

US Solar
Fund

Attractive and sustainable returns from US solar power

Quarterly Update | 31 March 2022

First Quarter Update

USF Quarter Highlights

- NAV update:** US Solar Fund's (USF or the Company) unaudited NAV at 31 March 2022 was \$321.1 million or \$0.967 per share, a 0.9% decrease from the 31 December 2021 NAV of \$0.975 per ordinary share. The marginal decrease was due to a reduction in cash balances arising from seasonally lower production and associated cash flows over the winter months. There was no change to the value of individual assets or any adjustment from electricity price forecasts, which will be updated at the end of the second quarter.
- Portfolio performance:** Production for Q1 2022 was 2.6% above budget for the quarter, primarily due to better than forecasted weather in California and Oregon.
- Contracted cash flows:** All assets in the portfolio have power purchase agreements (PPAs) with contracted prices for 100% of electricity generated. The portfolio weighted average PPA term is 14.1 years as of 31 March 2022, and all PPA counterparties are investment-grade (S&P rated A to BBB).
- Dividends:** The Company announced its Q4 2021 dividend of 1.50 cents per ordinary share, paid on 29 April 2022, in line with the Company's target full year dividend of 5.5 cents per ordinary share. In each year, the Company expects to declare slightly higher quarterly dividends for the third and fourth quarters compared to the quarterly dividends for the first and second quarters due to the seasonal cash flow profile of the assets.
- Dividend cover:** Dividend cash cover for the 12-months ended 31 March 2022 was 1.26x. Dividend cover in Q3 and Q4 is expected to trend higher due to seasonality and cashflows received from operations during warmer months.
- Acquisition (after the period):** In February 2022, USF announced that the Company had exercised the option to acquire a further 25% (50MW_{DC}) interest in Mount Signal 2 (MS2), a 200MW_{DC} project in California. In May 2022, USF received the remaining Federal Energy Regulatory Commission (FERC) consent required to close the transaction and expects this close to occur in coming weeks. This acquisition brings the total portfolio to 543MW_{DC}.
- Sustainability Report:** In February USF also released its inaugural Sustainability Report, expanding on previous reporting in the Annual and Interim Reports.

Table 1: Underlying Operating Cash Flows and Dividend Cover (unaudited)

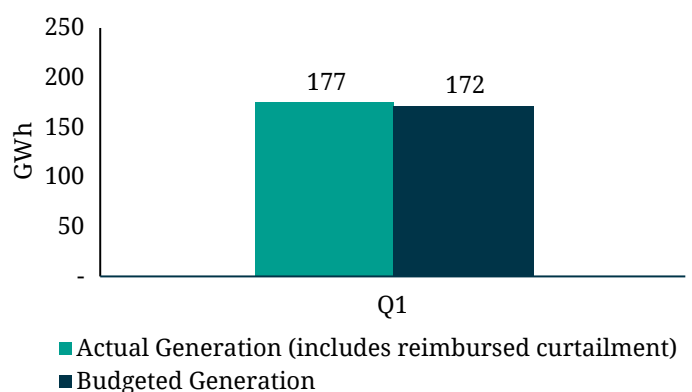
	12 months to 31 March 2022 \$'m
Project revenue	52.5
Project operating expenses	(13.9)
Payments to tax equity	(9.4)
Portfolio debt expenses	(9.2)
Project cash flows after debt service	20.1
Management fees	(2.6)
Corporate operating expenses	(2.1)
Revolver interest and fees	(0.2)
Underlying operating cash flows	15.2
Cash flow reserve carried forward	2.8
Total underlying cash flow	18.0
Dividends paid	14.3
Dividend cover	1.26x

NAV UPDATE

The key driver of the marginal NAV decrease was the reduction in cash balances arising from lower production and cash flows received over the winter months relative to the 4Q21 dividend declared during the quarter, which was in line with USF's target annual profile. This NAV update does not incorporate any adjustment to individual asset values or long-term electricity price forecasts. Updates from at least one of USF's electricity forecast providers will be incorporated in the next NAV update at 30 June 2022.

