



INTERIM RESULTS FOR
THE PERIOD ENDED
31 DECEMBER 2021



KEY SECTIONS

- 1-4 Background to Bluefield Solar
- 5 Period Highlights
- 6-7 Earnings and Dividend
- 8 Capital discipline
- 9 Investment Strategy
- 10. Debt Strategy
- 11. Power Sales Strategy
- 12. Proactive Portfolio Management
- 13. Inflation Protection
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- 15. ESG
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THE CURRENT PORTFOLIO

UK FOCUSED: LOW RISK PORTFOLIO

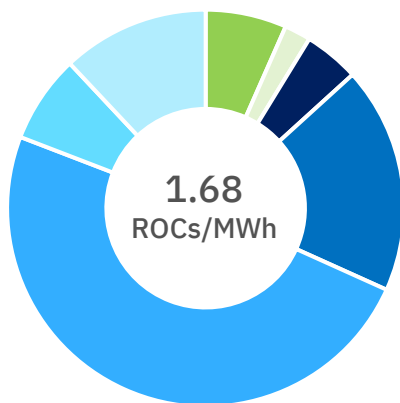


£1bln
(MKT CAP £620M)

643 MWp
OPERATIONAL SOLAR

30 MW
OPERATIONAL WIND

OPERATIONAL PORTFOLIO



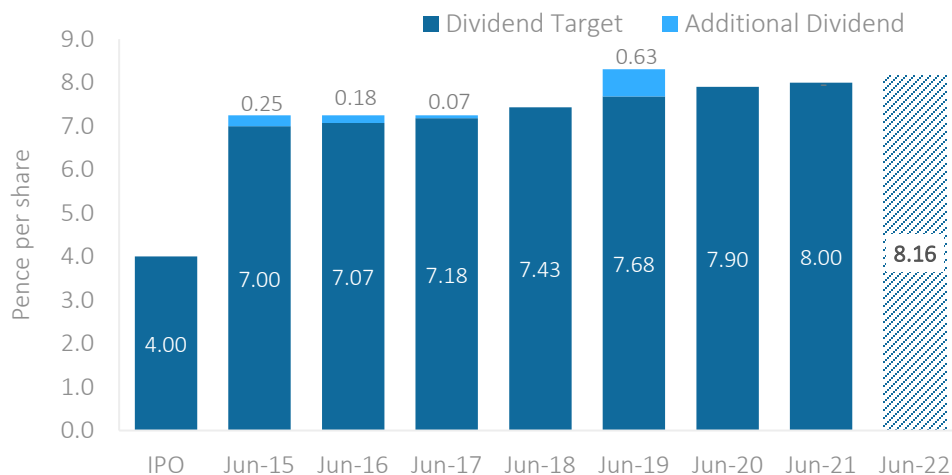
■ FIT ■ 4.0 ■ 2.0 ■ 1.6 ■ 1.4 ■ 1.3 ■ 1.2

GENERATION BY SUBSIDY

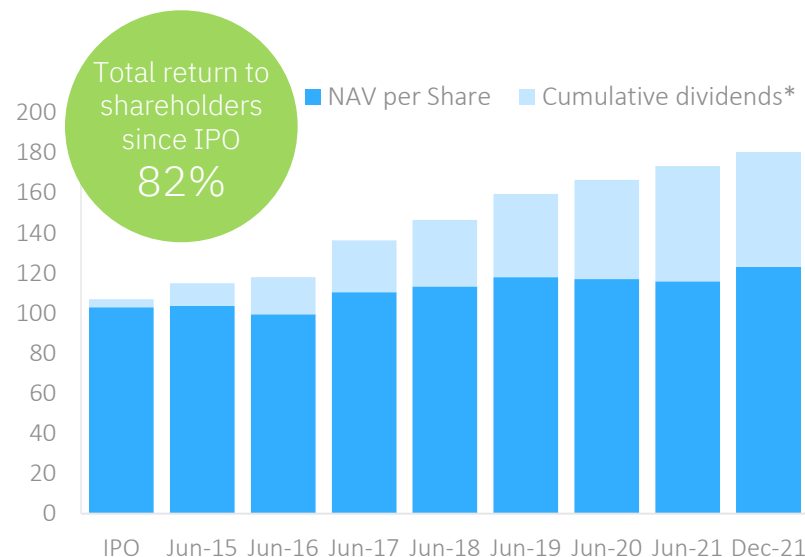
- 1.68 ROCs/MWh²
- 63% Regulated, RPI Revenues
- Average duration of >13 years
- Highly beneficial in inflationary environment

TRACK RECORD

HIGHEST DIVIDENDS FROM IN YEAR EARNINGS AND POST AMORTISATION OF DEBT



Above target dividends achieved*



Strong return to shareholders since listing¹

8.16pps (6.7% dividend yield)*

Highest earnings and dividend per share

ACTIVE MANAGEMENT OPPORTUNITIES FOR EARNINGS GROWTH

3

PEOPLE *



Development

16

PEOPLE



Investment,
Construction
Engineering and
Portfolio
Management

36

PEOPLE



Asset Management,
Monitoring and
Reporting and
Finance

32

PEOPLE



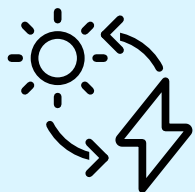
Operation &
Maintenance



*Number of staff engaged on Bluefield Solar activities

PERIOD HIGHLIGHTS ¹

EXECUTING THE MANDATE CHANGE AND CREATING VALUE



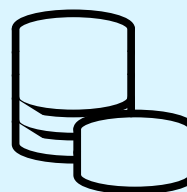
800MW being developed
(solar >700MW)



