

1H21 Results



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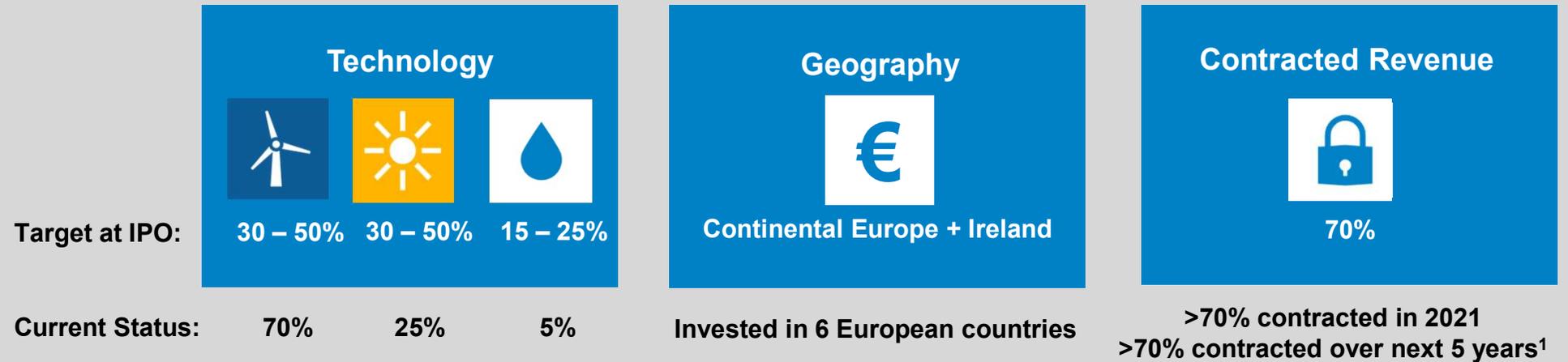
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Aquila European Renewables Income Fund Plc (“AERIF”)

Strategy

- UK domiciled investment company investing in renewable energy technologies across continental Europe and the Republic of Ireland
- Focus on diversification to secure income



Return Targets

- 2021: minimum of 5 cents per ordinary share, with the aim of growing progressively thereafter
- Total return target of 6.0 – 7.5% (net of fees and expenses) over the long-term

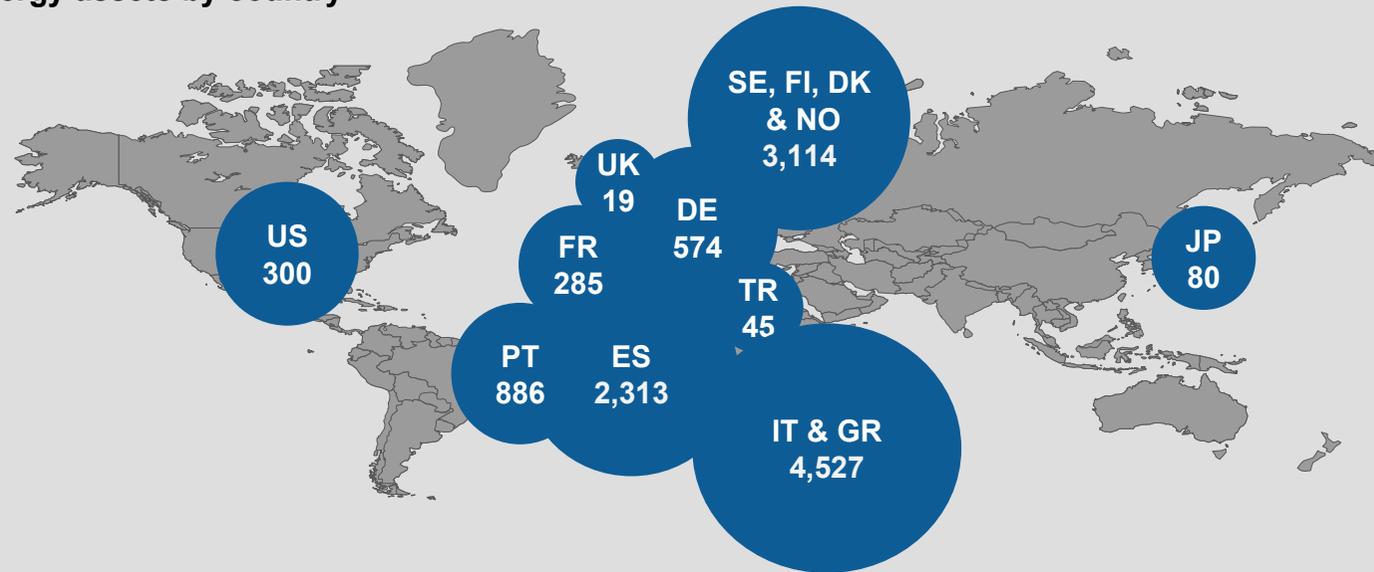
Other Key Features

- ✓ Listed on the London Stock Exchange
- ✓ Regulated tariffs & Power Purchase Agreements
- ✓ Quarterly dividend
- ✓ Complimentary production seasonality
- ✓ Euro-denominated
- ✓ Up to 30% construction exposure

¹Calculated on a present value basis. Weighting based on purchase price or equity invested.

Aquila Capital – One of the largest Clean Energy Portfolios in Europe

Track record of Clean Energy assets by country¹
(in MW/MWp)



Total transaction volume
EUR 11.5bn

Assets transacted in
14 countries

Dedicated teams for
**Wind energy,
Solar PV and
Hydropower**

Industry leading
**operations,
experience & track
record**

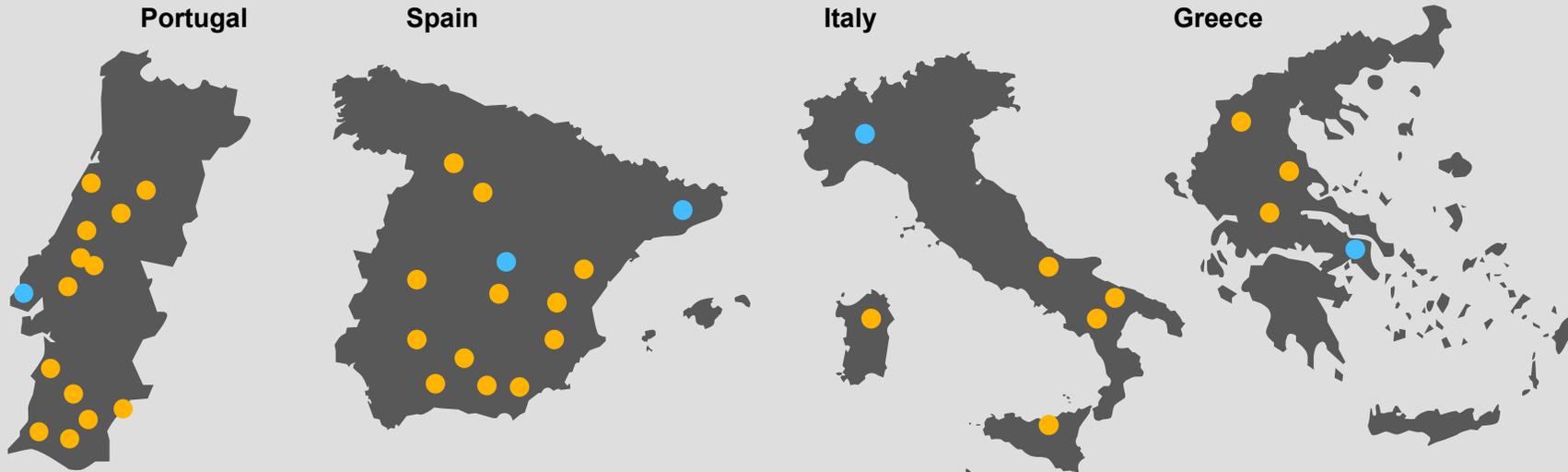
Source: Aquila Capital Investmentgesellschaft mbH. ¹Installed and development capacity in MW/MWp. As at 30 March 2021.

