Hamza Faraz

Ridgecap Solar: investor report and Series A case

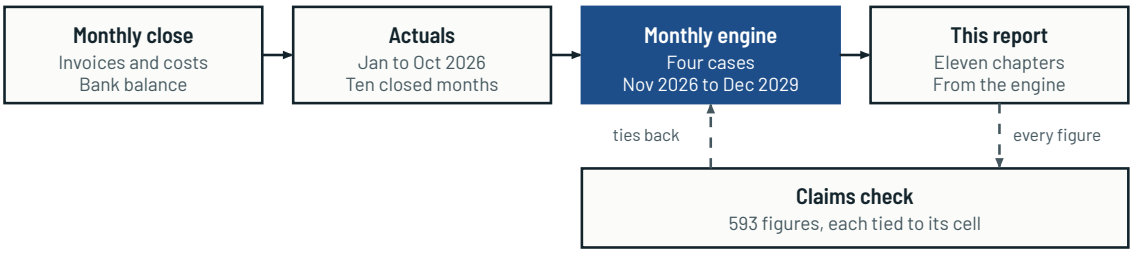
Hamza Faraz · November 2026

This is a case study. Ridgecap Solar is made up: its customers, sites, people and figures are invented, though they all add up. The market data is real. Results run to 31 October 2026, and the forecast runs to December 2029.

1 How the numbers tie to the books

The forecast picks up where the books leave off. January to October 2026 are actual results, and every month from November to December 2029 runs on the same lines.

Ten closed months open the forecast, and every figure ties back to its cell



How the monthly close feeds the model and this report

When a month closes, its real numbers replace the forecast: the sites energised, the invoices, the costs and the bank balance. Then every figure in this report is checked against the model again.

Ten months to 31 October 2026	Actual
Sites energised	15, totalling 9,410 kWp
Operating portfolio at 31 October	21,590 kWp
Revenue	£7.92m
Gross profit	£1.51m, a 19.1% margin
Operating costs	£1.85m
EBITDA	(£0.34m)
Cash at 31 October	£1.45m
Headcount	22

2 In short

We're raising £4.0m to more than double how much solar we build each year, from 12.2 MWp in 2026 to 28.1 MWp in 2029. From January 2029 we expect EBITDA to be positive every month.

We put solar panels on the roofs of warehouses and factories across Great Britain. The business underneath signs up to buy the power for 20 years, at less than it pays its supplier. We design and build the system, sell the finished site to a long term owner, and keep the contract to run it for those 20 years.

So far this year we've switched on 15 sites, 9.4 MWp in all, and turned over £7.9m at a 19.1% gross margin. The sites we already run bring in £261k a year in fees.

Base case	2026	2027	2028	2029
MWp energised	12.2	14.8	21.8	28.1
Revenue (£m)	10.2	12.4	18.9	24.5
of which operations fees (£k)	206	364	578	888
Gross margin	19.1%	19.3%	19.5%	19.7%
EBITDA (£m)	(0.3)	(0.9)	(0.4)	0.6
Operating portfolio at year end (MWp)	24.3	39.1	60.9	89.0
Cash at year end (£m)	1.2	4.3	3.6	4.0
Headcount at year end	22	35	40	40

The 2026 column is ten months of actuals and two of forecast.

The ask. £4.0m of equity, closing in February 2027. Most of it goes on 18 new people by the end of 2028, seven of them in sales, at £1.84m in salaries and on costs. The rest covers the extra office and site development costs that come with them, £0.41m more cash tied up in builds, and £0.66m held back as a buffer. Investors get a report every quarter from March 2027, set against the milestones in chapter 11.

We don't need the money to survive. Without it, cash still stays above the board's £0.5m floor. But we'd only switch on 10.2 MWp in 2029 and lose £0.4m that year. The raise is about growth.

Three things have to go right. The sites already at heads of terms need to sign and connect as expected, network operators need to send connection offers on time, and new salespeople need to be at full speed within six months. Chapter 10 shows what happens if any of them doesn't.

