ¹	June 2020 commentary
Portfolio Income	69.7	64.4	PPA revenue of £25.7m, regulated revenue of £40.2m & other revenue of £3.8m
Portfolio and project finance interest costs	(14.7)	(13.7)	Including £0.6m interest payments for Project Durrants
Total Portfolio Income Earned	55.0	50.7	
Group Operating Costs	(5.8)	(5.4)	Ongoing charges: FY20 1.10% (FY19: 1.07%)
Group Third Party Interest Costs	(4.6)	(4.6)	Interest on Aviva long-term & RCF financing
Underlying Earnings	44.6	40.7	

Earnings & dividend flows: FY 2019/20 vs FY 2018/19 (pps)¹

Underlying earnings of £44.6m

=

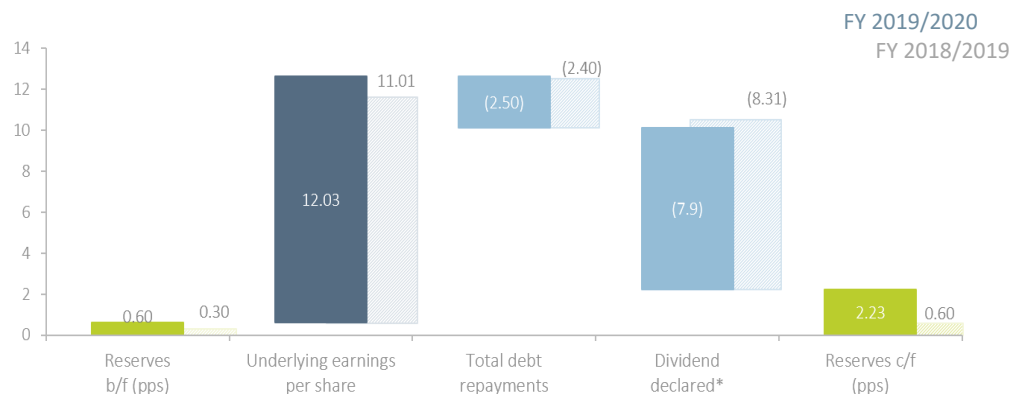