Maiden wind
& storage
investments



Oversubscribed
fundraise of
£105.1m



Increase in target
dividend &
significant NAV
increase

ANNUAL RESULTS HIGHLIGHTS

EXCELLENT PERFORMANCE IN THE FINANCIAL YEAR ¹

	1H 2021/22 Pence per share	FY 2020/21 Pence per share	FY 2019/20 Pence per share
Total underlying earnings	4.31	11.34	12.03
Debt amortisation	(1.74)	(2.17)	(2.50)
Reserves brought forward	2.67	2.23	0.60
Total funds available for distribution	5.24	11.09	10.13
Dividend distribution ²	(2.03)	(8.00)	(7.90)
Reserves carried forward ³	3.21	2.67	2.23
Net asset value per share	122.96	115.80	117.0

CONSOLIDATED PORTFOLIO EARNINGS

CONVERTING INCOME INTO COVERED DIVIDENDS

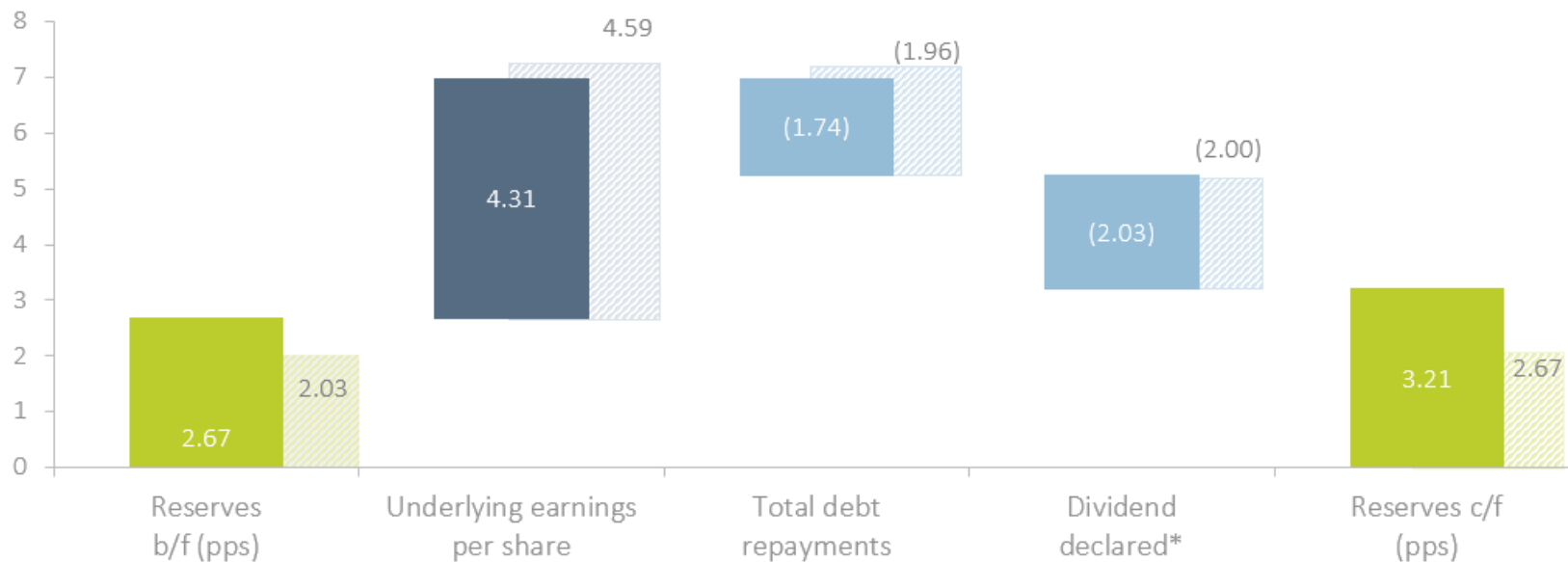
Earnings & dividend flows

HY 2021/22 vs FY 2020/21 (pps) *1