3 The market

We don't need the market to grow. Even in 2029, our 89 MWp would be under 1% of the 10 GW of commercial rooftop and small ground mount solar that the government expects by 2030.

What we do need is a price gap and a way onto the grid, and we have both. Manufacturers paid an average of 17.4p per kWh in the second quarter of 2026, before Climate Change Levy. We charge 12.2p to 14.0p. Most rooftop sites also connect to the local distribution network, so they sit outside the transmission queue that connections reform is reshuffling.

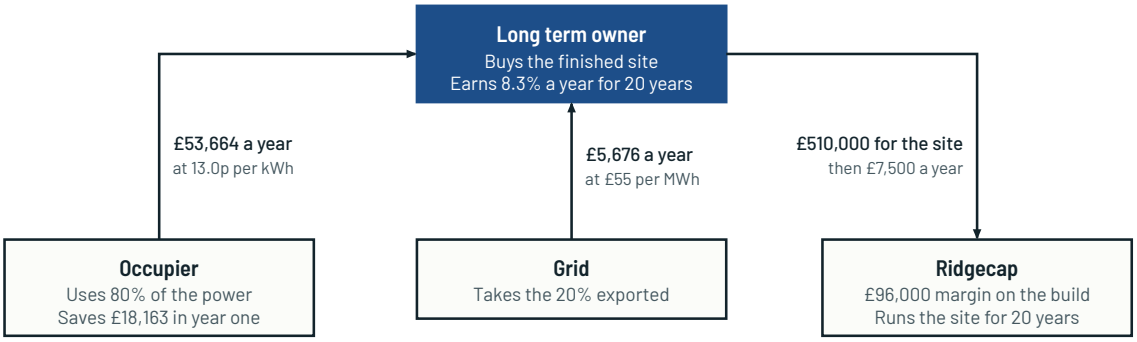
Public evidence	Figure	What it means for Ridgecap
UK solar capacity, Q1 2025, and the 2030 ambition	18 GW to 45 to 47 GW	Policy wants capacity to more than double
Commercial rooftop and small ground mount by 2030	more than 10 GW	The segment Ridgecap sells into has its own line in the plan
Warehouse roof potential	about 15 GW	Large flat roofs are the first target
GB solar needed by 2030, and the share on distribution networks	47.4 GW; about 90%	Most new solar connects locally, as Ridgecap's sites do
Manufacturing electricity price, Q2 2026, excluding CCL	17.4p per kWh	Ridgecap prices its PPAs below it
Possible customers, March 2026	128,000 manufacturing and 119,000 transport and storage businesses	Many have no suitable roof, so leads are screened on roof and load data first
Large commercial sites exporting under the Smart Export Guarantee, March 2025	42 sites of 400 kW to 1 MW; 15 of 1 to 5 MW	Few large systems export; Ridgecap's sites use most of their power on site
Connections reform (TMO4+), approved 15 April 2025		It reorders the transmission queue; smaller distribution connected sites sit outside its scope

4 How one roof makes money

Take a typical 600 kWp warehouse roof. We make £96,000 building it and £7,500 a year running it. The business underneath saves £18,163 in the first year, and the owner earns 8.3% a year over 20 years.

On one 600 kWp roof, three parties each come out ahead

Year one on a medium band roof. Arrows show where the money goes.



Ridgecap Solar model, UnitEcon tab, one 600 kWp roof

At our design yield of 860 kWh per kWp, the roof produces 516 MWh in its first year. The business uses 80% of that itself and pays 13.0p per kWh, which is 4.4p less than the average manufacturer pays. The other 20% goes to the grid at £55 per MWh.

The owner pays us £510,000 for the finished site: a quarter when we start building and the rest a month after it's switched on. It costs us £414,000 to build, an 18.8% margin. Our running fee rises with inflation and adds up to £191,585 over the 20 years. For the owner, the site returns 9.2% in its first year before tax and debt, and pays for itself in year 11. A steady return that keeps pace with inflation is what owners come to us for.