12.03 pps

+

FY18/19 Reserves of 0.60 pps

=

12.63 pps



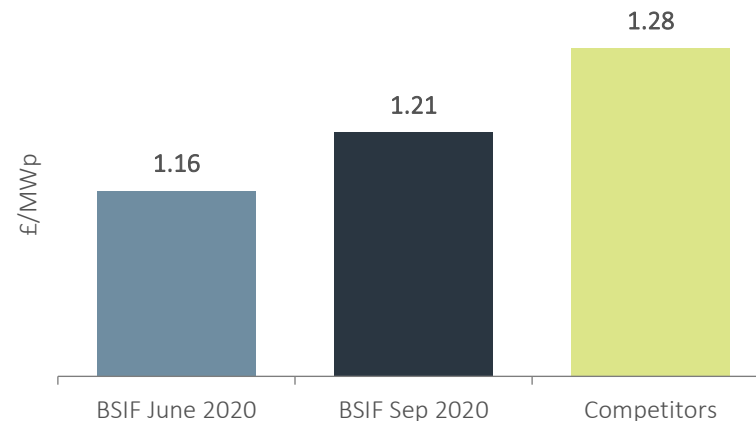
VALUATION PARAMETERS

Valuation benchmarked to market activity

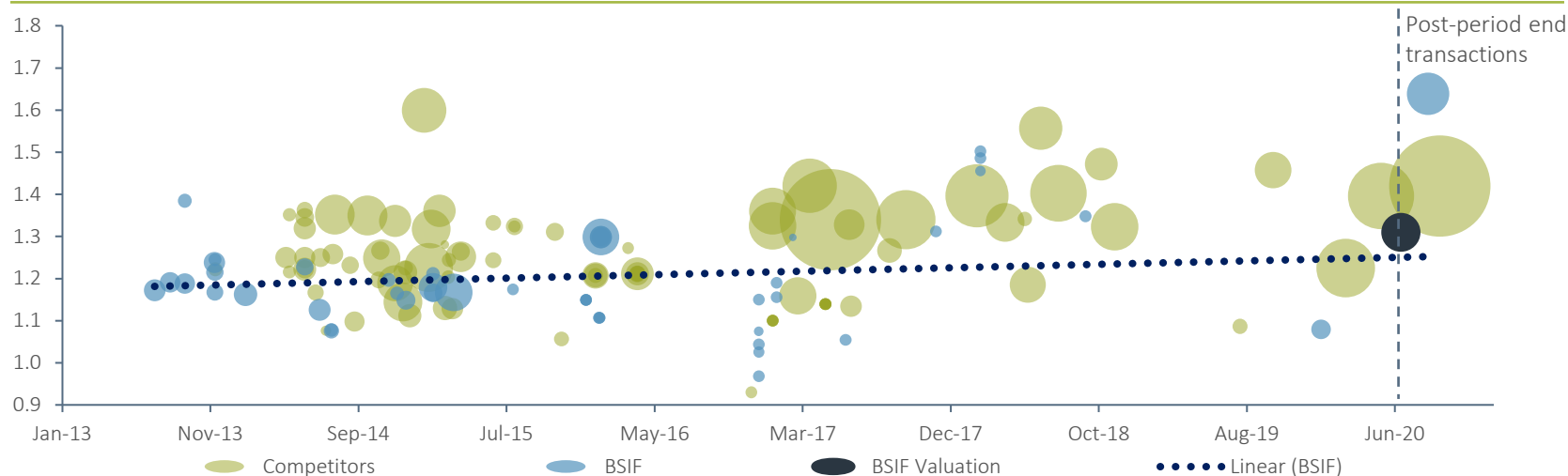
Commentary^{1,2}

- Valuation underpinned by:
 - ✓ Low risk portfolio – low leverage (c.34%), high regulated revenues (c.60%), no currency risk
 - ✓ Discount rate of **6.0%** (6.50% 31 Dec 2019, 7.18% 30 June 2019)
 - ✓ Blend of three leading forecasters power curves
 - ✓ Inflation of 3.0% to June 2024, 2.75% thereafter
 - ✓ Weighted average life of portfolio 27.4yrs (Jun 19; 24.2yrs)

