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15.9MW Established UK Commercial Solar Platform with Contracted PPA

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TARGET PRICE
GBP 10,000,000

GROSS REVENUE
GBP 2,142,000

EBITDA
GBP 1,900,000

BUSINESS TYPE
Renewable Energy - Solar PV

COUNTRY
United Kingdom

BUSINESS ID
L#20261151

A UK renewable energy group with four years of commercial and industrial solar delivery is seeking a £10 million secured debt facility to fund the construction of solar assets it will own and operate under long-term Power Purchase Agreements. Capital is drawn against individual schemes at build, secured on the assets and their contracted income, and serviced from that income.

Historically the group delivered installations that the customer funded and owned, taking margin once and transferring the asset away. The forward strategy reverses that: the group funds the build, retains ownership of the asset on the customer's roof, and sells the generated power back to the occupier under a 25-year contract priced below their grid import rate.

The result is a contracted, index-linked income stream secured on a physical asset the group owns. The only constraint is capital at the point of build, which is what this facility addresses.

Investment Highlights

The facility is designed to finance the construction and deployment of contracted commercial solar PV assets, enabling the company to retain ownership of completed projects and build a portfolio of long-term, recurring energy income.

The initial funding tranche will support 11 contracted projects totalling 15.9 MWp, with approximately £9.88 million of capital required. Funds will be deployed progressively against individual projects as they move through construction and commissioning.

Immediate deployment — contracts issued, ready to build

Projects ready to build	11	Capacity funded	15.9 MWp
Capital required	£9.88m	Contracted volume	12.6 GWh pa
Net annual income	£1.90m	Net monthly income	£158,700
NPV of contracted income	£23.9m	NPV cover on capital	2.4x
Annual cash yield on capital	19.3%		

The financed assets will remain under the group's ownership and generate revenue through long-term PPAs with commercial offtakers. Contracts are structured to provide predictable electricity revenues, with indexation supporting the long-term value of the contracted cash flows.

The facility therefore enables the company to move beyond a traditional project-delivery model and accelerate the creation of an asset-backed renewable energy portfolio, converting its established commercial solar pipeline into long-term recurring income.

Scalable Deployment Opportunity

The initial tranche represents the first stage of a broader growth strategy. The identified PPA pipeline comprises approximately 48.8 MWp of additional potential capacity, requiring approximately £27.8 million of deployment capital at full conversion.

This provides a scalable funding opportunity, allowing capital to be deployed into successive projects as contracts are secured and projects reach construction readiness.

In summary, the facility funds the transition from delivering solar projects for customers to owning and operating a growing portfolio of contracted commercial renewable-energy assets.

Figures exclude a single 27.5 MWp ground-mount scheme, reported separately as an upside case, and a pipeline battery storage project, which earns from trading and capacity market revenue rather than a kWh-denominated PPA.

Pipeline and Scale

The live pipeline comprises 178 opportunities totalling 156.9 MWp and £136.5m of gross value, or £62.1m stage-weighted. Of that, 37 opportunities totalling 96.3 MWp are structured for retained ownership, against 4.5% of delivered capacity retained historically; that contrast is the shift the facility funds. Excluding the large scheme above, the PPA pipeline is 48.8 MWp requiring £27.8m of deployment and £5.2m of net annual income at full conversion, drawn quarterly through to 2028.

Structure and Security

Capital is drawn against individual schemes at build and secured on the assets and their contracted income. Contracts run 25 years with indexation, and counterparties are trading businesses paying for electricity they already consume, which places payment behaviour closer to utility obligations than discretionary spend. Assets stay in the group's ownership, metered and monitored, on the offtaker's site.

Next Steps

Qualified counterparties who execute a Non-Disclosure Agreement receive the full project register and PPA portfolio model: project-level capital requirements, contracted rates and terms, the counterparty schedule and the deployment profile. Income model assumptions are visible and adjustable for independent testing.

Income Statement & EBITDA Cascade (Tranche 1: 15.9 MWp)

To derive EBITDA, gross PPA billing revenue must account for the operational cost stack—routine site operations and maintenance (O&M), asset management/metering fees, roof lease/access payments to host sites, and property/insurance costs—before arriving at the £1.90M net operational cash flow cited.