Band	Roof size (kWp)	Price to owner (£/kWp)	Build cost (£/kWp)	Build margin	Operations fee (£/kWp a year)	PPA price (p/kWh)	Share of future signings
Small	150 to 399	930	760	18.3%	15.00	14.0	20%
Medium	400 to 999	850	690	18.8%	12.50	13.0	45%
Large	1,000 to 3,000	780	640	17.9%	10.50	12.2	35%

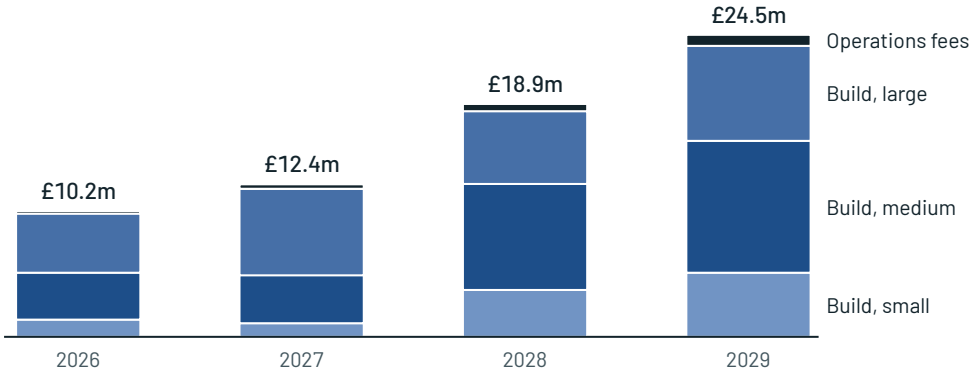
We set the band edges at 400 kW and 1 MW to match Ofgem's Smart Export Guarantee size bands, so anyone can check our bands against public data. Smaller roofs cost more per kWp to build and run, so we charge more for them.

5 Revenue

Revenue grows from £10.2m in 2026 to £24.5m in 2029. As the new salespeople start landing deals, medium sized roofs become our biggest band.

Revenue rises from £10.2m in 2026 to £24.5m in 2029

Base case revenue by band, £m. Medium roofs, in the darkest blue, become the largest band. 2026 is ten months actual and two forecast.



Ridgecap Solar model, Revenue tab, base case

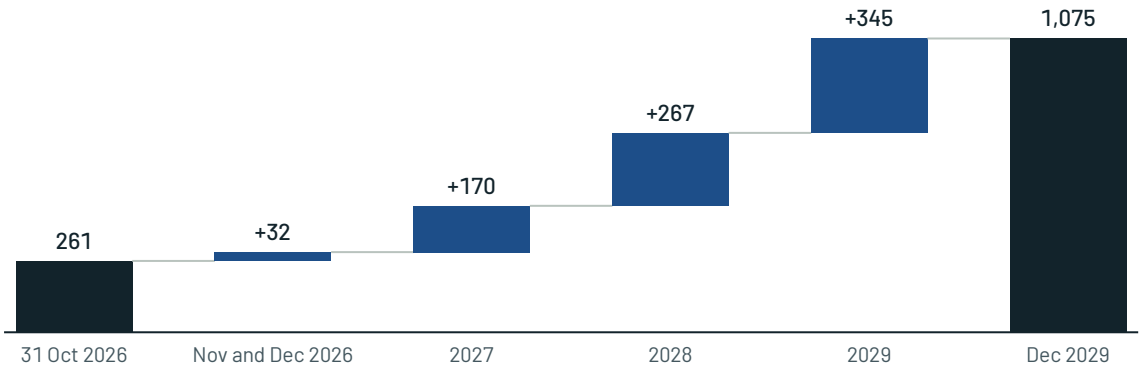
Our revenue comes in two parts. Build revenue is what the owner pays for a finished site, and we count it in the month the site is switched on. Running fees start the month after and keep coming every year.