Aquila Capital's Presence in Southern Europe

7.5 GW+ Portfolio in Southern Europe Supported by Local Teams

- Offices in Lisbon, Madrid, Barcelona
- Recently opened offices in Milan & Athens¹
- 29+ employees, targeting 60 in 2021

- Offices
- Solar PV / Wind



Development

- **Project Development**
Land, permitting, grid connection, engineering technical & environmental assessments
- **Procurement**
EPC and O&M contracts In-house: main components, civil & electrical works
- **Financing**
Project Finance, construction facility, security package, recourse/non-recourse finance
- **Power Purchase Agreement (PPA)**
Originate, structure and execute PPAs

Construction

- **EPC Contracts**
Monitoring and overseeing construction works and contractual obligations
- **Contractual Management**
of financing facilities and PPAs

Operation

- O&M Contracts
- Technical and commercial management agreement
- Business plan
- Reporting
- Administrative and accounting
- Asset optimization services
- Contract renewal & arrangement

Source: Aquila Capital Investmentgesellschaft mbH. For illustrative purposes only. Exact locations of offices and assets might deviate. Points indicate one or more assets and are not indicative of size. Data as at 31 March 2021. ¹Interim offices currently utilized in Athens & Milan, with final offices expected to be opened in December.

Investment Adviser – Aquila Capital

AERIF Managed by Aquila Capital’s Partnerships & Portfolio Advisory Team supported by over 110+ experts specialising in origination, asset management and merchant markets



Christine Brockwell
Head Partnerships & Portfolio Advisory



Michael Anderson
Senior Manager Partnerships & Portfolio Advisory



Nicole Zimmermann
Manager Partnerships & Portfolio Advisory



Daniel Metzger
Associate Partnerships & Portfolio Advisory



Diego Escobar
Associate Partnerships & Portfolio Advisory



Pascal Hermann
Analyst Partnerships & Portfolio Advisory

Origination

60 professionals

Deal sourcing, project development, portfolio management

- Total installed capacity in MW/MWp: 12,142
- Total transaction volume: EUR 11.5bn
- Significant number of opportunities screened

Asset Management

41 professionals

Operations and maintenance of assets, technical and commercial management

- Number of solar PV parks: 244
- Number of WTGs: 818
- Number of hydro power plants: 186

Merchant Market Desk

12 professionals

PPA sourcing & structuring, energy & market risk management, market & pricing analysis, hedging

- Active in PPA market since 2013
- Structured >1,960 MW PPAs
- Strong experience in Nordics & Iberia

Source: Aquila Capital Investmentgesellschaft mbH. Data include all assets as of 30 June 2021.

Contribution to the Green Economy

AERIF¹

Aquila Capital²

More than
216,000

Households supplied
with green energy
annually

More than
250,000

Tonnes of CO₂
emissions offset
annually

More than
3.6 million

Households supplied
with green energy
annually

More than
4.4 million

Tonnes of CO₂
emissions offset
annually



ESG criteria fully integrated into the investment process

Asset sourcing
and analysis

- Consider the ESG principles in the sector and country

Asset
due diligence

- Due diligence to consider the asset's compatibility with ESG principles, sustainability, climate neutrality and human rights

Asset
acquisition

- Acquisition integrated into the portfolio after all relevant ESG principles have been assessed

Asset management &
reporting

- ESG principles considered in context of ongoing maintenance / administration
- Supplementary regulations will be enforced if local requirements are not adequate

Source: Aquila Capital Investmentgesellschaft mbH. ¹AERIF data represents AERIF share. Calculations follow the methodology of the Greenhouse Gas Protocol. CO₂ savings of European assets are based on the European average. Household data represents potential number of households which could be powered by AERIF's share of electricity generated by its portfolio on an annual basis. ²Data as at 31 December 2019, sourced from the Aquila annual ESG report.

Asset Level Initiatives



2020
GRESB
Asset
Assessment

Agua Enlica, Lda
Aquila Capital

2017 2018 2019 **80**

Nature of ownership: Private (non-listed) entity
Sector: Renewable Power: Hydroelectric Power
Generation: Hydroelectric Dam Power Generation
Location: Portugal

2nd
Europe I
Hydroelectric
Power
Generation
out of 6

G R E S B
★ ★ ★ ★ ★ 2020

Fund Level / Other



TRANSFORMATION AWARD 2020
ACCELERATING DECARBONIZATION IN EUROPE

G R E S B[®]

Aquila Capital 

- GRESB assessment for Sagres, with a rating of 80 points and positioned in 2nd place amongst peer groups
- Green Bond issued in project The Rock refinancing, with a rating of “Dark Green” for the Green Bond and an “Excellent” in governance, both of which are the highest ratings under CICERO’s framework.
- Tesla continues with its initiatives to allow access to the public allowing them to enjoy the cross-country ski trails.
- Project Benfica III has introduced an innovative way to control the vegetation in the Solar PV plants, by introducing Sheep from local Shepherds it has reduced the use of pesticides that are detrimental for the environment

