SKYLINE

CASE STUDY

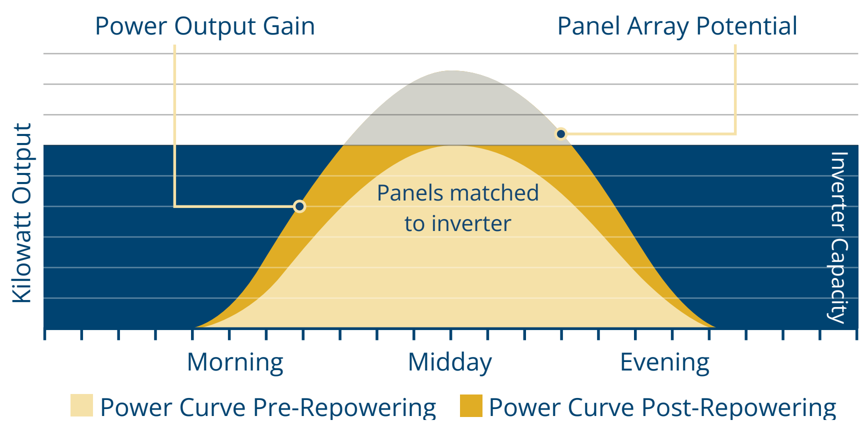
Repowering Solar Success: Hodgson

Skyline Clean Energy Fund is undertaking a **$68MM re-investment project** to repower select solar assets in its portfolio. This is both to increase value for investors and position the Fund to meet the projected increased demand for renewable energy in the future.

Hodgson is a small-scale, ground-mounted solar property located in **Bath, ON**, and was one of the first successfully repowered solar assets owned by the Fund.

What is repowering?

Repowering solar assets refers to upgrading and replacing existing equipment to maximize electricity generated for sale, thereby increasing revenue and potential value for investors.



The focus of the repowering project is to maximize the amount of direct current (DC) electricity that is generated and turned into alternating current (AC) electricity, which the Fund sells under the government contracts in place. This is accomplished by replacing and upgrading equipment on the assets to ensure that the amount of DC electricity and, consequently, revenue generated is maximized throughout the day. Skyline Energy, the asset manager for the Fund, established criteria to determine which solar projects in the portfolio were ideal candidates for repowering.

Hodgson

By the numbers

Repowering status

Completed November 2025

Contract details

Type: Government-backed Ontario Feed-in-Tariff (FIT 1)
Fixed rate: $0.713/kWh
Time remaining: Expires 2034, with a potential lease extension option

Capacity

	Pre-repowering	Post-repowering	Increase
Current size	250 kW AC / **299 kW DC**	250 kW AC / **489 kW DC**	64%
Overbuild	20%	95%	75%
Projected annual earnings	$147,000	$265,000	80%

Investment snapshot

Estimated Internal Rate of Return (IRR): 16.99% | **Estimated value created:** $266,548*

Project considerations

As with all of the solar projects targeted by the asset manager for the repowering initiative, Hodgson is backed by an IESO Feed-in-Tariff 1 (FIT 1) contract, which purchases the alternating current (AC) electricity generated by the asset. Under the contract, Skyline Clean Energy Fund is not allowed to increase the system footprint outside the engineering design that was approved when the system was initially constructed. This means repowering Hodgson can only be accomplished by swapping older solar panels and inverters (the equipment that turns the direct current (DC) electricity generated by the panels into AC electricity) for newer, more efficient equipment that would not take up additional space outside the system's current perimeter, but would increase the DC-electricity-generating capacity of the system.

Project plan

The asset manager contracted one of Ontario's leading solar installation firms to develop a repowering plan that would maximize Skyline Clean Energy Fund's return on investment. Working together, the final proposed repowering plan for Hodgson included:

- Replacing the current 250-watt (W) panels with new 580W panels
- Replacing the current 250 kW AC central inverter with two new 125 kW AC inverters

The contractor also worked diligently with the asset manager to mitigate any risks around the in-place contract and cash flow for the generated electricity.

Specifically, the contractor supported the asset manager in preparing and submitting a connection impact assessment to the IESO, even though expanding the DC-generating capacity of the solar panels is allowable under the FIT 1 contract and is protected by legal precedent. As a result, Skyline Clean Energy Fund maintained approval of Hodgson's authorization to generate with the local utility, with no interruptions.

Additionally, the contractor worked with the asset manager to prepare all required materials to receive an updated connection authorization and certificate of inspection from the Electrical Safety Authority (ESA) before construction began, thus further ensuring the success and profitability of the repowering.

*As at November 22, 2025. Value created is the net present value (NPV) of the project's incremental cash flows, net of the capital investment.

SKYLINE

Hodgson project results

Hodgson was fully repowered and has been producing energy at the new system size as of November 22, 2025.

After the changes were implemented, the system maintained the same kW AC capacity (as required under the FIT 1 contract) but increased the system to 489 kW DC or by 64%. Projected earnings also increased, rising from $147,000 per year to $265,000 per year with the new panels and inverters installed, marking a $117,000 or approximately **80% increase in revenue per year.**

With regard to how this measures up in Skyline Clean Energy Fund, the projected IRR for the asset is 16.99% and the estimated value created is $267,000,* which represents the added value from the investment and has a direct impact on the unit value for investors, as all earnings from the assets are automatically re-invested into the Fund.

SKYLINE

Power your portfolio with Skyline Clean Energy Fund today

Invest with Skyline and help repower solar assets for future value.

Scan/click now to speak to an expert about how **Skyline Clean Energy Fund** can strengthen your portfolio for the long term.

*As at November 22, 2025. Value created is the net present value (NPV) of the project's incremental cash flows, net of the capital investment.

Skyline Wealth Management Inc. ("Skyline Wealth Management") is an Exempt Market Dealer registered in all provinces of Canada. The information provided herein is for general information purposes only and does not constitute an offer of securities. Sales of interests in any investments offered by Skyline Wealth Management are only made to certain eligible investors pursuant to regulatory requirements and available exemptions.

Commissions, trailing commissions, management fees, and expenses all may be associated with investments in exempt market products. Please read the confidential offering documents before investing. There is no active market through which the securities may be sold, and redemption requests may be subject to monthly redemption limits. Exempt market products are not guaranteed, their values change frequently, and past performance may not be repeated. Nothing in this document should be construed as investment, legal, tax, regulatory, or accounting advice. Prospective investors must make an independent assessment of such matters in consultation with their own professional advisors. Some of the investment products offered by Skyline Wealth Management are from related issuers. A full list of issuers related to Skyline Wealth Management and details of the relationship between them is available upon request.