PORTFOLIO PERFORMANCE

Figure 1: Operating Portfolio Performance Q1 2022



First Quarter Update

Figure 1 shows the actual and budgeted production of the portfolio over Q1 2022. Production for the quarter was 2.6% above budget, primarily due to better than forecasted weather experienced in California and Oregon over the quarter. The production was partially offset by losses experienced from inverter outages, non-reimbursed utility-directed curtailment and soiling.

Performance in California for the year was 2.9% above budget for the quarter with a 10% positive expected generation variance from site weather conditions however some of this was offset by non-weather-related losses at MS2 (50MW_{DC}) including non-reimbursed utility-directed curtailment, soiling and unscheduled maintenance from DC work orders.

North Carolina performance was 7.7% below budget, primarily due to poorer weather experienced throughout the Eastern US. Performance was also impacted by a number of small site-specific issues including inverter outages and damaged transformer cables, which have all been resolved over the quarter.

The Oregon portfolio performed 15.8% above budget primarily due to weather. All assets within Oregon aside from Chiloquin (14.0MW_{DC}), were performing as in line with management expectations. Chiloquin remained

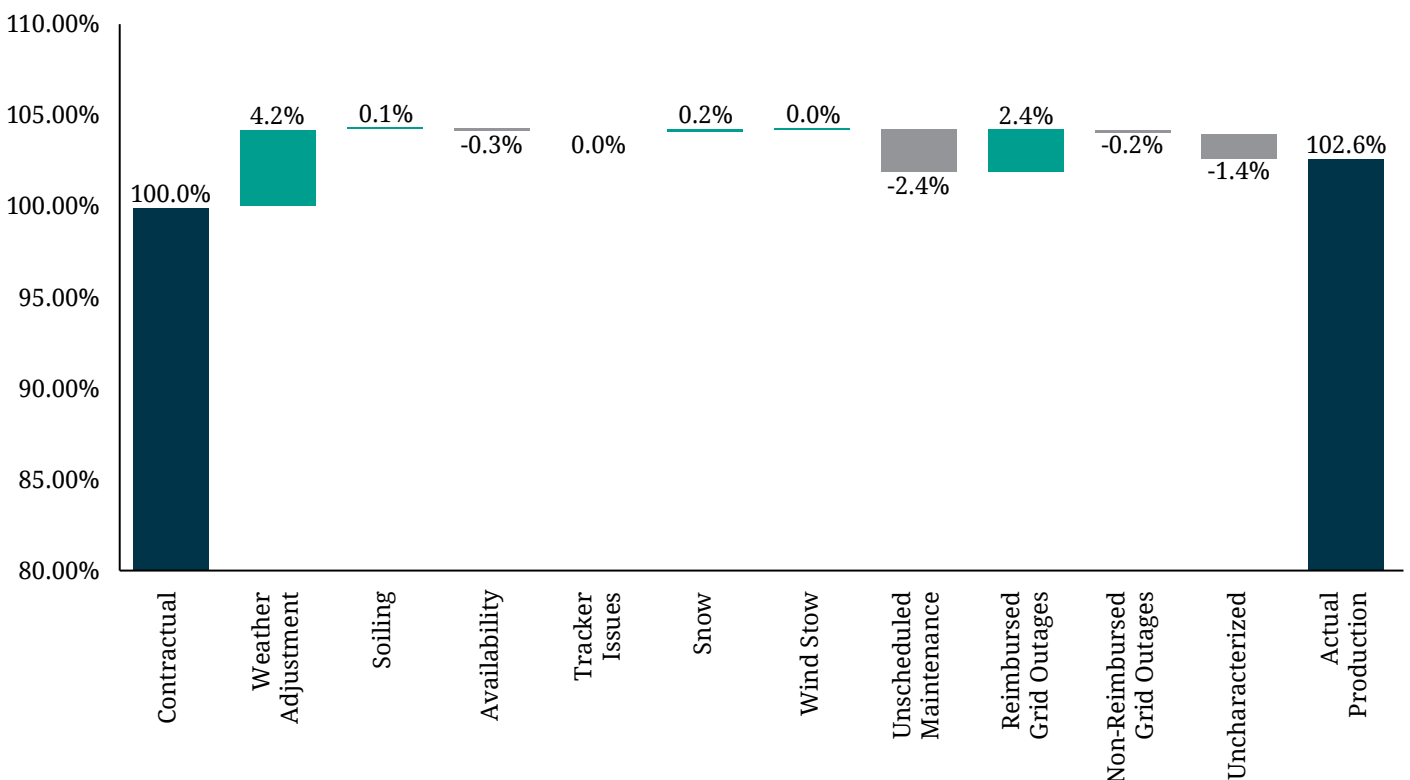
partially offline over the quarter due to damaged feeder cables from rodent damage. The insurance claim for repair costs and business interruption has been filed and repairs are currently in process, expected to be complete in Q2 2022.