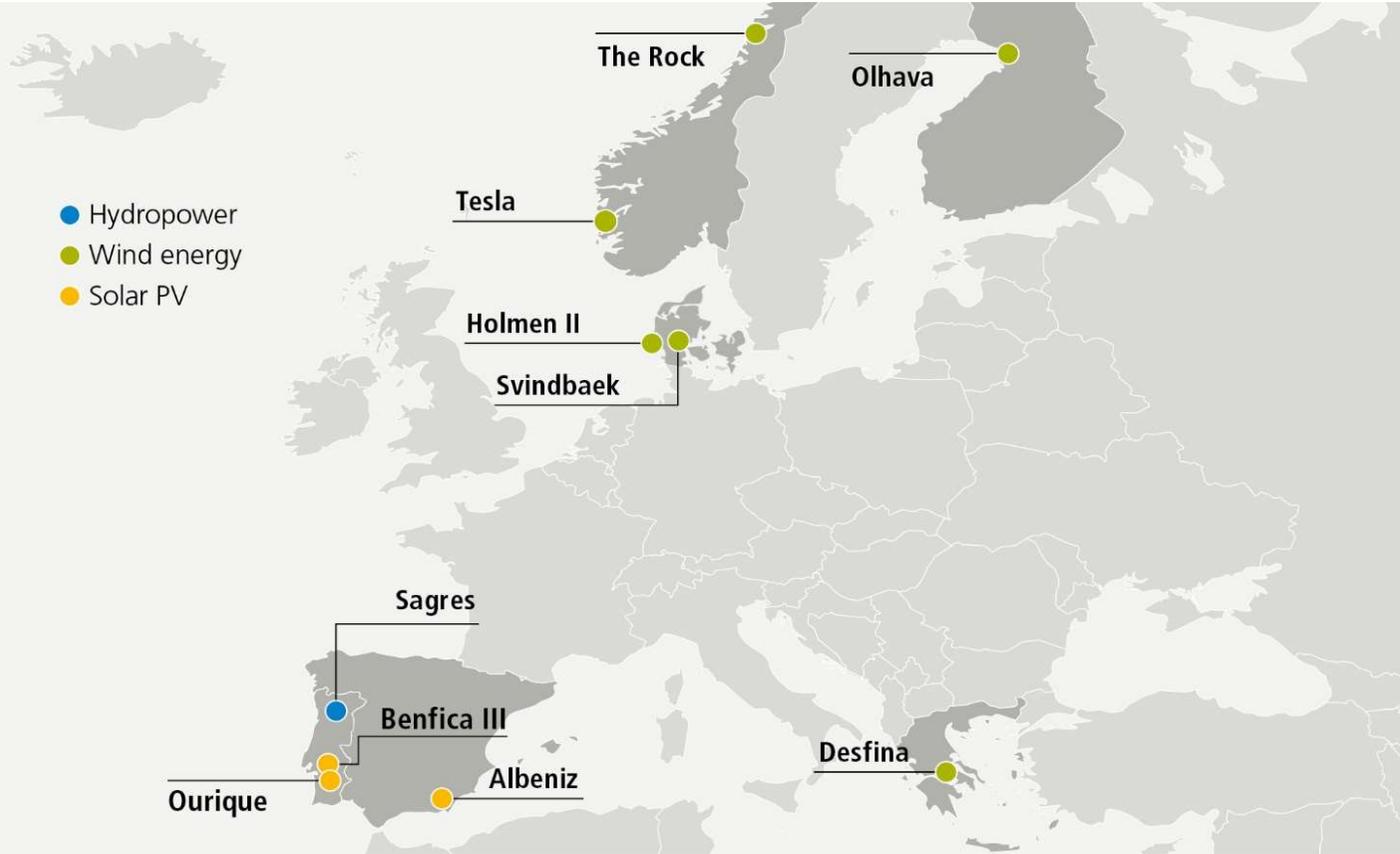
- Sustainable Finance Disclosure Regulation (“SFDR”) article 8 fund. Currently reviewing article 9 requirements
- Currently undertaking a GRESB asset assessment across a number of assets within AERIF’s portfolio. Results to be published in October 2021
- April 2021: Aquila Capital announced¹ the second “Aquila Capital Transformation Award” with the theme “Solving the climate crisis through Innovation” providing a research prize of EUR 20 thousand.

¹<https://www.aquila-capital.de/en/investments/details/announcing-second-aquila-capital-transformation-award>.

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Portfolio Snapshot



Key Statistics – 30 June 2021¹

10 Investments	30 Operating assets ²
2 projects under construction	6 Countries
332.3 MW Operating capacity	~24 Remaining asset life (years) ³
71.7% Contracted revenue ⁴	25.4% Leverage ⁵

¹Data based on AERIF share, where applicable. ²Sagres includes 21 separate plants and Benfica III consists of three separate solar parks. ³Weighted average remaining asset life, based on net full load years. ⁴Approximately 71.7% of revenue contracted over the first five years (on a present value basis). Weighting based on purchase price or equity invested. ⁵Leverage based on AERIF share of debt as a percentage of total Gross Asset Value. AERIF share of Desfina debt based on voting interest.

Portfolio Summary



Project	Technology	Country	Capacity ¹	Status	COD ²	Asset Life from COD	Equipment Manufacturer	Energy Offtaker ³	Ownership in Asset	Leverage ⁴	Acquisition Date
Tesla	Wind energy	Norway	150 MW	Operational	2013, 2018	25y	Nordex	PPA / Spot	25.9% ⁶	27.1%	July 2019
Sagres	Hydropower	Portugal	103 MW	Operational	1951-2006	n.a. ⁵	Various	FiT / Spot	18.0% ⁶	43.3%	July 2019
Holmen II	Wind energy	Denmark	18 MW	Operational	2018	25y	Vestas	FiP / Spot	100.0%	40.6%	July 2019
Olhava	Wind energy	Finland	35 MW	Operational	2013-2015	27.5y	Vestas	FiT / Spot	100.0%	49.6%	September 2019
Svindbaek I + II	Wind energy	Denmark	32 MW	Operational	2018	25y	Siemens	FiP / Spot	99.9%	19.1%	December 2019 & March 2020
The Rock	Wind energy	Norway	400 MW	Construction	2021	30y	Nordex	PPA / Spot	13.7% ⁶	0.0%	June 2020
Benfica III	Solar PV	Portugal	19 MW	Operational	2017/2020	30y	AstroNova	PPA / Spot	100.0%	0.0%	October 2020
Albeniz	Solar PV	Spain	50 MW	Construction	2021	30y	Canadian Solar	PPA / Spot	100.0%	0.0%	December 2020
Desfina	Wind energy	Greece	40 MW	Operational	2020	25y	Enercon	FiP / Spot	89.0% ⁷	46.2% ⁸	December 2020
Ourique	Solar PV	Portugal	62 MW	Operational	2019	30y	Suntech	CfD / Spot	50.0%	0.0%	June 2021
Total (AERIF Share)			332 MW								

¹Installed capacity at 100% ownership. ²COD = Commissioning date. ³PPA = Power Purchase Agreement, FiT = Feed-in tariff. FiP = Feed-in premium, CfD = Contract for Differences.

⁴Leverage drawn (AERIF share) as a percent of investment fair value as at 30 June 2021. ⁵21 individual assets. Approximately 12 years remaining asset life when calculated using net full load years. ⁶Majority of remaining shares are held by entities managed and/or advised by Aquila Capital. ⁷Represents voting interest. Economic interest is approximately 94%. ⁸Calculation based on voting interest.

Acquisitions – EUR 150 million¹ closed since the last fund raising in October 2020

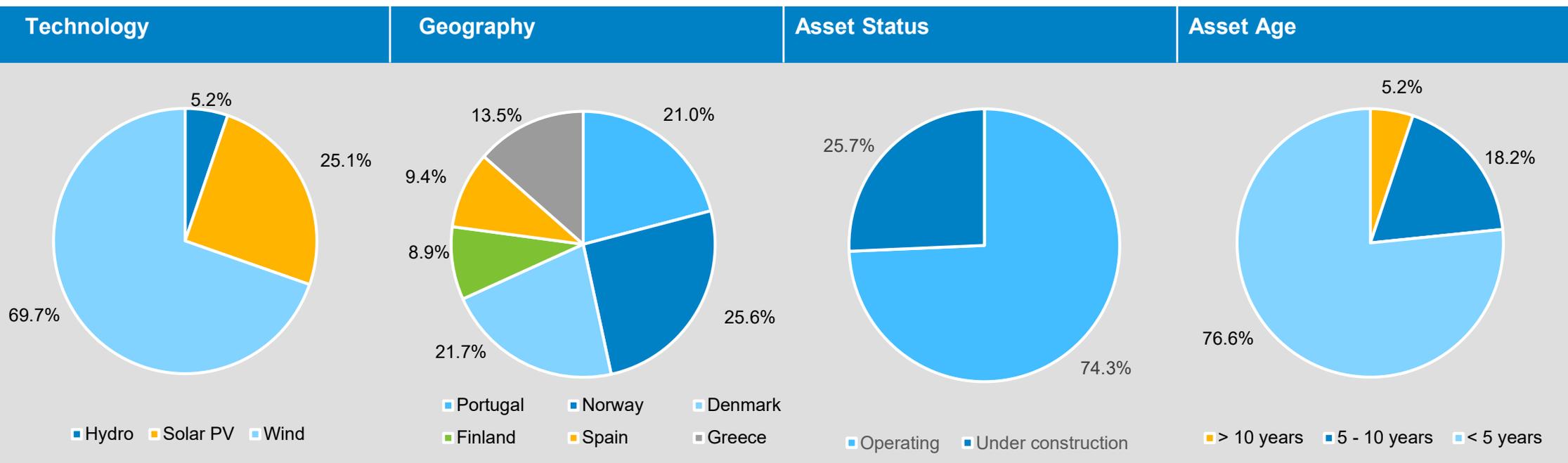
	Albeniz	Desfina	The Rock	Ourique
Technology	Solar	Wind	Wind	Solar
Country	Spain	Greece	Norway	Portugal
Capacity	50 MWp	40 MW	400 MW	62 MW
Status	Construction	Operational	Construction	Operational
COD	Q4 2021 (expected)	2020	Q4 2021 (expected)	2019
Energy Offtake	PPA (5 years)	FiP (20 years)	PPA (15 years)	CfD (5 years)
Acquisition Date	December 2020	December 2020	June 2020 (Bridge – June 2021)	June 2021
Ownership	100.0%	89.0% ²	13.7%	50.0%