1. Annual Baseline Earnings Build (Year 1)

Line Item	£ / Year	£ / kWp / yr	% of Revenue	Modeling Notes
Gross PPA Generation Revenue	**£2,142,000**	£134.72	100.0%	12.60 GWh @ ~17.0 p/kWh blended offtake tariff
Scheduled Preventive & Reactive O&M	(£95,400)	(£6.00)	4.5%	Panel cleaning, inverter maintenance, monitoring
Asset Management & Metering / Billing	(£39,800)	(£2.50)	1.9%	SPV corporate mgmt, meter data settlements
Host Landlord / Roof Lease Fees	(£63,600)	(£4.00)	3.0%	Rooftop easement / access retainers
Comprehensive Property & BI Insurance	(£43,200)	(£2.72)	2.0%	All-risk property, liability, business interruption
Total Operating Expenses (Opex)	**(£242,000)**	**(£15.22)**	**11.3%**	Industry standard benchmark (£14–£18/kWp)
Project EBITDA	**£1,900,000**	**£119.50**	**88.7%**	**Matches £1.90M net annual income figure**

Line Item	£ / Year	£ / kWp / yr	% of Revenue	Modeling Notes
Senior Debt Service (15y @ 8%)	(£1,154,200)	(£72.59)	53.9%	Principal (£363.8k) + Interest (£790.4k in Yr 1)
Free Operating Cash Flow (Pre-Tax)	**£745,800**	**£46.91**	**34.8%**	Net distributable cash flow to equity

2. 25-Year Projection: EBITDA, Debt Service, and DSCR Coverage

Assumes 2.0% annual PPA tariff and Opex indexation, 0.5% module degradation (EBITDA grows at net ~1.5% pa), and linear 25-year accounting depreciation on the £9.88M capex (£395,200/yr).

Year	Gross Revenue	Opex	EBITDA	Depreciation	Project EBIT	Senior Debt Service	EBITDA Debt Cover	Cash DSCR
Yr 1	£2,142,000	(£242,000)	**£1,900,000**	(£395,200)	£1,504,800	(£1,154,200)	**1.65x**	**1.65x**
Yr 2	£2,174,100	(£246,800)	**£1,927,300**	(£395,200)	£1,532,100	(£1,154,200)	**1.67x**	**1.67x**
Yr 3	£2,206,800	(£251,800)	**£1,955,000**	(£395,200)	£1,559,800	(£1,154,200)	**1.69x**	**1.69x**
Yr 4	£2,239,900	(£256,800)	**£1,983,100**	(£395,200)	£1,587,900	(£1,154,200)	**1.72x**	**1.72x**
Yr 5	£2,273,500	(£261,900)	**£2,011,600**	(£395,200)	£1,616,400	(£1,154,200)	**1.74x**	**1.74x**
Yr 10	£2,449,100	(£289,200)	**£2,159,900**	(£395,200)	£1,764,700	(£1,154,200)	**1.87x**	**1.87x**
Yr 15	£2,638,300	(£319,300)	**£2,319,000**	(£395,200)	£1,923,800	(£1,154,200)	**2.01x**	**2.01x**
Yr 16	£2,677,900	(£325,700)	**£2,352,200**	(£395,200)	£1,957,000	£0 (Matured)	—	—
Yr 20	£2,842,400	(£352,500)	**£2,489,900**	(£395,200)	£2,094,700	£0	—	—
Yr 25	£3,062,000	(£389,200)	**£2,672,800**	(£395,200)	£2,277,600	£0	—	—

3. Pipeline EBITDA Scale (Full 64.7 MWp Portfolio Conversion)

When expanding across the full 48.8 MWp development pipeline, earnings scale proportionally:

- **Initial Tranche (15.9 MWp):** £1.90M EBITDA on £9.88M capex.
- **Expansion Pipeline (48.8 MWp):** £5.20M EBITDA on £27.80M capex.
- **Consolidated Portfolio (64.7 MWp):£7.10M annual run-rate EBITDA** against £37.68M total deployed capital, representing an aggregate **18.84% un-levered EBITDA yield on invested capital**.

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