How we count recurring revenue. It's the running fee on sites that are switched on and under a signed operations contract, at the agreed rate for each site's band. The run rate is the kWp we're running at the end of a period, times that rate. It leaves out build income, fees on sites not yet switched on, and one off charges.

Recurring revenue is small next to build income, just 3.6% of revenue in 2029. But every site adds to it for 20 years, and by December 2029 the run rate is four times what it is today.

The recurring run rate quadruples to £1,075k a year by December 2029

Operations fees a year, £k, added by sites energised in each period. Blue steps add to the run rate; dark bars are totals.



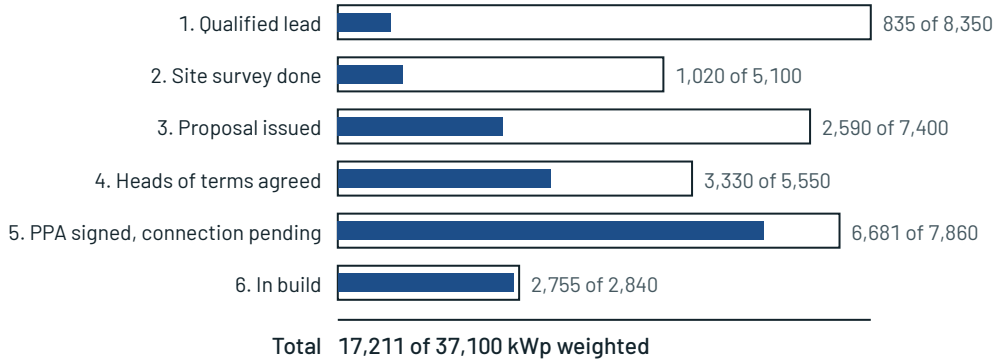
Ridgecap Solar model, Revenue tab; the bridge ties to the monthly engine

6 The sales funnel

We have 40 named sites in the pipeline, with 37.1 MWp of roof between them. Weighted by how likely each one is to get built, that's 17.2 MWp and £14.0m of build revenue.

37.1 MWp of named roofs are worth 17.2 MWp once weighted by stage

Named pipeline at 31 October 2026, kWp. Outline: roof size; blue: weighted by the chance of energisation.



Ridgecap Solar model, Funnel and Pipeline tabs

Stage	Sites	Chance of energisation	Weighted build revenue (£k)	Average months to energisation
1. Qualified lead	8	10%	675	20.5
2. Site survey done	6	20%	834	17.2
3. Proposal issued	8	35%	2,115	13.6
4. Heads of terms agreed	7	60%	2,744	9.6
5. PPA signed, connection pending	7	85%	5,366	5.4
6. In build	4	97%	2,269	1.5
Total	**40**	**46%**	**14,003**	

We set the stage probabilities ourselves and check them every quarter against what actually converts. Named sites make up 82% of the build revenue we expect in 2027, and sites at heads of terms or later make up 67%. The named pipeline runs dry during 2028, so everything we build in 2029 comes from leads we haven't found yet. That's why the sales hires come first.

Once a salesperson is up to speed, which takes six months, they sign 250 kWp of contracts a month. 85% of those get built, six months after signing. We assume the first of these new signings comes in April 2027.

7 Where the monthly cost goes

Our running costs go from £185k a month now to £302k by December 2027. Most of the increase is people who sell and build: spending on the sales team more than doubles, from £29k to £62k a month.