- Targeting assets which complement the existing portfolio and investment strategy
- Focus on low-risk investment opportunities – high contracted revenues in high generation areas supported by a long asset life
- Expanded footprint in southern Europe, with investments in Spain, Greece and Portugal
- Reduced reliance on any single asset or market
- Ourique investment rationale:
 - 100% of production hedged for 5 years at attractive pricing levels
 - Operating project with attractive cash yields
 - Located in a high yielding region in Europe for solar PV
 - Further portfolio exposure to solar PV



¹Includes commitments relating to future capital expenditure. ²Economic interest is approximately 94%.

Portfolio Allocation¹

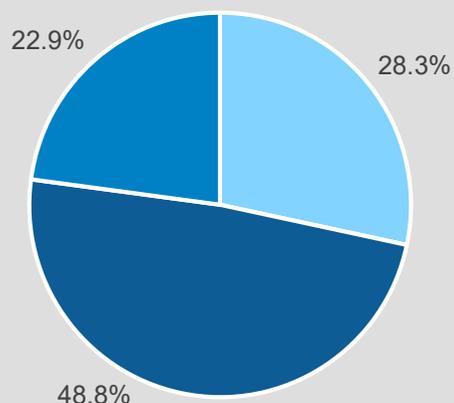


- The company has continued with its diversification strategy, expanding its presence in other asset classes such as Solar PV that now represents 25.1% of the total assets and further diversified its geographical footprint in southern Europe.
- The portfolio consists of 32 assets from wind power, hydropower and solar PV sectors, located in a total of six countries in Northern and Continental Europe.
- The portfolio’s largest country exposures are to Denmark, Norway and Portugal (combined 68.2%). The two Nordic countries have a long-term credit rating of “AAA”. Portugal has a “BBB” rating with a stable outlook from Standard and Poor’s
- Minimal concentration risk, with The Rock representing the largest single asset exposure, equating to 16.3% (asset fair value), or 15.0% of the Company’s NAV.
- Portfolio largely weighted towards operating assets (74.3% of asset fair value), with the projects under construction expected to be operation at the end of the 2021 period.

¹Allocation is based on fair value of the assets, equal to EUR 228.5 million (excluding cash and any other fund level items), unless stated otherwise. ²Standard & Poor’s rating.

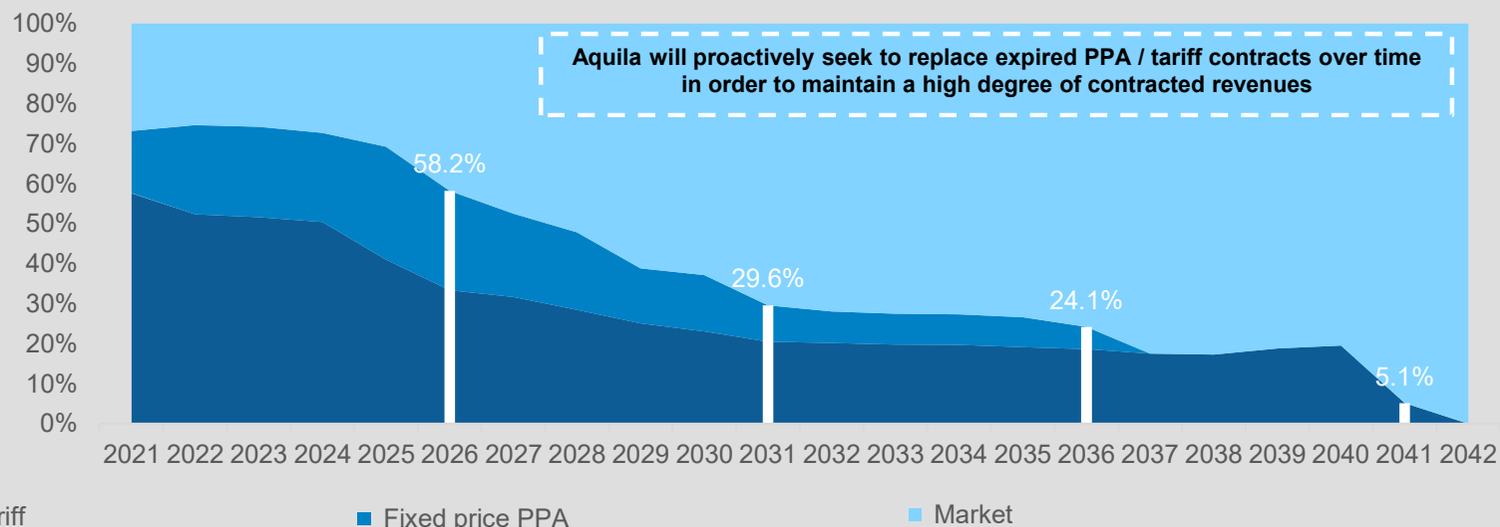
Attractive Contracted Revenue Base

Present Value of Contracted vs. Non-Contracted Revenue (5 Years)¹



■ Government regulated tariff

Revenue Mix – Existing Contracts Only (including The Rock / Albeniz)



– Attractive contracted revenue position

- Contracted revenues of approximately 73.1%² in 2021
- Approximately 71.7% of revenue contracted over the first five years (on a present value basis)
- Significant earnings visibility underpinned by a large contracted revenue base
- Attractive counterparty credit rating exposure

– Pro-active Management of Merchant Price Exposure

- Seek to replace expiring contracts in order to maintain a high degree of contracted revenues
- In-house Merchant Market Desk enables a pro-active, holistic approach to managing merchant risk

¹Asset revenues are discounted by the weighted average portfolio discount rate as of 30 June 2021. ²Contracted revenue for 2H21.