$$£21.4m = 4.31 \text{ pps} + 2.67 \text{ pps} = 6.98 \text{ pps}$$

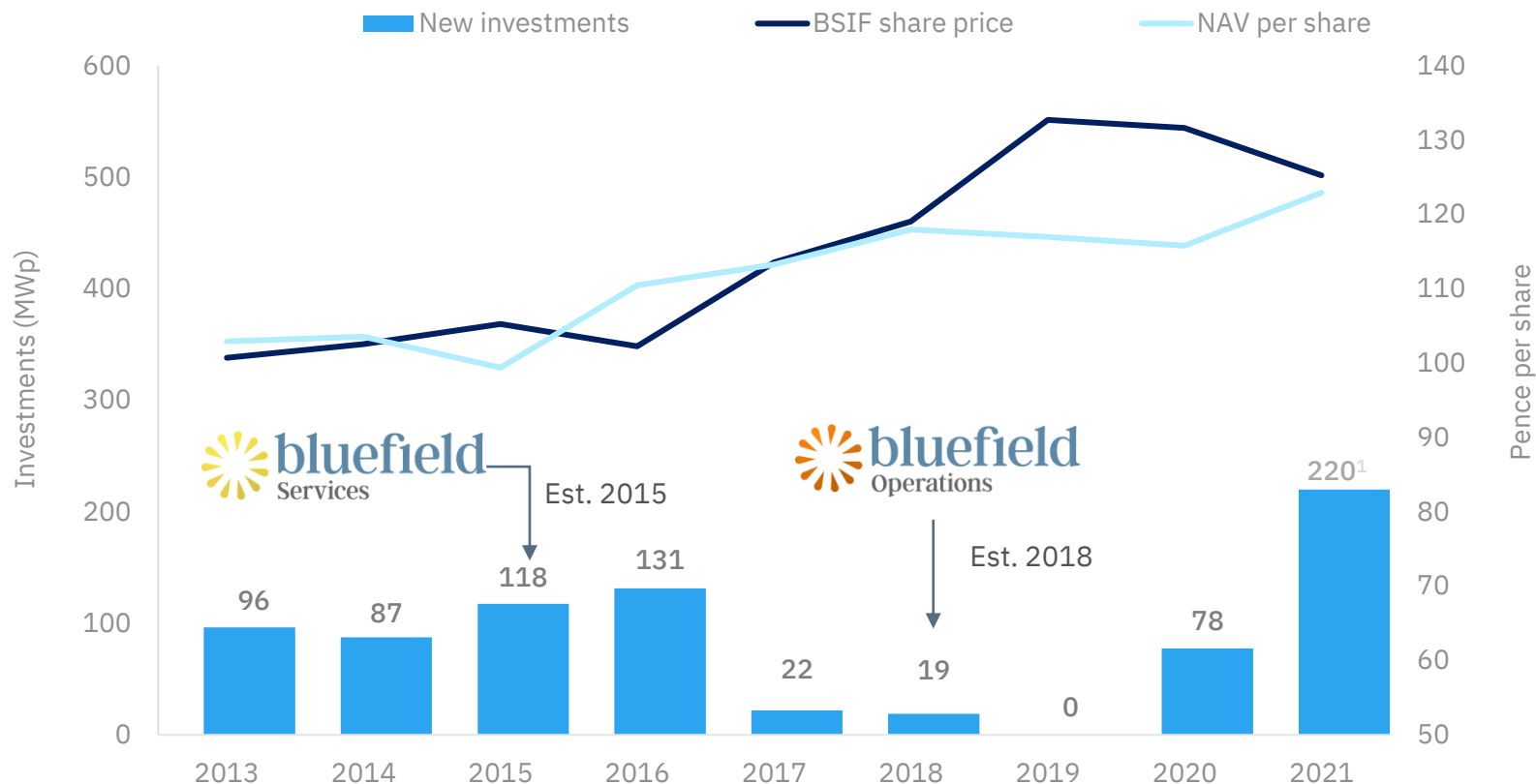
Underlying
Earnings

FY19/20
Reserves



CAPITAL DISCIPLINE

PERIODS OF DEPLOYMENT AND NON DEPLOYMENT DEPENDING ON CONDITIONS



INVESTMENT STRATEGY

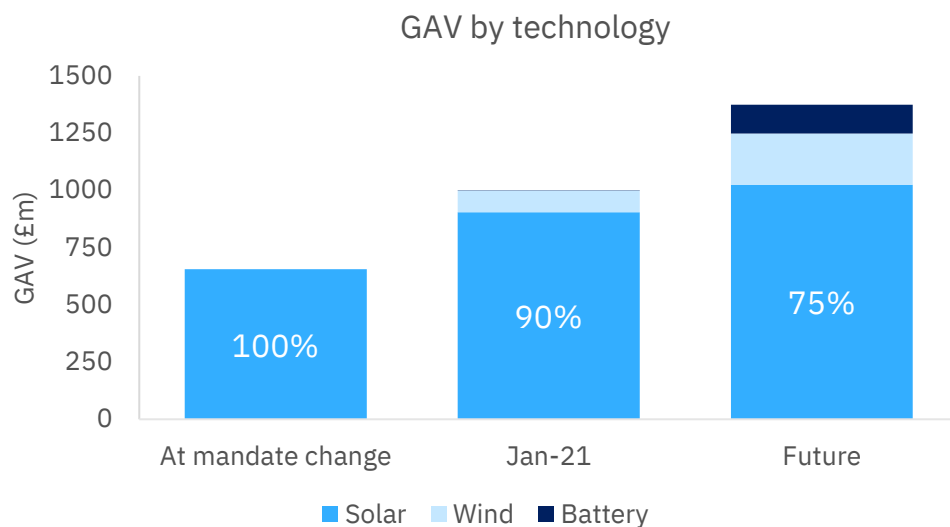
ACQUISITIONS REFLECT EVOLVING BSIF PORTFOLIO

EXECUTION OF INVESTMENT STRATEGY

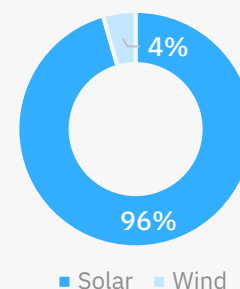
Successfully completed c. £300m (c. 284 MW)* of new acquisitions across solar, onshore wind and battery storage since mandate change in July 2020.

FORWARD FOCUS

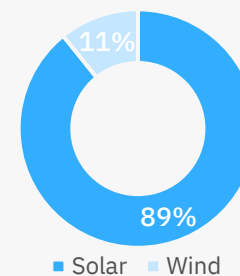
Target to deliver sustainable growth via investment into highly complementary technologies across both new-build and secondary portfolios.