Base case, £k a month	Nov 2026	Dec 2027	People, Nov 2026	People, Dec 2027
Leadership	32	33	3	3
Origination	29	62	5	10
Engineering and design	24	36	4	6
Project delivery	25	48	5	9
Operations	8	14	2	3
Finance and admin	15	23	3	4
Development spend (surveys, connection applications, site legal)	10	23		
Office, software, insurance and fees	27	39		
Travel, marketing and other	16	25		
Total operating costs	**185**	**302**	**22**	**35**

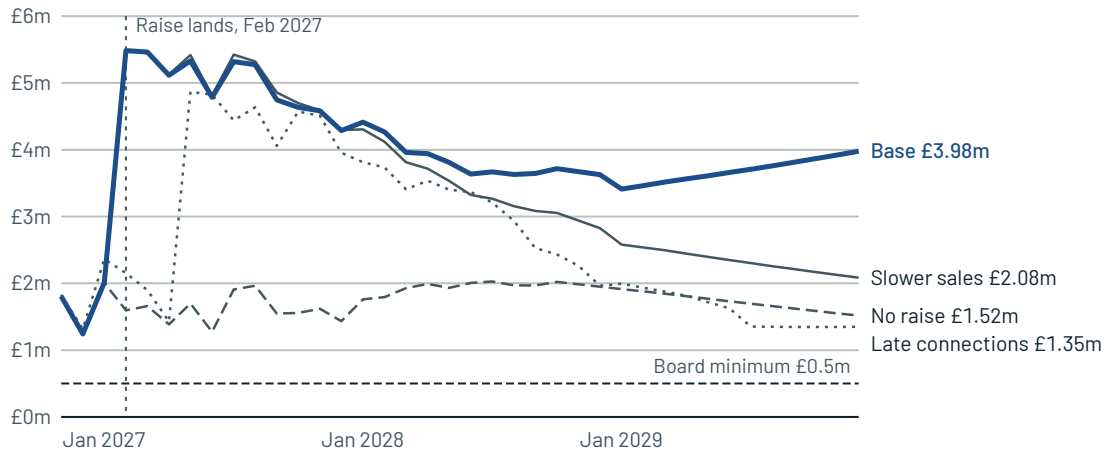
People make up 72% of our costs today. Development spend (surveys, connection applications and site legal work) rises with the number of salespeople. Recruitment fees land in the month someone starts, so neither month above shows them. Build and running costs sit in cost of sales, not here, and the lines may not add up exactly because of rounding.

8 Runway in four cases

In all four cases, cash stays above the board's £0.5m floor all the way to 2029. It's tightest just before the money lands: £1.24m at the end of December 2026 in the base case.

Every case stays above the board's £0.5m cash floor

Month end cash, £m, November 2026 to December 2029. Base case in blue; no raise dashed.



Ridgecap Solar model, Runway tab, four cases

Case	What changes	Raise (£m)	Lowest cash after the raise (£m)	Month of that low	Cash, Dec 2029 (£m)	EBITDA 2029 (£m)	MWp energised 2029
Base	The plan as set	4.0	3.41	Jan 2029	3.98	0.6	28.1
Slower sales	25% fewer unsigned sites convert; salespeople sign 25% less	4.0	2.08	Dec 2029	2.08	(0.5)	21.0
Late connections	Connection offers 3 months late; build cost 3% higher; raise and hires 3 months late	4.0	1.35	Oct 2029	1.35	(0.4)	25.5
No raise	Today's team only; its 4 salespeople keep signing	0.0	1.28	Jun 2027	1.52	(0.4)	10.2

In the base case, cash dips to £3.41m in January 2029 while the team grows, then climbs once EBITDA turns positive. None of the cases assumes we'd react to bad news, so each one simply runs the plan as set. In the no raise case we measure the low from February 2027, when the money would have landed.

9 Risk

Owners take on two risks with our sites, and neither puts their return in danger. A bad year for business failures costs them 3.1% of their power income. A bad year for export prices costs them 4.5% of their income.

Occupier credit risk

Each site relies on one warehouse or factory paying for its power for 20 years. If that business goes under, the owner doesn't lose the whole bill. The panels keep generating and the power goes to the grid until we find a new occupier, which we plan to take 12 months. That puts the cost of one failure at £29,438 on average across our 37 sites.

