



COMPANY UPDATE

[ATRATO ONSITE ENERGY PLC](#)

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Atrato Onsite Energy plc **(the "Company")**

COMPANY UPDATE

Atrato Onsite Energy plc (LSE: ROOF), the investment company focusing on clean energy generation, today announces a number of portfolio and business updates.

Completion of acquisition

The Company is pleased to confirm that the acquisition of the fully operational, 34MW rooftop solar portfolio (the "ASG Portfolio"), previously announced on 13 September 2023, has now completed.

- The ASG Portfolio, with a total value of £77.3 million, benefits from payments pursuant to the government's feed-in-tariff ("FIT") scheme, which provides the Company with highly attractive revenue streams underpinned by government-backed income with annual uncapped RPI uplifts
- The projected return profile will make it the highest yielding project in the Company's portfolio

Portfolio update

In the period from 1 April 2023 to date, the Company has invested £121 million¹, which will increase the Company's solar PV capacity by 91MW.

The portfolio now comprises:

- 182MW of solar PV capacity, of which 64%² are operational assets and 36% are installation assets. Full energisation of the installation assets is expected by March 2024
- 94% of revenue contracted under PPA or subsidy and 93% subject to annual inflation or fixed uplifts; 48% of revenue benefits from uncapped RPI or CPI uplifts
- Once fully operational, the 12-month forward looking dividend cover is expected to be in excess of 1.3x³
- Once fully operational, the portfolio is expected to generate c. 173GWh of clean energy annually, providing 37,000 tonnes of CO2 emissions savings, equivalent to powering 64,000 homes or planting 1,500,000 new trees

Installation asset update

We are pleased to announce that:

- Our 20MW Nissan project was energised in early October and is now fully operational
- Our Thetford project with Tesco (0.4MW) was energised in the first week of October, representing the Company's first rooftop solar project under the Tesco framework agreement
- London Road solar farm (28MW) is nearing completion, with energisation expected in Q4 2023, in-line with expectations

- Mobilisation commenced at Skeeby solar farm (55MW) in mid-August. Installation continues in-line with the project timeline, with energisation scheduled for the end of March 2024

A full breakdown of the portfolio is detailed in the table below.

Financing and pipeline update

The Company's £30.0 million Revolving Credit Facility ("RCF") with NatWest Bank is now substantially committed. Together with the £38.7 million of existing fixed rate project finance, acquired as part of the ASG Portfolio acquisition, the Company's LTV is 33%⁴.

The pipeline of acquisition opportunities has continued to grow as a result of ongoing corporate demand for the Company's sustainable energy solutions. The current pipeline comprises:

- £410 million across 80 projects
- Average unexpired PPA term of 15-20 years
- 87% installation assets and 13% operational

Investment Policy

The Company has made two non-material amendments to its Investment Policy. Full details are included at the end of this announcement.

Gurpreet Gujral, Managing Director of Atrato Partners, the Investment Adviser to the Company said:

"The Company has made good progress on its investment objectives in 2023 to become one of the largest owners of C&I solar in the UK. We look forward to providing a full update on the Company's performance in the full year results for the year ended 30 September 2023 in January 2024."

Portfolio overview

Operational Portfolio				
Offtaker	Asset type	Status	Remaining contract (years) ⁵	Capacity (MWp) ⁵
Amazon	Rooftop	Operational	18	12
Anglian Water	Ground	Operational	22	14
Gardner Group	Rooftop	Operational	24	1
Marks & Spencer	Rooftop	Operational	12	6
Nissan	Ground	Operational	20	20
Recipharm	Rooftop	Operational	25	1
ASG Portfolio	Rooftop	Operational	12	34
Tesco	Rooftop	Operational	18	7
Sub-total			14 years⁶	96MWp
Installation Portfolio				
Britvic (London Road)	Ground	Energisation expected CY Q4 23	10	28
OVO Energy (Skeeby)	Ground	Energisation expected CY Q1 24	3	55
Huntapac	Rooftop	Energisation expected CY Q4 23	15	1
Total			11 years⁶	182MWp

For further information, please contact:

Atrato Partners +44 (0)77 959 75560
Gurpreet Gujral
Christopher Fearon

Berenberg +44 (0)20 3207 7800
Gillian Martin
Ben Wright
Dan Gee-Summons

Kaso Legg Communications atrato@kl-communications.com
Charles Gorman +44 (0)20 3995 6673
Charlotte Francis

Notes to Editors

Atrato Onsite Energy plc (LSE: ROOF) is an investment company specialising in clean energy generation with 100% carbon traceability. The Company focuses on UK solar, helping its clients achieve net zero and reduce their energy bills.

The Company aims to provide investors with attractive capital growth and long dated, index-linked income, targeting a 5% dividend yield and a NAV total return of 8 - 10%⁽⁷⁾. Its shares were admitted to trading on the premium segment of the Main Market of the London Stock Exchange on 23 November 2021. Atrato Partners Limited is the Company's Investment Adviser.

Further information is available on the Company's website, www.atratoroof.com.