In Utah, Milford (128MW_{DC}) performed 2.7% above budget for the quarter. The project continues to perform well with no issues experienced over the quarter.

Table 2: Q1 2022 Operating Portfolio Performance by State

State	Number of plants	MW _{DC}	MW % of Total	% of Budget MWh	Actual MWh/ Budget MWh	MWh weighted perf. vs budget
California	3	57	12%	13%	2.9%	0.4%
North Carolina	28	168	34%	25%	-7.7%	-1.9%
Oregon	10	140	28%	31%	15.8%	4.9%
Utah	1	128	26%	30%	2.7%	0.8%
Total	42	493	100%	100%	2.6%	2.6%

Figure 2: Operating Portfolio Production Waterfall Q1 2022



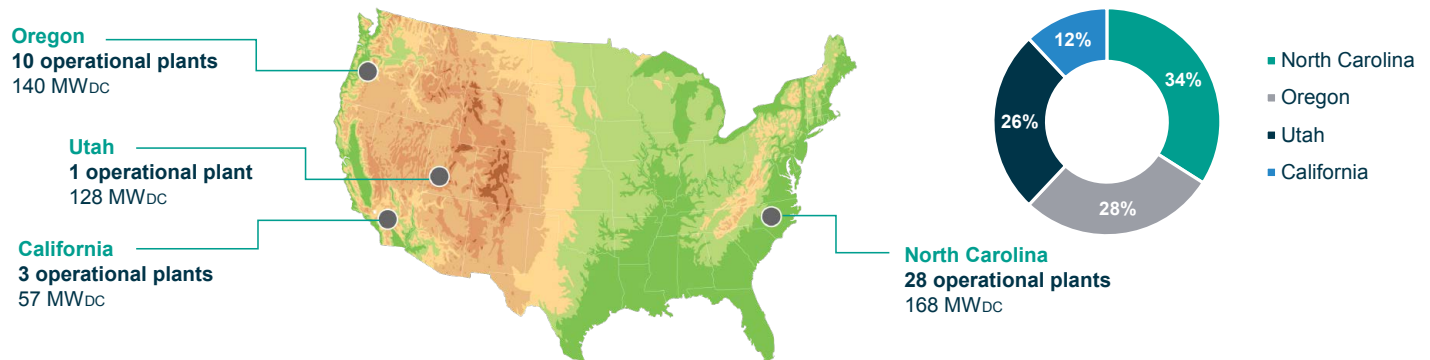
First Quarter Update

KEY FINANCIAL FACTS AT 31 MARCH 2022

Ordinary Shares Issued	332,192,361	
Ticker	USF (\$)	USFP (£)
Share Price	0.935	0.7070
NAV (\$)¹	321.1m	
NAV/share (\$)¹	0.967	
Premium (discount) to NAV¹	(-3.3%)	
Market Cap (\$m)	\$310.6	
Ongoing Charges	1.32%	
Target Dividend Yield²,³	5.5%	
Next Dividend⁴	May 2022	
Target Net Total Return⁵	Min 7.5%	

Listing:	London Stock Exchange Premium Segment
SEDOL	BJCWFX4 (\$) BHZ6410 (£)
ISIN	GB00BJCWFX49
Registered Number:	11761009
Ticker:	LSE: USF (\$)/USFP (£)
Dividend Payments:	Quarterly
Financial Year End:	31 December
Website:	www.ussolarfund.co.uk

PORTFOLIO OVERVIEW⁶



1 Based on the unaudited NAV as at 31 March 2022.

2 Once fully operational and on a fully invested and geared basis.

3 The target annual dividend yield and target net total return are targets only and are not profit forecasts. There can be no guarantee that these targets will be met and they should not be taken as an indication of the Company's expected or actual future results.