Weighted average price of acquisitions since 2013²



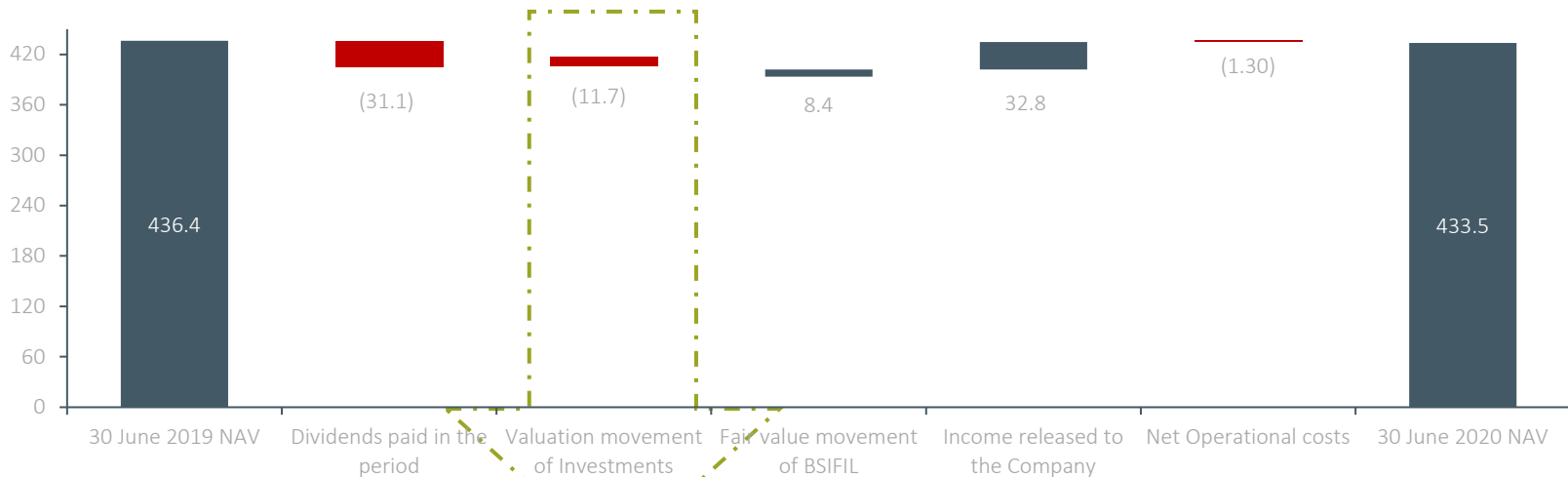
UK solar market pricing (£m/MW)²



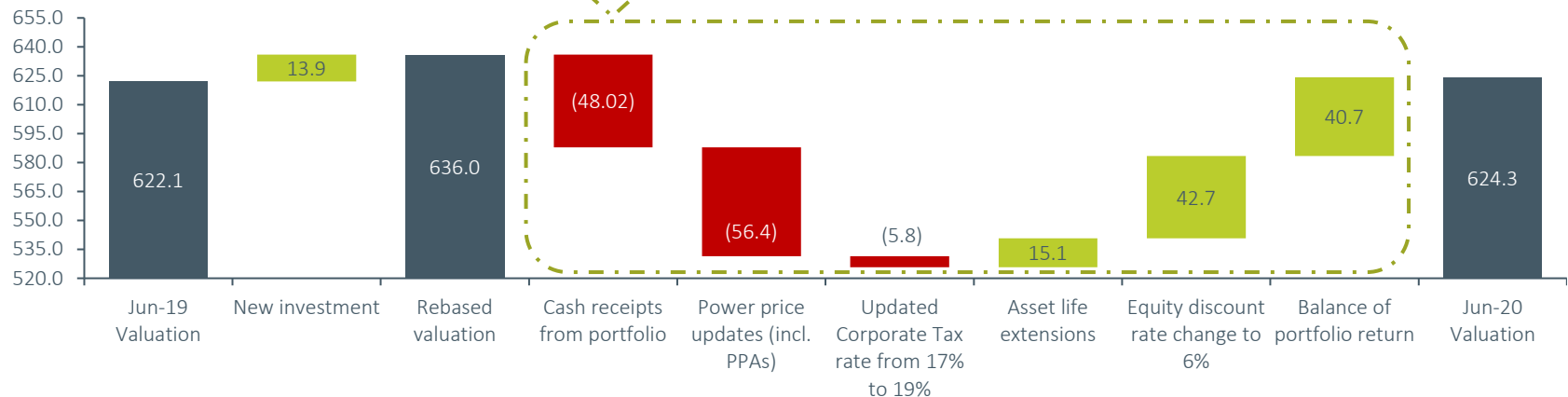
NAV CONSISTENT WITH PRIOR YEAR

Asset life extension brings additional value compared with June 2019

NAV Movement in Period (£m)¹



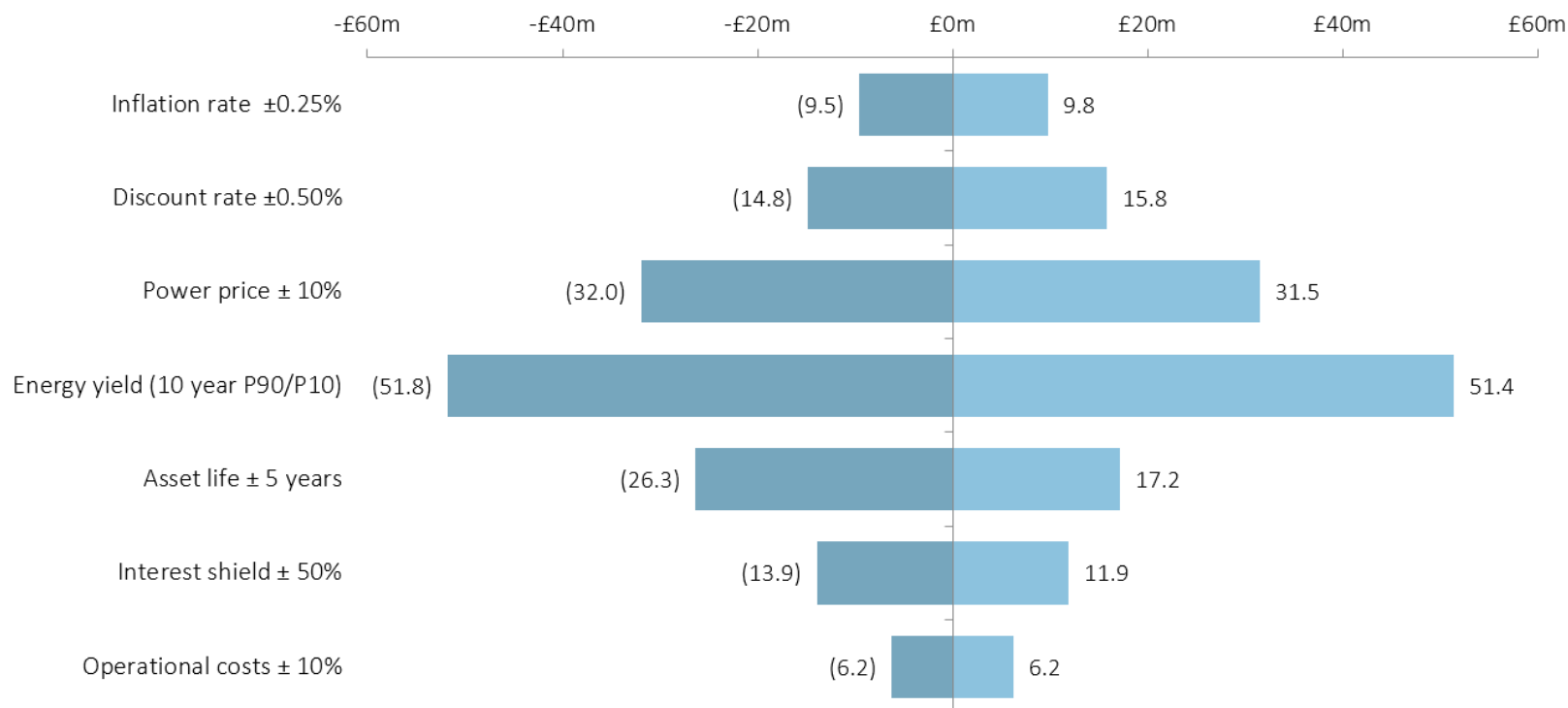
Portfolio Valuation Movement in Period (£m)¹



SENSITIVITY ANALYSIS

BSIF valuation remains robust against fluctuations of key parameters

Directors' Valuation¹: **£624.3m**

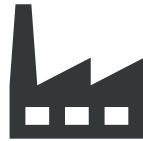


ESG

Detailed reporting on activities from board and Investment Adviser

BSIF delivered
carbon savings of

126,000 tonnes
CO₂e



Equivalent to
powering

170,000
homes



Investment Adviser
& Service Companies

Carbon offset
programme



COVID RESPONSE

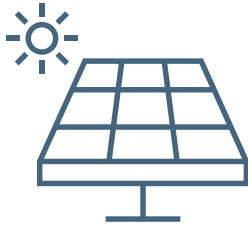
Integrated teams enabled quick and effective response to remote working

- 50 staff across three businesses remote working since 23 March
- No disruption to service provision and remote working continuing until at least January 2021
- Engineers designated as Key Workers and able to continue remedial works (e.g. Hill Farm transformers)



MANDATE CHANGE

UK Solar fund with complementary additions



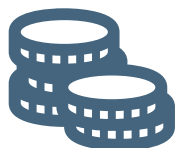
- Solar investment fund, not less than 75% including development
- Specific complementary technologies added: Onshore wind and hydro
- Battery storage capability to manage potential volatility

RECORD EARNINGS¹

Highest earnings from lowest risk portfolio in UK renewables sector



Gross Earnings of 12.03pps



Dividend of 7.90pps post amortisation



Carry forward of 2.23pps



Low risk portfolio and power strategy

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