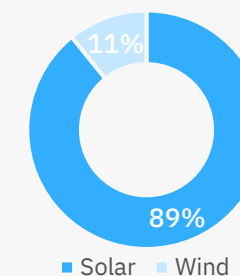
TOTAL CAPACITY¹



REVENUE OVER SUBSIDY LIFE¹



PORTFOLIO GENERATION¹



DEBT STRATEGY

CONSERVATIVE LIMIT OF 50% DE-RISKS EQUITY RETURNS

Short term acquisition debt

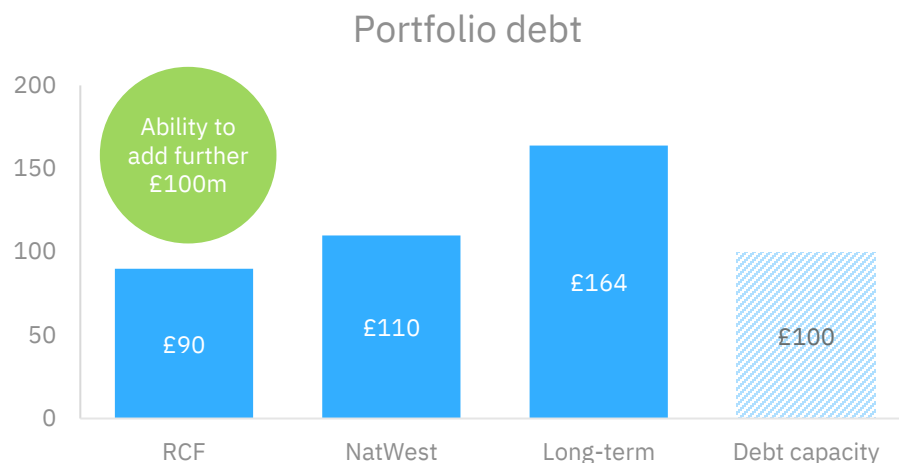
Short term debt provides flexibility to fund acquisitions ahead of insertion of longer term financing (equity or debt)

Low-cost long term debt

Long term debt added at portfolio level to maximise cost, operational flexibility and equity returns. Fully amortising within subsidy period at average cost 3.4%*

£100m gearing headroom

Optionality to add a further c. £100m of gearing (leverage of 41% vs. 50% limit)



CURRENT DEBT SUMMARY

Short term	£100m Revolving Credit Facility & Accordion with RBSi maturing in Sept 2022 with option to extend to Sept 2023
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Medium term	£110m 3 year term loan with Natwest plc, maturing in September 2023, 75% hedged with 17 year swaps at c. 0.31%
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Long-term	Facilities totalling £163.9m, fully amortising by 2034 – 2035
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POWER/REVENUE STRATEGY

POWER SALES OPTIMISATION FOR STABLE INCOME

- Power sales strategy smooths out the volatility in electricity markets
- Consistent fixing allows the IA to capture value and limit downside
- PPAs fixed for 24m-36m on average
- BSIF average price fixes generally in-line with summer baseload price, where bulk of solar generation occurs

FUTURE UPSIDE

Average Fix Price (as at June 2021)

£49.88/MWh

Average Fix Price (post-June 2021)

£71.34/MWh

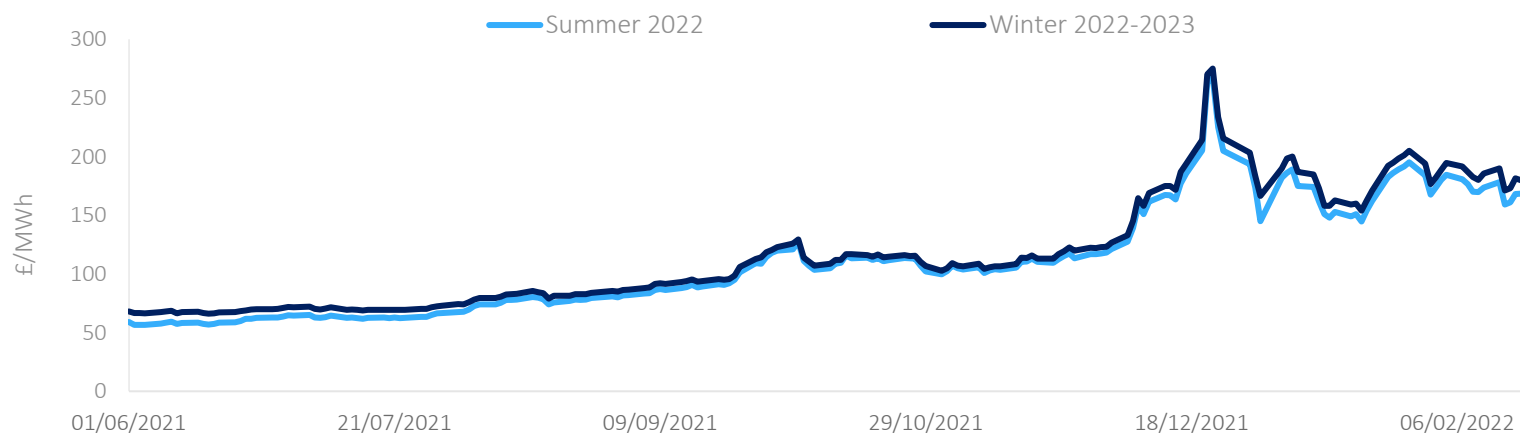
Average Starting Price (PPAs starting Jan 2022)