4 Q1 2022 dividend will be announced in May 2022.

5 Over the life of the solar power assets (expected to have a typical asset life of up to 40 years) net of all fees and expenses but before tax, on the basis of the IPO issue price, once the Company is fully invested.

6 Portfolio breakdown by state is by MW_{DC}.

First Quarter Update

Asset	Capacity (MW _{DC})	Location	Acquisition Date	Energy Offtaker	Offtaker Credit Rating	Remaining PPA Length (Years)	COD
Milford	127.8	Utah	Aug 19	PacifiCorp	S&P: A	23.7	Nov 20
Mount Signal 2	49.9	California	Mar 21	Southern California Edison	S&P: BBB	18.2	Jan 20
Suntex	15.3	Oregon	Jun 20	Portland General Electric	S&P: BBB+	9.3	Jul 20
West Hines	15.3	Oregon	Jun 20	Portland General Electric	S&P: BBB+	9.3	Jun 20
Alkali	15.1	Oregon	Jun 20	Portland General Electric	S&P: BBB+	9.4	Jun 20
Rock Garden	14.9	Oregon	Jun 20	Portland General Electric	S&P: BBB+	9.4	Jun 20
Chiloquin	14.0	Oregon	Mar 20	PacifiCorp	S&P: A	9.7	Jan 18
Dairy	14.0	Oregon	Mar 20	PacifiCorp	S&P: A	9.6	Mar 18
Tumbleweed	14.0	Oregon	Mar 20	PacifiCorp	S&P: A	9.7	Dec 17
Lakeview	13.7	Oregon	Mar 20	PacifiCorp	S&P: A	9.6	Dec 17
Turkey Hill	13.2	Oregon	Mar 20	PacifiCorp	S&P: A	9.6	Dec 17
Merrill	10.5	Oregon	Mar 20	PacifiCorp	S&P: A	9.6	Jan 18
Lane II	7.5	North Carolina	Dec 19	Duke Energy Progress	S&P: BBB+	11.4	Jul 20
Pilot Mountain	7.5	North Carolina	Dec 19	Duke Energy Carolinas	S&P: BBB+	11.4	Sep 20
Davis Lane	7.0	North Carolina	Mar 20	Virginia Electric & Power	S&P: BBB+	10.8	Dec 17
Gauss	7.0	North Carolina	Mar 20	Virginia Electric & Power	S&P: BBB+	11.4	Oct 18
Jersey	7.0	North Carolina	Mar 20	North Carolina Electric	S&P: A-	5.7	Dec 17
Sonne Two	7.0	North Carolina	Mar 20	Duke Energy Carolinas	S&P: BBB+	9.4	Dec 16
Red Oak	6.9	North Carolina	Mar 20	Duke Energy Progress	S&P: BBB+	9.7	Dec 16
Schell	6.9	North Carolina	Mar 20	Virginia Electric & Power	S&P: BBB+	9.7	Dec 16
Siler 421	6.9	North Carolina	Mar 20	Duke Energy Progress	S&P: BBB+	9.4	Dec 16
Cotten	6.8	North Carolina	Mar 20	Duke Energy Progress	S&P: BBB+	9.6	Nov 16
Tiburon	6.7	North Carolina	Mar 20	Duke Energy Carolinas	S&P: BBB+	9.4	Dec 16
Monroe Moore	6.6	North Carolina	Mar 20	Duke Energy Carolinas	S&P: BBB+	9.4	Dec 16
Four Oaks	6.5	North Carolina	Dec 19	Duke Energy Progress	S&P: BBB+	8.6	Oct 15
Princeton	6.5	North Carolina	Dec 19	Duke Energy Progress	S&P: BBB+	8.5	Oct 15
Tate	6.5	North Carolina	Dec 19	Duke Energy Progress	S&P: BBB+	11.4	Aug 20
Freemont	6.4	North Carolina	Mar 20	Duke Energy Carolinas	S&P: BBB+	9.4	Dec 16
Mariposa	6.4	North Carolina	Mar 20	Duke Energy Carolinas	S&P: BBB+	9.5	Sep 16
S. Robeson	6.3	North Carolina	Jan 20	Progress Energy	S&P: BBB+	5.3	Jul 12
Sarah	6.3	North Carolina	Dec 19	Duke Energy Progress	S&P: BBB+	8.2	Jun 15
Nitro	6.2	North Carolina	Dec 19	Duke Energy Progress	S&P: BBB+	7.7	Jul 15
Sedberry	6.2	North Carolina	Mar 20	Duke Energy Progress	S&P: BBB+	9.4	Dec 16
Willard	6.0	North Carolina	Dec 19	Duke Energy Progress	S&P: BBB+	11.4	Oct 20
Benson	5.7	North Carolina	Dec 19	Duke Energy Progress	S&P: BBB+	11.4	Aug 20
Eagle Solar	5.6	North Carolina	Dec 19	Duke Energy Progress	S&P: BBB+	11.4	Aug 20
Granger	3.9	California	Mar 20	San Diego Gas & Electric	S&P: BBB+	14.5	Sep 16
Valley Center	3.0	California	Mar 20	San Diego Gas & Electric	S&P: BBB+	14.7	Dec 16
County Home	2.6	North Carolina	Mar 20	Duke Energy Carolinas	S&P: BBB+	9.4	Sep 16
Progress 1	2.5	North Carolina	Jan 20	Progress Energy	S&P: BBB+	10.0	Apr 12
Progress 2	2.5	North Carolina	Jan 20	Progress Energy	S&P: BBB+	5.8	Apr 13
Faison	2.3	North Carolina	Dec 19	Duke Energy Progress	S&P: BBB+	8.0	Jun 15
Grand Total	492.9					14.1	