Construction progress



The Rock

- Heifjellet substation was successfully energised after all of the project's 33kV cables had been installed
- The transportation of components to Mosjøen harbour also progressed, with 16 vessels being delivered and unloaded. Components account to 70% of total delivery
- the Norwegian government eased COVID-19 restrictions which allowed the construction process to proceed as planned. Completion of the project is still expected for the fourth quarter of 2021.
- Approximately EUR 17.7 million have been deployed in the project during the reported period



Albeniz

- Construction process has been as forecasted and completion is expected in Q4 2021
- At the end of June 2021, 26% of overall construction has been completed
- Construction work focused on Mechanical projects, Electrical work and Civil works:
 - Mechanical projects: Ramming for the solar tracker foundation and the start of structure assembly
 - Electrical work: Opening of trenches for medium voltage cables
 - Civil works: Installations of inverters and skid foundations as well as substation earthworks were completed
- Approximately EUR 9.7 million have been deployed in the project during the reported period

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Track Record Since IPO

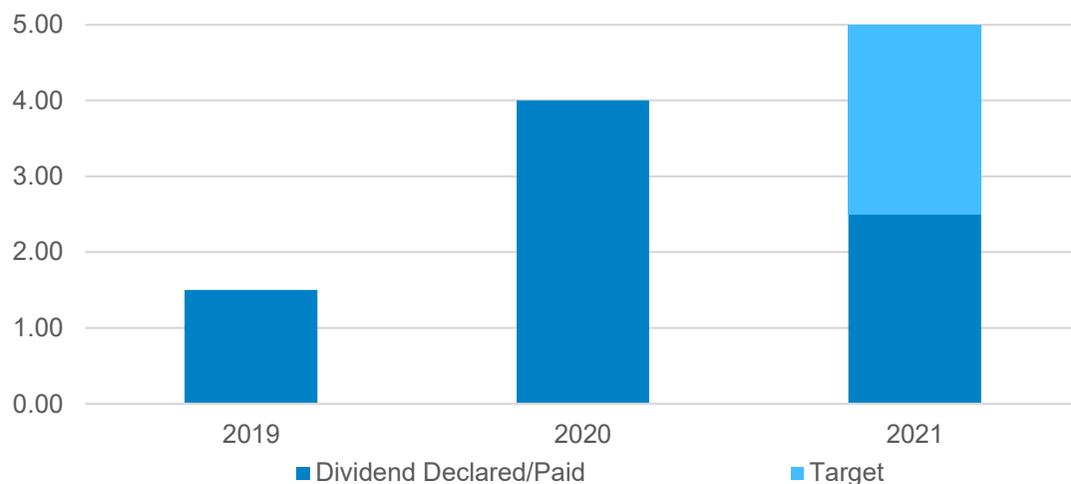
Summary¹

- Deployed or committed capital of approx. EUR 327 million since IPO
- Aggregate dividends paid or declared since IPO: c. EUR 16m
- Dividend targets achieved in 2019 and 2020. Dividend fully covered
- FY21 dividend target of EUR 5 cents per ordinary share
- Aim of increasing dividends progressively over the medium term
- Consistent trading premium to NAV per ordinary share
- Total shareholder return of 17.8% since IPO. NAV per share total return of 8.3% since IPO

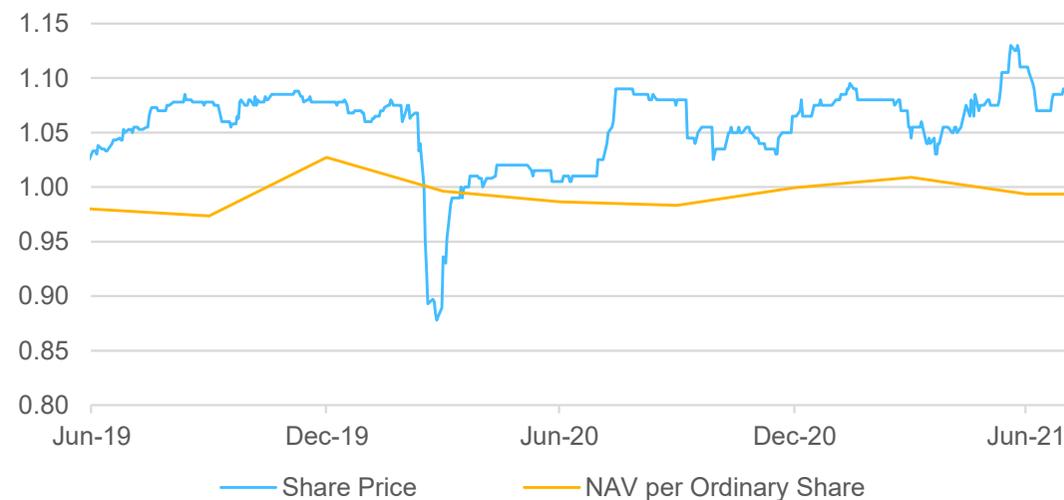
Capital Deployment (EUR m)²



Dividends per Ordinary Share (Cents per Ordinary Share)



NAV per Ordinary Share Development (EUR per Ordinary Share)



¹Total shareholder return is based on an opening share price of EUR 1.00 and NAV total return is based on an opening NAV after launch expenses of EUR 0.98 per ordinary share.

²Q2 2021 includes capital invested and committed.



1H21 Highlights

- Acquisition of 50% of Ourique and Bridge financing commitment in relation to The Rock (EUR 35.6m in total²)
- Majority of surplus capital available for investment opportunities now fully deployed or committed
- Further construction progress in relation to The Rock and Albeniz, with completion targeted for Q4 2021
- Reached contractual close in relation to a EUR 40m revolving credit facility (undrawn as at 30 June 2021)
- Portfolio production 11.2% below budget during the reported period, largely due to lower than expected wind conditions in the Nordics
- Company has achieved further diversification increasing solar PV to 25.1% (14.9% as of 31 December 2020)
- Initiation of GRESB assessments in the remainder assets of the portfolio, following the Sagres assessment which placed it in 2nd amongst its peer group.
- As of 30 June 2021 the Company's NAV was EUR 316.2 or 99.4 cents per Ordinary Share, representing a marginal decrease of 0.6% per Ordinary Share as of 31 December 2020
- On 6 August 2021 the Company announced it had extended its existing investment adviser fee arrangement until 30 June 2023 whereby the investment adviser fee is paid in AERIF ordinary shares

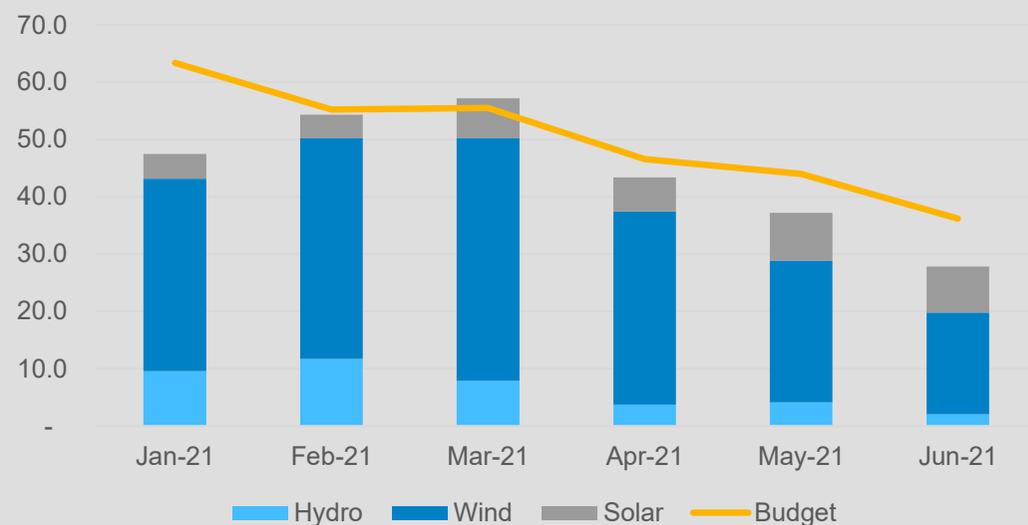
1H21 KPIs¹

Metric	1H21	1H20
Dividend per ordinary share (EUR cents)	2.5 cents	1.5 cents
NAV per ordinary share (EUR cents)	99.4 cents	98.6 cents
Share price per ordinary share (EUR cents)	111.0 cents	100.5 cents
Ongoing charges (% of NAV)	1.2%	1.3%
Total shareholder return per Ordinary Share	6.6%	(5.4%)
Total NAV return per Ordinary Share	1.9%	(2.5%)

Source: Aquila Capital Investmentgesellschaft mbH. ¹Data as of 30 June 2021. ²Maximum Capital commitment possible as of 30 June 2021.