£88.83/MWh

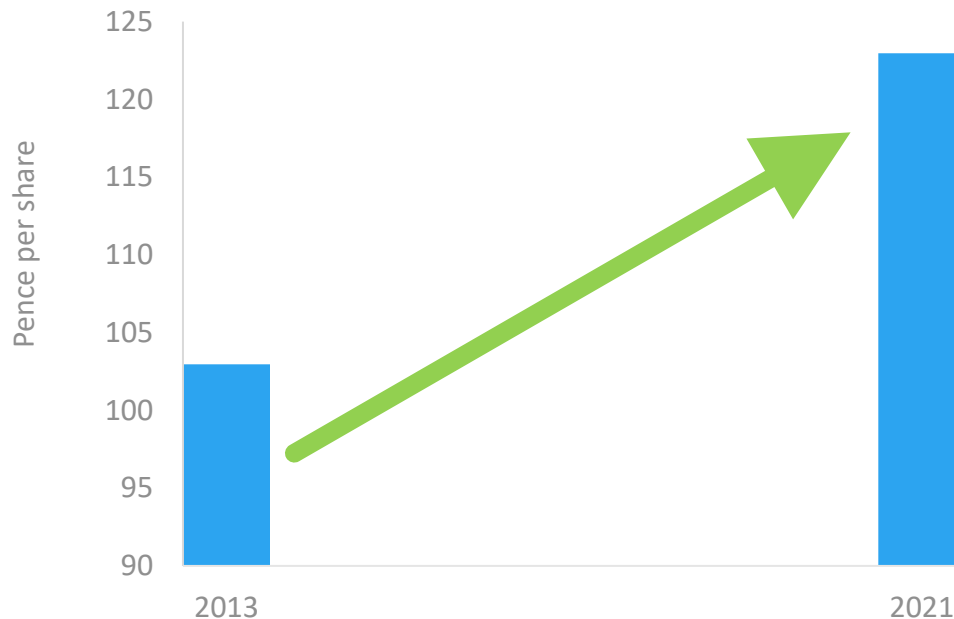
Total contracts being restruck in H1 2022

150 MWp

Seasonal power price trends¹



PORTFOLIO ACTIVITIES SUPPORT NAV GROWTH ACTIVE MANAGEMENT PRESERVES AND ENHANCES VALUE



Approach to building value

Enhancement of revenue

PPA hedging strategy improves terms from suppliers whilst reducing volatility to power markets

Optimisation of costs

Transfer of O&M Services to Bluefield Operations Limited has provided significant saving and enhanced service levels

Capital Works Projects

Continuous investment through annual capital works programmes (£1.2m in FY22) maximises portfolio generation

Asset Life Extension

Over 332MWp of the Company's portfolio has secured extensions from 25 years to up to 40 years

Development pipeline

Investment of c. 1% GAV into over 625MWp of PV and 175MWp of battery developments provides significant future value uplift

RPI-LINKED SUBSIDIES PROVIDE INFLATION PROTECTION

SOLAR AND WIND OUTPERFORM RELATIVE TO RISK

High proportion of inflation-linked revenues

On average 63% of BSIF's revenues are from subsidies over the life of the tariff. These subsidies are linked to inflation, giving the fund strong protection against inflation.

Stable OPEX

Most of BSIF's operational costs are linked to inflation but c.80% EBITDA margin during life of subsidy means these detract little from returns

Low-cost fixed debt

Of the balance outstanding on 31 December 2021, only £60m (18%) is linked to inflation

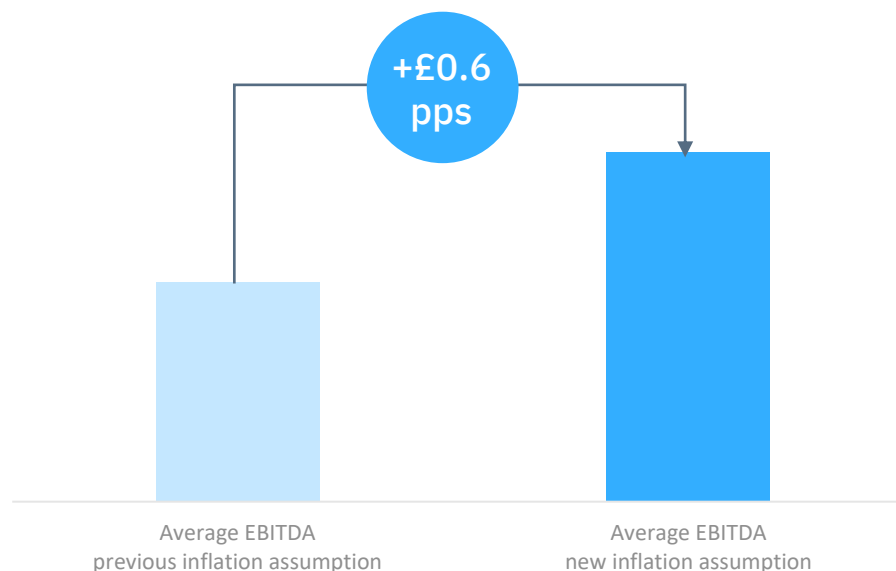
Protecting returns against inflation

Combined, these features should provide BSIF with stable earnings in the face of rising inflation