[1] Gross value including £38.7 million existing project finance in the Sol Portfolio

² Weighted on invested capital (including any existing project finance debt)

³ 12-month forward looking dividend cover. Dividend cover calculation inclusive of debt interest and repayment, as well as fund costs

⁴ Based on portfolio valuation as at 31 March 2023 and includes new acquisitions and capital expenditure at cost

⁵ Figures have been rounded

⁶ Weighted average unexpired contracted revenue stream; weighted on invested capital (including any existing project finance debt)

⁷ There is no certainty that these targets will be achieved

Revised Investment Policy

Investment Policy

Atrato Onsite Energy Plc (the **Company**) will seek to achieve its investment objective by investing in behind-the-meter ([private wire network](#)), solar photovoltaic generation systems and associated infrastructure (**Onsite Solar Assets**) (for example, solar photovoltaic generation systems located on rooftops). Each such system will be commercialised through one or more power purchase agreements ([PPAs](#)) and/or [other revenue agreements associated with the system](#) with a Contract Counterparty [connected in relation](#) to the Onsite Solar Asset [via a private wire network](#). Any surplus electricity production will typically be sold by the Company to the public power grid. The Company may also make investments in solar photovoltaic generation systems and associated infrastructure which are not located on the site of a Contract Counterparty or connected to a Contract Counterparty via a private wire network, provided that such systems are commercialised through arrangements which, in respect of initial contract length and unit price certainty, are materially similar to those PPAs through which an Onsite Solar Asset may be commercialised (**Long-Term Grid Assets**).

The Company may also make investments in Other Clean Energy Technologies up to a maximum of 30 per cent. of the Company's Gross Asset Value (calculated at the time of investment).

Origination of new asset opportunities will be a key component of the Company's investment strategy. The Company therefore intends as part of its strategy alongside the holding of Operational Assets to pursue investment opportunities in Installation Assets and some Pre-Installation Assets. It is anticipated that the installation phase of an Onsite Solar Asset's lifecycle will generally be a period of less than 4 months such that there is expected to be a high turnover of such Installation Assets that will become Operational Assets to be held by the Company. As the Company's portfolio grows it is expected that the majority of the Company's underlying investments will be represented by Operational Assets, notwithstanding that additional Installation Assets and Pre-Installation Assets may be acquired.

For the purposes of the Company's investment policy:

Clean Energy Assets means Onsite Solar Assets, Long-Term Grid Assets and other assets which qualify as Other Clean Energy Technologies;

Contract Counterparty means the entity which is primarily responsible for [paying for the use and benefit payment](#) of the [main revenue derived from the relevant PPAs associated with](#) Clean Energy [Asset Assets](#). Contract Counterparties will be non-domestic entities for example occupiers of industrial and commercial properties;

Installation Assets means Clean Energy Assets which have in place the required suite of material agreements to carry out the asset installation, including, as applicable, the property rights, permissions and revenue arrangements, but which have not yet become Operational Assets;

Other Clean Energy Technologies means infrastructure assets which facilitate the reduction of greenhouse gas emissions and which typically derive the majority of their revenues through agreements with non-domestic customers. Examples include but are not limited to electric vehicle charging infrastructure, onsite energy storage and any energy generation asset (whether or not connected to a public power grid) other than an Onsite Solar Asset or Long-Term Grid Asset which does not emit carbon dioxide to the atmosphere at the point of generation but excluding nuclear energy;

Operational Assets means Clean Energy Assets which have been installed, commissioned and which are capable of generating revenues;

PPA means [any power purchase agreement and/or any revenue agreement associated with the Clean Energy Asset between two or more parties whether or not such agreements are actually described on their face as a 'power purchase agreement', 'PPA' or by some other name, description or title](#); and

Pre-Installation Assets means Clean Energy Assets which have not yet been sufficiently progressed to be regarded as an Installation Asset.

The Company will invest in Clean Energy Assets predominantly located in the UK and the Republic of Ireland. Subject to the investment restrictions set out below, the Company may also make investments in Clean Energy Assets located in other OECD countries.

Assets may be held in special purpose vehicles (**SPVs**) into which the Company will invest via equity and/or shareholder loans.

The Company will typically seek sole ownership of such SPVs but may acquire a mix of controlling and non-controlling interests in Clean Energy Assets and may use a range of instruments in pursuit of its investment objective, including but not limited to equity, mezzanine or debt instruments.

In circumstances where the Company does not hold a controlling interest in the relevant investments, the Company will seek to secure its rights through contractual and other arrangements to, inter alia, ensure that the Clean Energy Asset is operated and managed in a manner that is consistent with the Company's investment policy and that the Company has appropriate access to information rights to enable it to comply with its continuing obligations under the Listing Rules, the Disclosure Guidance and Transparency Rules and UK MAR.

The Company may also agree to forward fund by way of secured loans the pre-installation and/or installation costs of Clean Energy Assets where it retains the right (but not the obligation) to acquire the relevant plant once operational. Such forward funding shall be subject to the investment restrictions below and will only be undertaken where supported by appropriate security (which may include financial instruments as well as asset-backed guarantees). Forward funding of any Pre-Installation Assets shall count towards the limit on investment in Pre-Installation Assets.

Whilst the Company does not typically expect to provide forward funding, the right to do so, subject to the above limitations, enables the Company to retain flexibility in the event of changes in the asset pipeline over time.

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