

Introduction

Solar Income & Growth ("the Company") owns and operates over 2,700 rooftop solar systems throughout the UK. The existing assets were installed between 2011 and 2018, and are all accredited under the Feed-in Tariff ("FiT") scheme. FiT solar systems receive inflation proof (RPI-linked), government-backed payments for the electricity generated. FiT contracts are valid for up to 25 years providing the Company with lower risk, long term, predictable cash flows. This enables the Company to provide regular income to shareholders via dividends.

Recent Activity & Outlook

In Q1 2025 the Company returned £0.01 per share by way of dividends, as anticipated. The share price remained unchanged from the previous quarter, maintaining a level of £1.29. The Company will continue to seek opportunities to acquire commercial rooftop solar assets at attractive valuations.

Key Facts

As of 31 st March 2025	
Gross Asset Value	£39m
Income Share Price	£1.29
Growth Share Price	*Please contact Beringea LLP
Target Total Return	4-5% per annum
Target Dividend (Income Shares)	4p per share per annum
Fees	1.5% of NAV** (per annum)
Liquidity	Quarterly (subject to liquidity)
Manager	Rivington Energy ("Rivington")
Valuers	Amberside Valuations ("Amberside")
Auditors	Lubbock Fine
Commenced Trading	2014

* Beringea LLP: 55 Drury Lane, Covent Garden, London, WC2B 5SQ

** An additional performance fee of 0.5% is due if annual returns are over 5%.

***Asset management services are provided to Solar Growth by Rivington through ACM (Asset Management) Limited, a company registered in England (no. 14857603), with its registered office at Level 4, LDN: W, 3 Noble Street, London, EC2V 7EE. ACM Asset Management Limited is part of the Rivington Energy Group and is a wholly owned subsidiary of Rivington Energy Limited, which is a wholly owned subsidiary of Rivington Energy (Management) Limited, a company that is majority owned by Federated Hermes Limited.

Returns

Solar Income & Growth is a UK-focused solar energy generation company offering investors access to UK solar and other energy projects, with a target annual income of 4% and a target total annual return of 4-5%. Returns are not guaranteed. Capital at risk.

ABOUT RIVINGTON

Rivington is an experienced London-based solar asset manager and developer. The solar asset management team at Rivington were previously employed by Armstrong Capital Management.

Current Portfolio

ASSET TYPE	kWp	INSTALLATIONS
Commercial	4,859	66
Domestic	6,675	2,634
Total	11,534	2,301

The credibility of Solar Income & Growth is underpinned by the following factors...

Institutional Backing

In 2015, Legal & General Investment Management ("LGIM") invested £29.5 million into the Company through the issuance of secured RPI-linked loan notes listed on the London Stock Exchange.

LGIM is one of the largest asset managers in the UK with over £1 trillion under management. The Company has a 100% record of meeting the covenants for the LGIM debt, indicative of the strong governance under Rivington.

Strong Governance

The Company has external representation from independent directors with relevant expertise, such as Paul Beynon who was previously head of UK power trading at RWE, and Barry Green who was former CFO of Man Group and a partner at KPMG.

The board of the Company provides management oversight and is required to approve all material activities of the business, including acquisitions and disposals.

Backed & Inflation Linked Income Streams

The Company derives over 90% of its income from FiT payments. The FiT payments increase annually with RPI and are backed by the government.

The Company has very limited exposure to merchant power prices making its revenues highly predictable. This also means that the Company is less exposed to any volatility in global events.

Approach To Valuation

- The Company's valuation is independently reviewed annually by Amberside Valuations. Amberside is a specialist valuer of infrastructure assets, such as solar and wind powered electricity generation assets.
- Amberside applies benchmarked discount rates against listed solar funds and comparable market transactions to evaluate the value of the Company's solar portfolio.

"We believe solar assets to be significantly lower risk than general infrastructure assets as solar has lower operational risk and costs"

Amberside Valuations



- The Company's senior debt and almost all its revenues are linked to RPI, but due to the way that the government-backed income streams work, there is a lag of almost a year between when the debt payments increase with RPI and when the revenues increase. The valuation approach allows the Company to recognise the benefit of rising inflation as it rises, even though the Company's cash flows could take longer to catch up.