BLUEFIELD'S RPI INFLATION ASSUMPTIONS

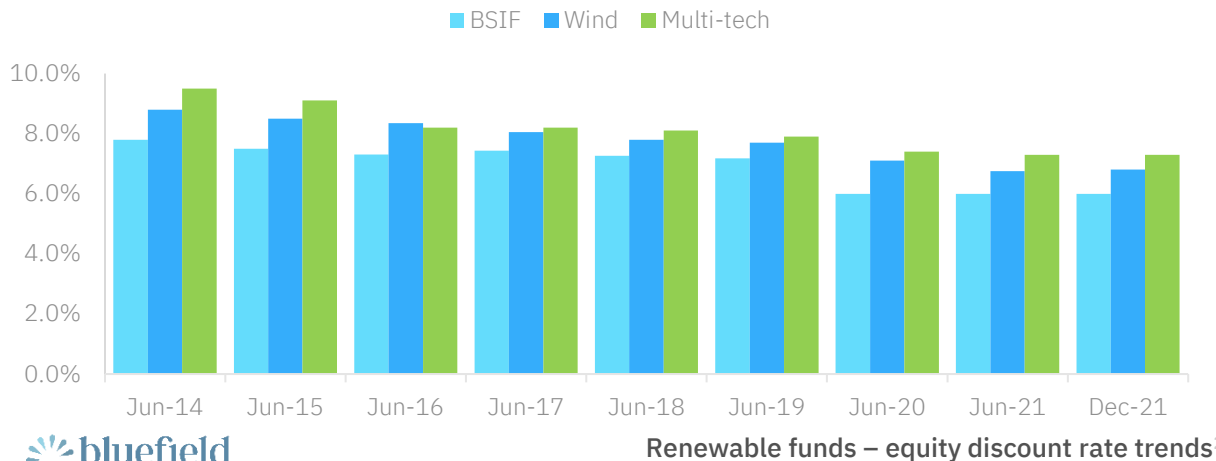
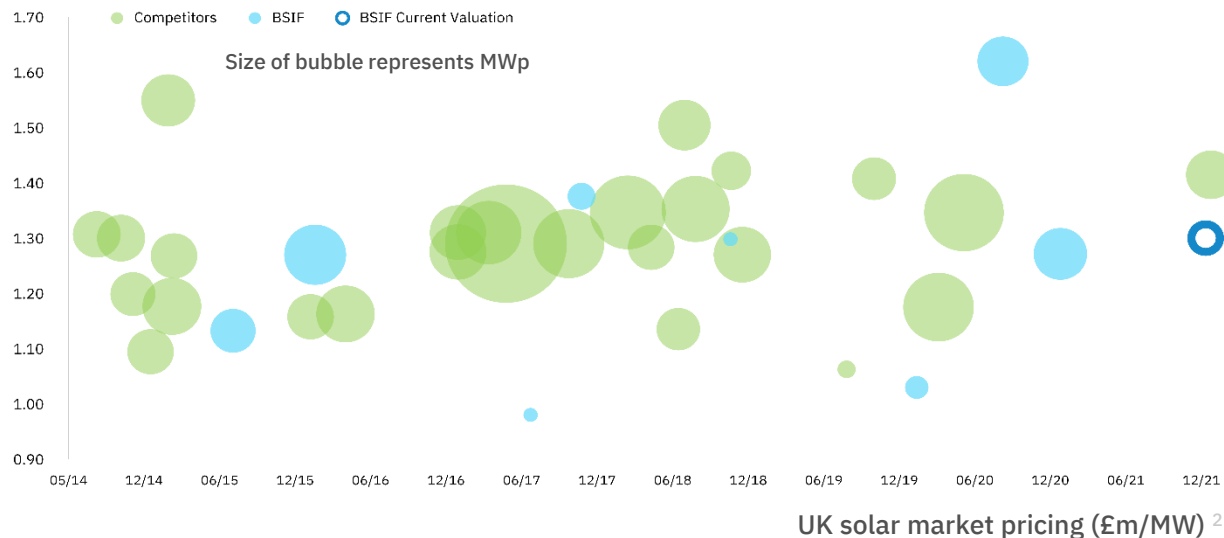
Year	2022	2023	2024	2025	2026 - 2029	2030 onwards
Previous	3.00%	3.00%	3.00%	3.00%	2.75%	2.75%
New	6.40%	3.40%	3.00%	3.00%	3.00%	2.25%

BSIF'S AVERAGE EBITDA FY2023-FY2033 ¹



VALUATION PARAMETERS

VALUATION BENCHMARKED TO MARKET ACTIVITY



¹ BSIF Interim Accounts FY21/22

² Bluefield analysis.

Valuation underpinned by

Low risk portfolio – low leverage (average c. 35%), high regulated revenues (c. 63%) ¹, no currency risk

Discount rate of 6.0% (6.0% Jun 2021)

Blend of three leading forecasters power curves

Inflation of 6.4% in 2022, 3.4% in 2023, 3.0% to 2029 and 2.25% from 2030

Weighted average remaining life of portfolio 29.4 years (Jun 20: 30.2 years)

ESG

BROAD SET OF MEASURES BEING IMPLEMENTED AFTER MATERIALITY ASSESSMENT

ESG Strategy Development

An external consultant has been engaged to develop an ESG strategy for the fund

Legislative Compliance

Ongoing assessment of BSIF's requirements under emerging ESG legislation, including alignment with the SFDR & EU Taxonomy as part of ESG strategy development

Biodiversity Strategy

Wychwood Biodiversity have been engaged to develop a strategy for the portfolio.