SENIOR MANAGEMENT

LIAM THOMAS *Chief Executive Officer*



- Over 16 years experience in Energy, Infrastructure, Mining and Agribusiness.
- 5+ years experience in renewable energy and has led all NESM acquisitions.
- Previous roles with Origin Energy, Aurizon, Orica and AWB.

WARWICK KENEALLY *Chief Financial Officer*



- Over 18 years experience in funds management, corporate finance and restructuring.
- Previous roles with McGrathNicol and KPMG.

ADAM HAUGHTON *Chief Investment Officer*



- Over 12 years experience in Renewable Energy, Infrastructure and M&A.
- Previous roles with Greentech Capital, Bank of America Merrill Lynch and SunEdison.

SCOTT FRANCIS *Head of Asset Management*



- Over 15 years experience in Energy, Infrastructure and asset management.
- Previous roles with Apex Clean Energy and Dominion Energy.

Investor Relations

US Solar Fund
Whitney Voute
+1 718 230 4329

Sponsor, Broker & Financial Adviser

Centkos Securities plc
James King
Tunga Chigovanyika
Will Talkington
+44 20 7397 8900

Jefferies International Limited
Stuart Klein
Gaudi le Roux
Neil Winward
+44 20 7029 8000

Administrator & Company Secretary

JTC
Christopher Gibbons
Susan Fadil
+44 20 7409 0181

Public Relations

KL Communications
Charles Gorman
Will Sanderson
+44 20 3995 6673

Registrar

Computershare Investor Services PLC
+44 37 0703 6253

CORPORATE CALENDAR

Annual General Meeting	May 2022
Dividend, NAV and Trading Update	May 2022
Company Financial Half-Year	June 2022
Dividend, NAV and Trading Update	August 2022
Interim Report publication	September 2022

DISCLAIMER

This Quarterly Update (**Update**) has been prepared by the Investment Manager (New Energy Solar Manager Pty Limited) of US Solar Fund. An investment in US Solar Fund is subject to various risks, many of which are beyond the control of its Investment Manager. The past performance of US Solar Fund is not a guarantee of its future performance. This Update contains statements, opinions, projections, forecasts and other material (forward-looking statements), based on various assumptions. Those assumptions may or may not prove to be correct. Neither the Investment Manager nor US Solar Fund, their respective officers, employees, agents, analysts or advisers nor any other person named in this Update makes any representation as to the accuracy or likelihood of fulfillment of the forward-looking statements or any of the assumptions upon which they are based. Unless otherwise specified, all references to currency are to US dollars. Due to rounding, numbers presented in this document may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.