Asset Performance

1H21 Monthly Production Performance vs. Budget (AERIF Share, GWh)



Production by Technology (AERIF Share)

Technology	Region ¹	Electricity Production (GWh) ¹		Variance (1H21 actual vs budget)
		1H21	1H20	
Wind	Denmark, Finland, Norway & Greece	190.4	185.9	(12.8%)
Hydropower	Portugal	39.1	44.1	(4.5%)
Solar	Portugal & Spain	37.7	-	(9.3%)
Total		267.2	230.1	(11.2%)

1H21 production volume below budget (P50) by 11.2%

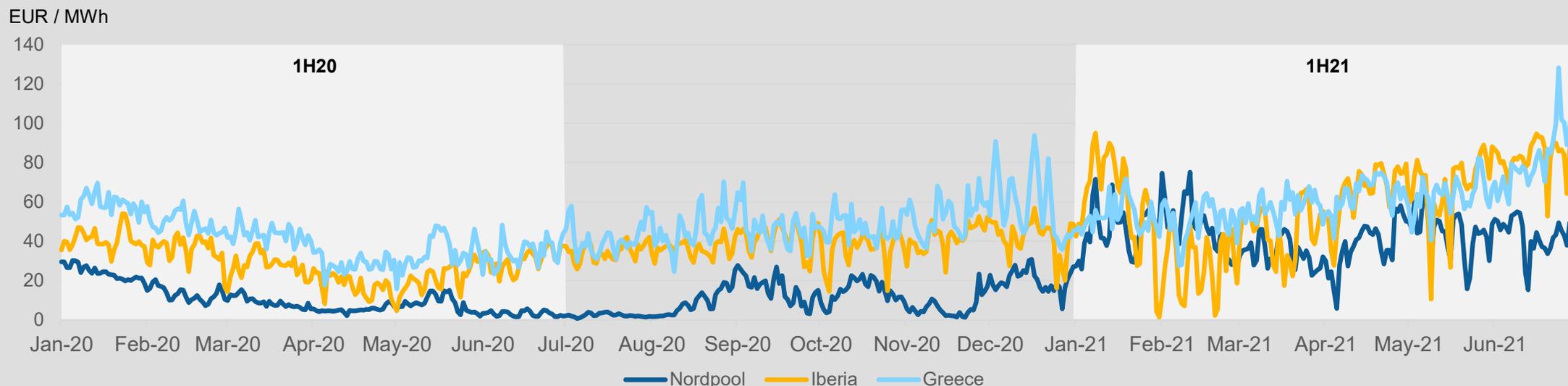
- Lower than expected wind conditions in the Nordics, especially in Q1 2021
- Lower irradiation level in the Iberian region, particularly in Q2
- Project Benfica III experienced an interconnection issue in one of its solar PV plants, from mid-March to early May when the issue was fixed, However, an insurance claim has been raised in order to recover the loss revenue
- Greece experienced a constant wind level that allowed Desfina production to be marginally below budget by 1.6%
- Olhava benefited from strong winds, specially during Q1, allowing it to surpass budget by 3.5%

Technology	Load Factors	
	1H21	1H20
Wind	23.0%	35.1%
Hydropower	48.7%	55.0%
Solar	16.0%	n/a
Total	28.5%	41.2%

¹Region refers to first half of 2021 only. Refer to the Appendix for further details of asset acquisition and economic transfer dates.

European Power Price Developments

Daily Average Power Price¹



- During the first half of 2021, power prices have recovered throughout Europe and have undergone a bullish trend, affected principally by:
 - EU Allowances (“EUA”) prices have increased by nearly 60% since the beginning of 2021, driven by higher demand, lower availability on the market and the political momentum for decarbonisation across the EU
 - Increased commodity prices (gas, coal, oil)
 - Recovery of power demand, driven by stronger economic growth
- Recent positive momentum in power prices has also been reflected in consultant price forecasts in the near-term (relative to Q4 2020)
- Post reporting period:
 - During Q3 2021, the baseload power price levels have continued their bullish trend, driven by three principal factors EUAs, Gas prices and demand / weather. With the strongest impact on countries with dominant share of CCGTs (i.e. combined cycle gas turbines), as marginal price-setting technologies (e.g. Greece, Italy or Spain).

¹Source: European Network of Transmission System Operators for Electricity (ENTSO-E), Nordpool.

Balance Sheet and Liquidity (30 June 2021)

Key Debt Metrics (EUR m) ¹		Liquidity and Project Commitments (EUR m)	
Company level debt	0.0	Total cash on hand	24.9
Asset level debt	107.6	RCF limit	40.0
Total debt	107.6	Total liquidity	64.9
NAV	316.2	Remaining commitments (The Rock, Albeniz)	50.3
GAV	423.8		
Total debt as a % of GAV	25.4		
Investment restriction – maximum debt as a % of GAV	50.0		

- On 15 September 2021, the Company announced that The Rock successfully closed a US Private Placement ("USPP") and Junior Nordic Green Bond ("Green Bond") (collectively the "Bond Refinancing"), representing a combined issuance amount of EUR 315.0 million (on a 100% interest basis)
- Flexible gearing structure
 - Moderate levels of gearing – 25.4% well within maximum limit of 50.0% of GAV
 - Mixture of leveraged and unleveraged assets
 - Majority of debt is fully amortizing and hedged
 - Revolving credit facility provides future funding flexibility (also includes accordion and extension options)