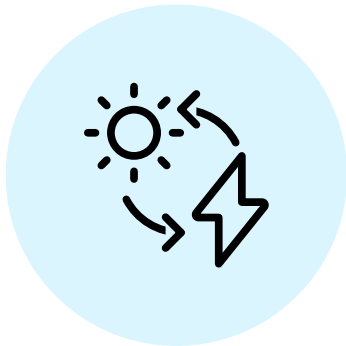


600 GWh
OF RENEWABLE ENERGY GENERATED
DURING THE FINANCIAL YEAR

200,000
HOUSES POWERED WITH
RENEWABLE ENERGY FOR A YEAR

CONCLUSION

CONTINUED FOCUS ON OPPORTUNITIES FOR INFLATION PROOFED GROWTH



- Long duration, highly regulated, operational assets



- High quality, high yielding primary opportunities

- Near term pipeline of >£250m

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- The track record information and performance data included in this document was generated by a number of different persons in a variety of circumstances and who may differ from those who will manage the Company's investments. It may or may not reflect the deduction of fees or the reinvestment of dividends and other earnings.
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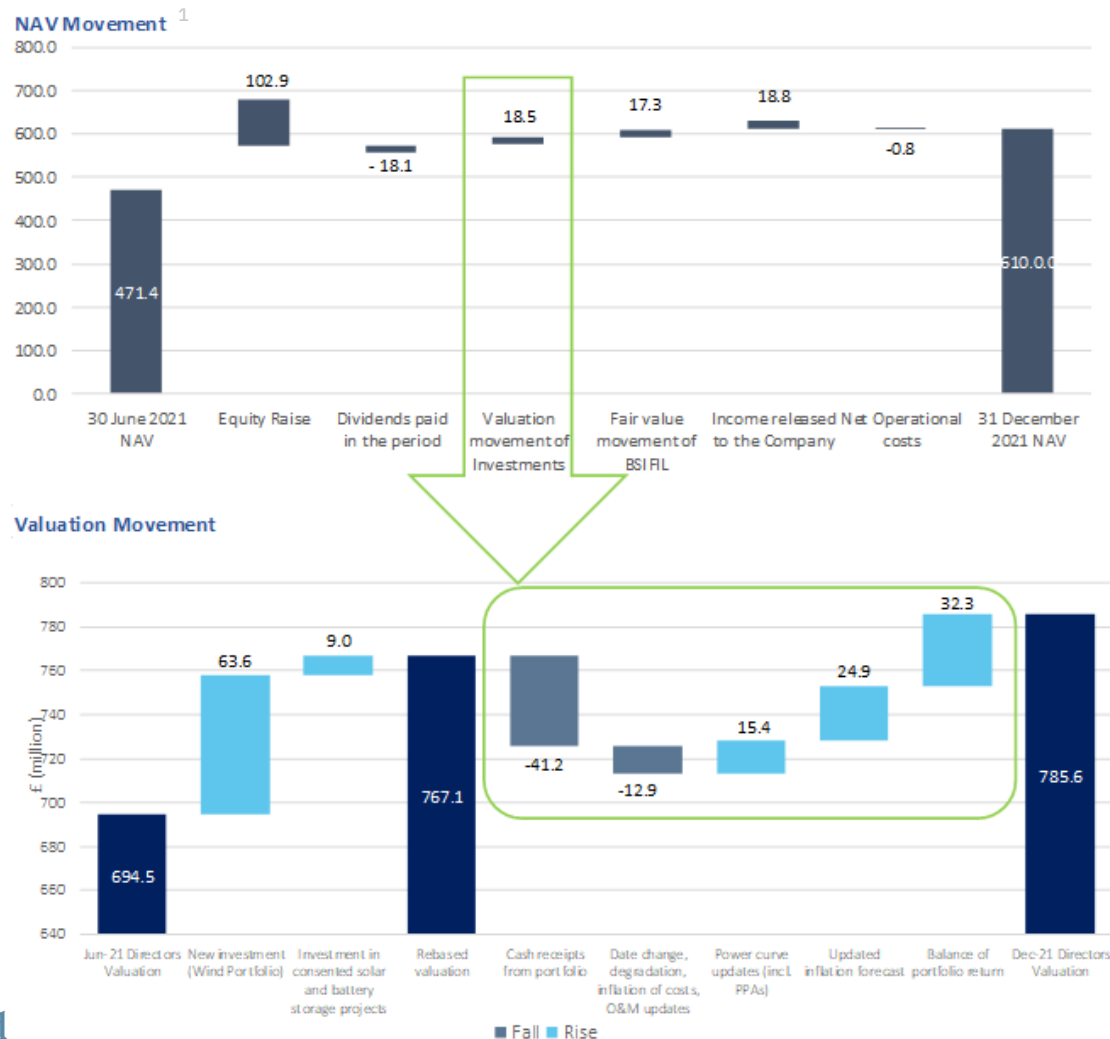