Operating portfolio at 31 October 2026	Base: 49.0 insolvencies per 10,000 companies a year	Stress: the 2008/09 peak of 113.1
Expected loss a year	£5,337 (0.28% of PPA income)	£12,319 (0.65%)
Occupier failures in a year at 95% confidence	1	2
Occupier failures in a year at 99% confidence	2	2
Loss at 99% confidence	£58,876	£58,876 (3.1% of PPA income)

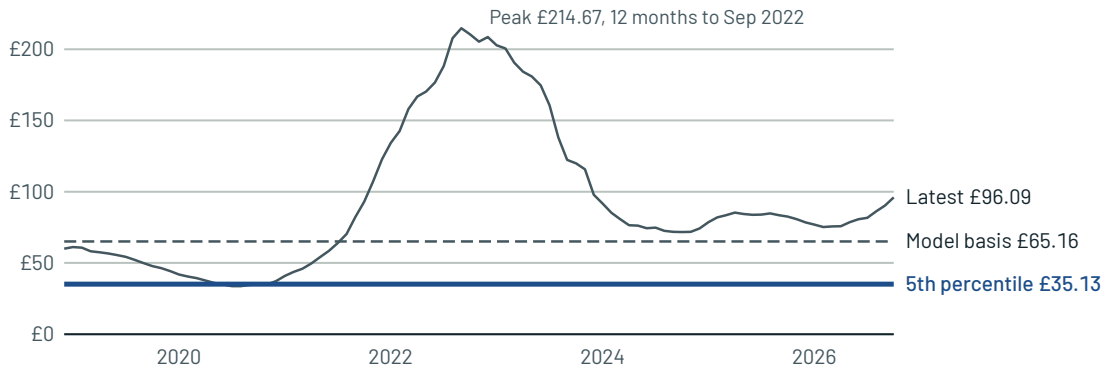
We assume each business fails on its own, not in a cluster. The loss falls on the owners, who hold the power contracts, and our running fees carry on.

Export price risk

About a fifth of the power, 3,713 MWh a year, goes to the grid at a price that moves with the wholesale market. We assume £55 per MWh, which earns owners £204,241 a year. Value at Risk tells us how far short of that a bad year could fall.

The 5th percentile price is £35 per MWh, set in the 2020 lockdown

Daytime Market Index Price, rolling 12 month average, £ per MWh, 95 windows to October 2026.



Elexon Market Index Price, settlement periods 17 to 36, volume weighted; Ridgecap Solar model, Risk tab

We looked at every 12 month stretch since 2018, 95 of them. The 5th percentile daytime price is £35.13 per MWh, and at that price the export earns £110,103. So the one year Value at Risk at 95% confidence is £94,139, or £98,439 at 99%. The worst stretch was 2020, when lockdown cut demand. The 2022 price spike actually helped exporters.

Our export price is on the cautious side. Daytime prices averaged £96.09 per MWh in the 12 months to October 2026, well above the £65.16 we based our £55 on. At today's prices the export would earn about £301,000 a year.

10 Use of funds, and what has to be true

Hiring takes nearly half the money, 46% of the £4.0m. We hold £0.66m back as a buffer, and that buffer is what keeps both weaker cases above the cash floor.

Use of the raise, February 2027 to December 2028	£k	Share
New roles: salaries and on costs	1,839	46%
Recruitment fees for the new roles	152	4%
Software and travel for the new roles	210	5%
Development spend for the new salespeople	333	8%
Larger office and fixed costs after the raise	297	7%
Fees on the raise	100	3%
More cash tied up in build, at the base case peak	406	10%
Headroom kept for the downside cases	663	17%
Total	**4,000**	**100%**

The business already pays its own way: in the no raise case, the cash holds up. The raise pays for 18 hires, seven of them in sales. The cash tied up in builds peaks at £1.24m in June 2028, against £0.84m today.