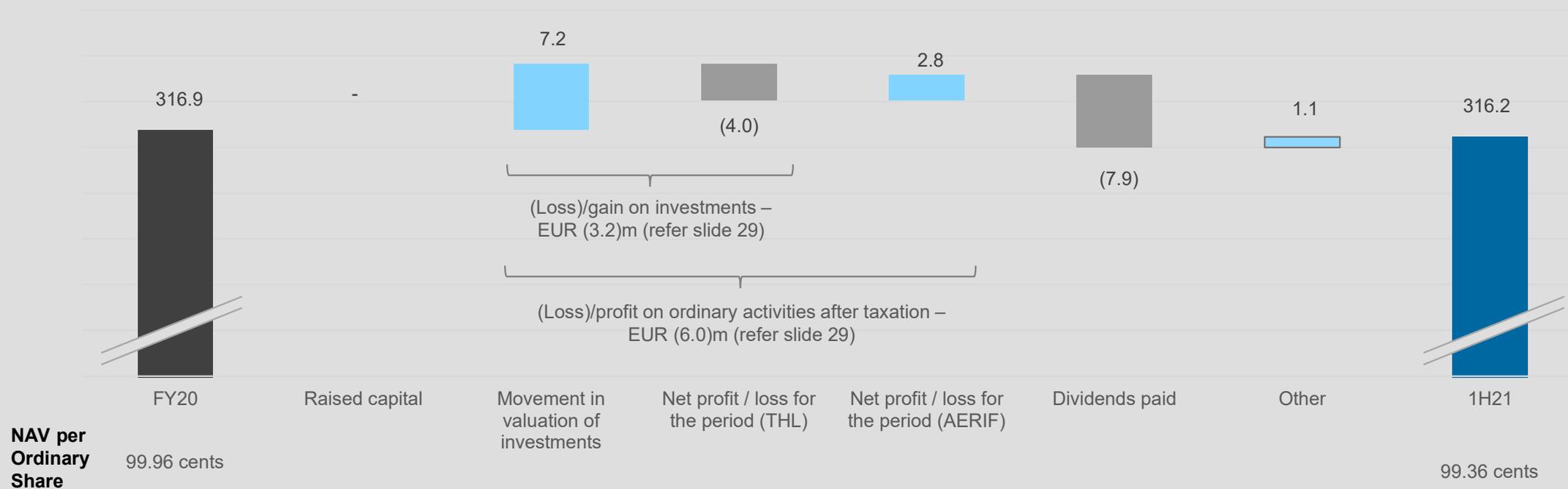
¹Foreign currency values converted to EUR as at 30 June 2021. Data represents AERIF's share of debt. AERIF share of Desfina debt based on voting interest.

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Net Asset Valuation

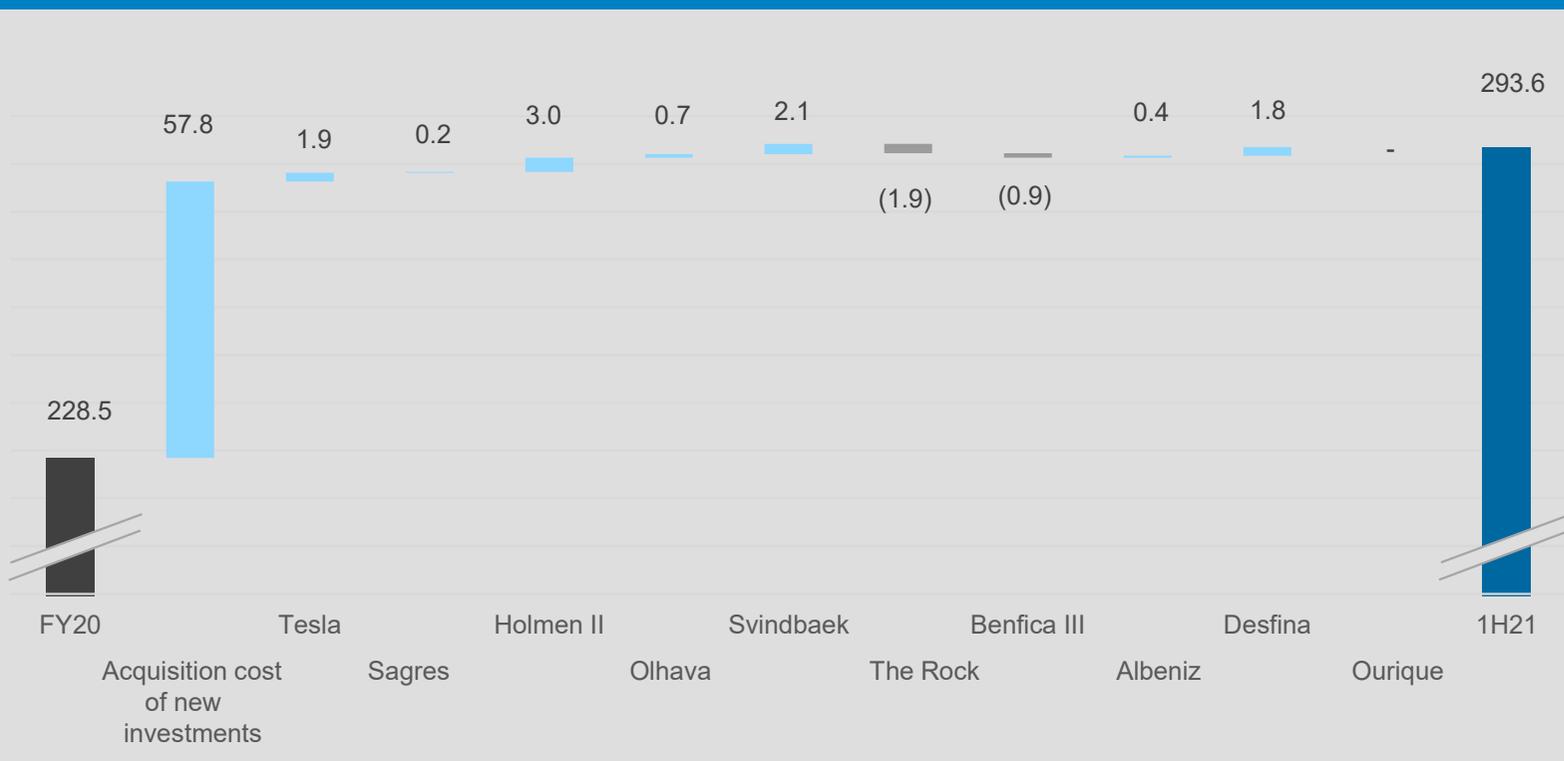
Net Asset Value Bridge (EUR m)



- Total NAV return per ordinary share (including dividends) of 1.9% as at 31 December 2020
- EUR 2.8 million net profit comprising interest income from shareholder loans (EUR 4.8 million), partially offset by Investment Advisory fees (EUR -1.2 million), other expenses (EUR -0.6 million) and finance costs (EUR -0.2)
- EUR 7.9 million in dividends were paid (2.5 cents per ordinary share), compared to EUR 2.6 million dividends paid during the first half of 2020

Portfolio Valuation

Portfolio Valuation Bridge (EUR m)



Portfolio Value Split (EUR m)

	1H21	FY20
Tesla	27.2	25.4
Sagres	15.3	15.2
Holmen II	24.5	21.5
Olhava	26.0	25.3
Svindbaek	39.1	37.0
The Rock	47.9	32.2
Benfica III	15.8	16.7
Albeniz	27.5	17.4
Desfina	39.7	37.9
Ourique	30.4	0.0
Total	293.6	228.5

- Revaluation effect in the investments of EUR 7.2 million was driven by:
 - Recovery of power prices across Europe.
 - Portfolio discount rate has decreased by 30 bps
- Further capital deployments in the Portfolio of approx. EUR 57.8 million:
 - Increased capital contribution to The Rock of EUR 8.3 million equity and EUR 9.4 million in bridge financing;
 - Increased capital contribution to Albeniz of EUR 9.7 million equity
 - Acquisition of 50% of Ourique in the amount of EUR 30.4¹ million