Growing Value In The Portfolio

The assumptions used in the valuation modelling are conservative and do not factor in potential value uplifts in the existing portfolio. There is scope to enhance value, for example:

- **Extending the lease length of solar plants.**
- **Combining solar plants with battery technology and other flexible energy generation systems.**
- **Optimising performance over time through high quality asset management.**
- **Reducing costs, as the portfolio grows in scale, for example by renegotiating maintenance contracts.**

These elements could represent achievable improvements in future value for shareholders in the Company and are being pursued by Rivington.

The key investment considerations for investors are summarised below. The investor guide of Solar Income & Growth should be referred to for finer details of the investment including the relevant risks.

Inheritance Tax & CGT

Business Property Relief (BPR)

100% Inheritance Tax (IHT) relief is given on transfers of the Company's shares which have been owned for at least two years.

Capital Gains Tax (CGT)

Capital gains for individuals within the annual allowance of £3,000 are tax free.

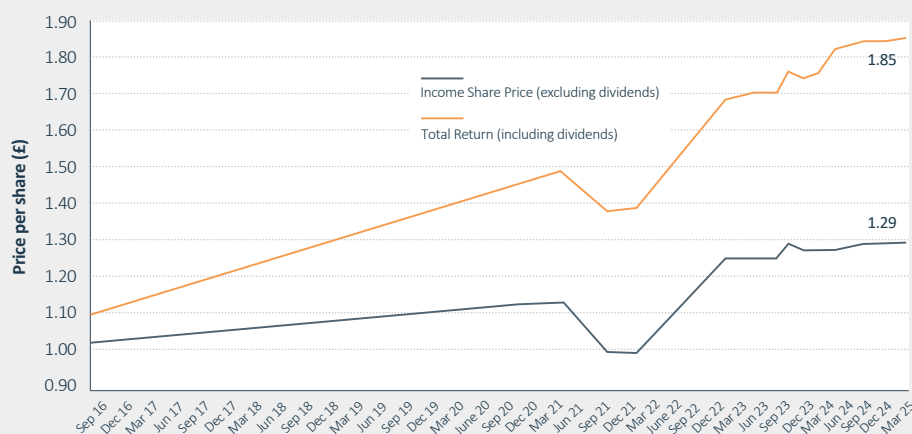
Liquidity

It is the intention that the Company will offer shareholders regular liquidity to allow shareholders to redeem their investment in full or in part. The Company will seek to facilitate liquidity on a quarterly basis, subject to the availability of funds to do so.

Since being established in 2014, shareholders have received returns in excess of the target return. The Company has returned a total of £1.85 (per £1.00 invested).

Solar Income & Growth

(Historic income share price and total return)



The portfolio was revalued up to £1.11 in Dec 2019 due to material changes in valuation of comparable assets.

Actual Annualised Total Return as at 31 March 2025

1 Year Return	3.1%
3 Year Return (annualised)	5.8%
5 Year Return (annualised)	7.3%

- Stable returns modelled using inflation assumptions in line with government forecasts
- Operational costs in line with contracts and industry practises with a solar degradation rate of 0.4% assumed for all forecasts
- Past performance is not an indicator of future performance

Important Notice

This shareholder update is provided for informational purposes only and is intended solely for the shareholders of the Company. The information contained in this update is private and confidential and must not be shared, reproduced, or distributed without the prior written consent of the Company.

This document does not constitute an offer to sell or a solicitation of an offer to buy any securities. It contains forward-looking statements that involve risks and uncertainties, including, but not limited to, statements regarding the Company's future operations, financial performance, market conditions, and strategic plans. Actual results may differ materially from those expressed or implied in such forward-looking statements due to various factors, including those described in the Company's filings with regulatory authorities. Shareholders and readers are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date of this update. The Company undertakes no obligation to update or revise any forward-looking statements, whether because of new information, future events, or otherwise. This update may also reference unaudited financial information or operational metrics that are subject to adjustment and should not be regarded as definitive. Nothing in this document should be construed as investment, legal, tax, or other professional advice.