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APPENDIX



NAV INCREASE DRIVEN BY RISING NEAR TERM INFLATION ACQUISITIONS AND POWER PRICE FIXES BRING ADDITIONAL VALUE

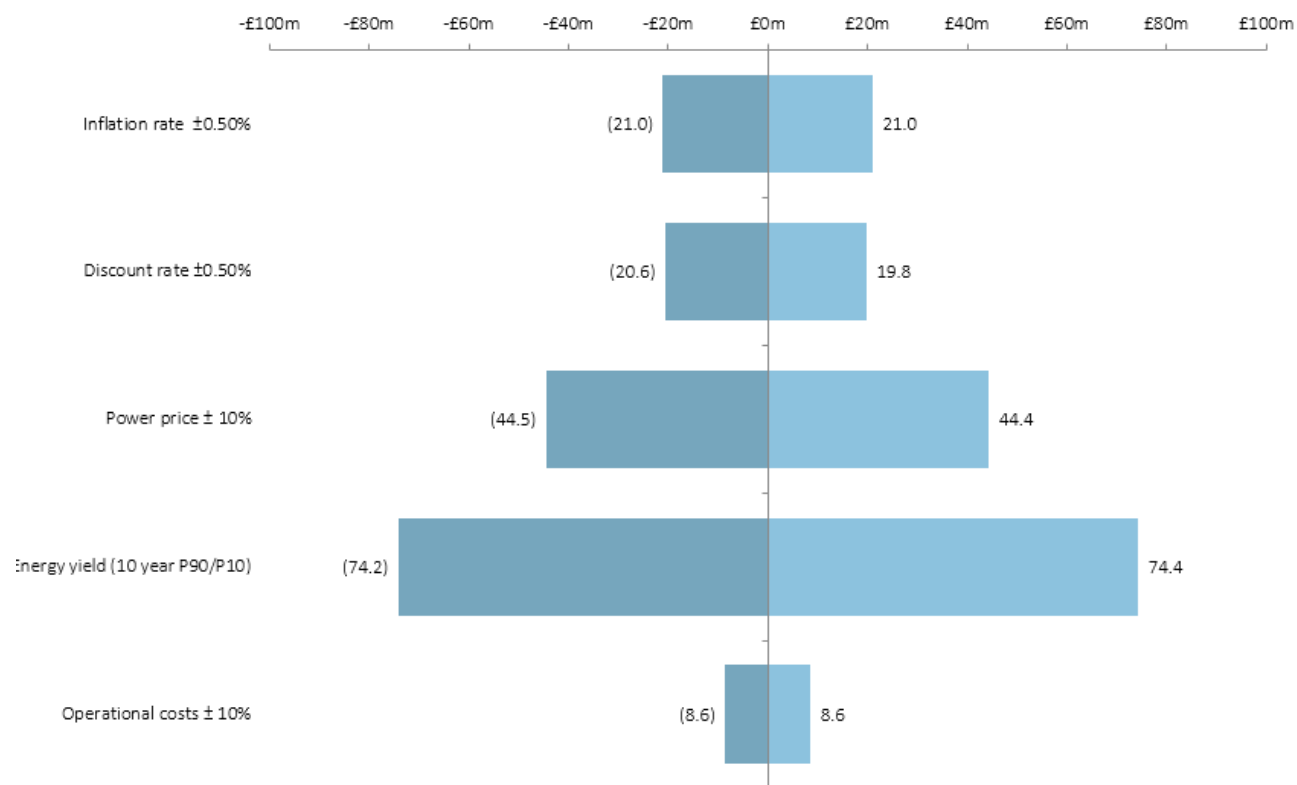


SENSITIVITY ANALYSIS

BSIF VALUATION REMAINS ROBUST AGAINST FLUCTUATIONS OF KEY PARAMETERS

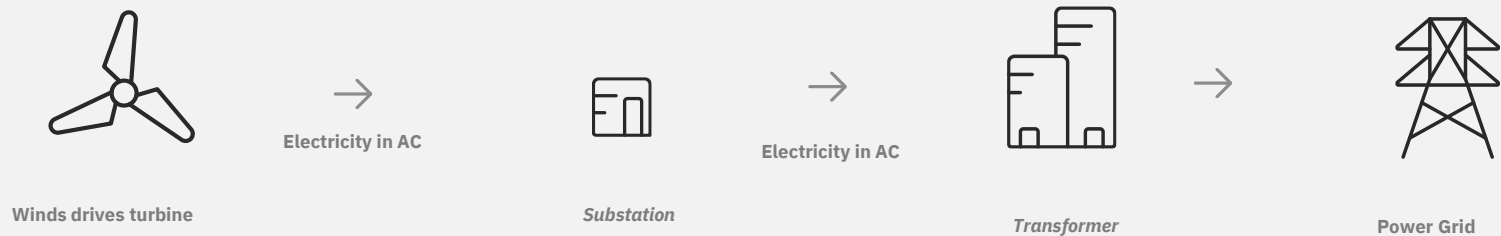
£861.2m

Enterprise Portfolio DCF value (EV) ¹



POWER GENERATION

CONVERTING IRRADIANCE/WIND RESOURCE TO PORTFOLIO INCOME



Power Generation Process

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

Solar Irradiation

Warranted by contractor

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

Plant Performance

Power revenues based on PPAs fixed contracts

ROC/FiT tariffs fixed on commissioning for 20-25 years

Output

CASE STUDY: CARBON FLUX

There is increasing interest into how solar parks can support natural capital and ecosystem services.

An area mostly unknown is the impact of solar parks on land carbon. BSIF is currently supporting Lancaster University and Qanterra Systems with research in this area by providing a solar PV site from its portfolio to be studied.

The project will run for at least one year and, as far as we are aware, quantify carbon fluxes using micis the first study of its kind to rometeorological approaches at a solar park. The data collected will also be used to facilitate modelling studies that can predict the longer-term impacts on land carbon.



SUSTAINABLE DEVELOPMENT GOALS

BSIF'S CONTRIBUTION TO THE SUSTAINABLE DEVELOPMENT GOALS (SDGs)



BSIF invests in renewable energy infrastructure and associated technologies, such as storage. The portfolio continues to grow in size and as at 31 December 2021 had over 625 MWp installed capacity.



Through the production of renewable energy (and therefore displacement of fossil fuel generated energy), BSIF produces hundreds of thousands of tonnes of CO₂e savings each year, supporting the UK's Net Zero ambitions.



BSIF is committed to enhancing biodiversity across the portfolio. In addition to biodiversity enhancement measures (such as beehives and bat/bird boxes) being installed on site, BSIF is currently developing a biodiversity strategy in conjunction with an external consultant.

ESG HIGHLIGHTS

BASED ON FORECASTED ANNUAL DATA

600 GWh

OF RENEWABLE ENERGY GENERATED
DURING THE FINANCIAL YEAR

200,000

HOUSES POWERED WITH
RENEWABLE ENERGY FOR A YEAR

128,000

TONNES OF CO₂e SAVINGS

153,000

GBP TO BE PAID TO COMMUNITY
BENEFIT SCHEMES