What has to be true	Base case measure	If it fails
Sites at heads of terms or later sign and connect at the stage rates	12.8 MWp weighted at stages 4 to 6, 67% of 2027 build revenue	Slower sales: cash low of £2.08m in December 2029; 2029 EBITDA a £0.5m loss
Connection offers arrive when expected	Six months from signing to energisation	Late connections: cash low of £1.35m in October 2029, £0.85m above the floor
Build cost holds at today's band rates	£665 per kWp blended in 2027	Each 1% rise costs £98k of 2027 gross profit
Long term owners keep paying today's prices	£814 per kWp blended in 2027	Each £10 per kWp off the price costs £148k of 2027 gross profit

What has to be true	Base case measure	If it fails
New salespeople reach full output in six months	Every 2029 energisation comes from leads not yet found	At 75% of that output, 2029 energisations fall from 28.1 MWp to 21.0 MWp
Customers keep a clear saving	25% below the manufacturing average price	PPA prices are fixed and indexed, so a fall in grid prices would narrow the gap for new customers
The raise closes by February 2027		No raise: 2029 energisations of 10.2 MWp and a £0.4m EBITDA loss

11 Milestones, and how the figures are built

Every quarter we'll report our actual results next to these milestones and explain any gap. We chose them because they're the numbers that move cash.

Quarter ending	Mar 2027	Jun 2027	Sep 2027	Dec 2027	Mar 2028	Jun 2028	Sep 2028	Dec 2028
MWp energised in the quarter	2.8	4.7	3.0	4.4	4.4	5.5	6.1	5.7
Operating portfolio (MWp)	27.1	31.8	34.8	39.1	43.5	49.1	55.2	60.9
Recurring run rate (£k a year)	326	378	411	463	517	585	660	730
Gross margin in the quarter	19.6%	19.0%	19.6%	19.4%	19.6%	19.4%	19.5%	19.7%
Salespeople in post	7	9	9	9	11	11	11	11
Headcount	26	33	34	35	38	39	40	40
Closing cash (£m)	5.5	4.8	4.7	4.3	4.0	3.6	3.6	3.6

How we built the figures

- **Actuals.** January to October 2026 come from the management accounts and the site handover register, and each month's close feeds into the model (chapter 1).
- **Sites switched on.** Each named site's roof size times the chance it gets built, in the month we expect it. New sales are productive salespeople times 250 kWp a month times 85%, switched on six months after signing.
- **Build revenue and cash.** We count revenue in the month a site is switched on. The owner pays 25% when building starts and 75% a month after switch on. We pay 40% of the build cost at the start and 60% at switch on.
- **Running the sites.** Fees start the month after switch on, at the band rate. Running costs are 45% of the fee.
- **People.** Staff costs come from the hiring plan, from each person's start month, with 18% on costs and a 3.5% pay rise every April from 2027.
- **Risk.** Expected credit loss is the insolvency rate times what owners would lose if an occupier failed. Value at Risk uses every 12 month stretch of daytime prices

since 2018.

- **Left out.** Corporation tax, since past losses cover the period, and VAT timing.
- **Checks.** Every figure in this report is tied to a cell in the model, with a live check that the two still match.

Sources

All market and risk figures are as published, read in November 2026.

- DESNZ: Solar Roadmap (June 2025); Quarterly Energy Prices (September 2026); DUKES 2026, chapter 6.
- NESO: Clean Power 2030 and its Annex 1 (November 2024).
- Ofgem: Smart Export Guarantee annual report, 2024 to 2025; TMO4+ connections reform decision (April 2025).
- Elexon: Market Index Price data, January 2018 to October 2026, from the BMRS data portal.
- Insolvency Service: Company insolvencies, October 2026.
- ONS: UK business, activity, size and location 2026; consumer price inflation, September 2026.

About this case study. Ridgecap Solar is made up, along with its sites, customers, owners, people and figures. Written and modelled by Hamza Faraz as a portfolio piece. It describes no real company, and nothing in it is advice or an offer.