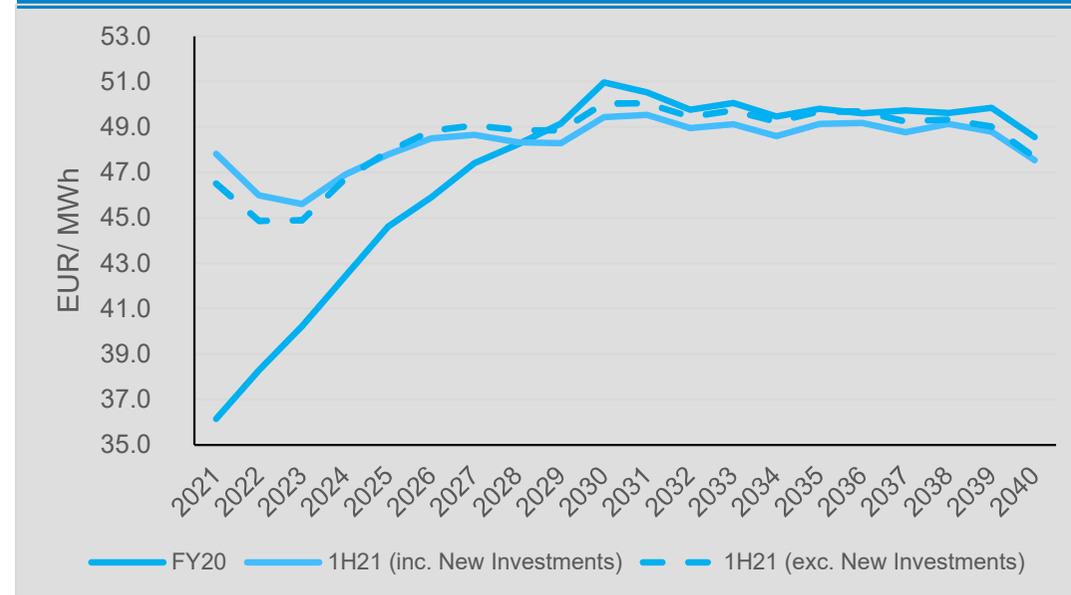
¹Includes EUR 1.5 million retained acquisition price and EUR 2.4 million purchased interest.

Key Assumptions

Metric		1H21	FY20
Discount rate	Weighted average	6.3%	6.6%
Long-term inflation	Weighted average	2.0%	2.0%
Remaining Asset life (Weighted Average) ¹	Wind	24 years	24 years
	Hydropower	12 years	12 years
	Solar	27 years	27 years

- In the short to medium term, forecast electricity prices (sourced from market leading energy consultants) have increased significantly relative to the forecasts used in FY20
- Macroeconomic optimism, revised medium term GDP growth perspectives, reflecting a strong macroeconomic recovery for Europe
- Increases in expected EUA prices resulting from expected reductions in supply to achieve the 55% emission reductions target by 2030, as a part of the "fit for 55" plan developed by the EU
- Continuous prices increase in other commodities markets (i.e., coal, oil, gas) affected by imbalances in demand and supply
- In the long-term, reduction in price forecasts driven by assumptions for further build out in renewables

Real Electricity Price Forecasts – (Weighted Average)²



¹Remaining asset life based on net full load years. Does not consider any potential asset life extensions. ²1H20 data reflects pricing forecast under the new methodology used from Q2 2021 onwards (i.e. average of two power price curves). All power prices are in real 2021 terms.

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1H21 performance

- Portfolio generating capacity of 332.3 MW
- Portfolio production 11.2% below budget
- Recovery in power prices throughout Europe, with prices in Iberia increasing by 72.5% and Nordpool 284.6%
- Further capital deployment for approximately EUR 58 million, effectively deploying or committing all of its raised capital
- Further technology and country diversification with Solar PV representing 25.1% and Portugal 21.0%
- The Company generated a total NAV return of 1.9% (including dividend) during the first half of 2021

Low risk, defensive asset portfolio

- Country and technology diversification
- High contracted revenue visibility with 71.7% of revenue contracted for the next five years
- Attractive pipeline identified for the capital raising
- Low financing risk with a tenor of 12.4 years and a weighted average cost of 2.9%

Unique proposition for investors

- Continental Europe focused
- Targeting exposure across wind, solar and hydro
- Euro denominated, London Stock Exchanged listing

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Summary Income Statement

EUR k	1H21	1H20
Gains/(losses) on investments	3,288	(6,759)
Net foreign exchange gains/(losses)	3	(8)
Interest income	4,834	2,709
Investment advisory fees	(1,175)	(716)
Other expenses	(702)	(549)
Profit /(loss) on ordinary activities before finance costs and taxation	6,248	(5,323)
Finance costs	(197)	(161)
Taxation	-	-
Profit /(loss) on ordinary activities after taxation	6,051	(5,484)
Return per Ordinary Share (cents)	1.91c	(3.80c)

Summary Balance Sheet



EUR k	1H21	FY20
Assets		
Cash	21,482	121,014
Trade and other receivables	6,838	5,763
Portfolio value	291,084	229,982
Liabilities		
Creditors	(3,252)	(39,856)
Net assets	316,152	316,903
Net assets per Ordinary Share (cents)	99.36c	99.96c

Summary Cash Flow

EUR k	1H21	FY20
Operating activities		
Profit on ordinary activities before taxation	6,051	(1,187)
Adjustment for unrealized (gains)/losses on investments	(3,288)	3,959
Working capital adjustments	(37,680)	(2,398)
Net cash flow (used)/from in operating activities	(34,917)	374
Purchase of investments	(57,814)	(77,394)
Financing activities		
Proceeds of share issues	1,182	168,889
Share issue costs	(37)	(3,228)
Dividends paid	(7,947)	(6,488)
Net cash flow (used in)/from financing activities	(6,802)	159,173
Movement in cash	(99,533)	82,153
Closing cash balance	21,482	121,014

Reconciliation – Portfolio Value and NAV

EUR k	1H21	FY20
Operating assets	217,393	181,211
Construction assets	73,691	48,771
Fair value of investments	291,084	229,982
Cash	21,482	121,014
Total assets	312,566	350,996
Other assets and liabilities	3,586	(34,093)
Net Asset Value	316,152	316,903
Ordinary Shares on issue	318,200	317,037
Net Asset Value per Ordinary Share	99.36	99.96

EUR k	1H21	FY20
Portfolio value (THL)	293,573	228,509
Other assets and liabilities (THL)	(2,489)	1,473
Fair value of investments (AERIF)	291,084	229,982

Asset Acquisition and Economic Transfer Dates

Asset	Acquisition Date	Economic Transfer Date
Tesla	Jul 2019	Jan 2019
Sagres	Jul 2019	Jan 2018
Holmen II	Jul 2019	Jan 2019
Olhava	Sep 2019	Aug 2019
Svindbaek I	Dec 2019	Jan 2020
Svindbaek II	Mar 2020	Jan 2020
The Rock	Jun 2020	Jun 2020
Benfica III	Oct 2020	Dec 2019 – Jul 2020
Albeniz	Dec 2020	Dec 2020
Desfina	Dec 2020	Nov 2020
Ourique	Jun 2021	Jan 2021

Merchant Market Desk – The Hub for Hedging Activities Across Aquila Group

- Run competitive off-taker selection processes through our **extensive network** in the energy industry.
- **Quantitative evaluation** of the offers in term of risk and reward and propose an **optimal solution for our investors**.
- Individual view of market price risks and opportunities and delivery obligations to find the **optimal structure of a PPA**.
- Working closely with **project finance** to pre-assess and determine bankable structures.
- Negotiation and structuring of PPA-related products, such as **Elcerts and GoOs**.

PPA sourcing and structuring

Energy and market risk management

- We **measure, monitor and manage** merchant exposure through selling at spot, entering into short-term PPAs and analysing the suitability of financial products, such as **options and forwards**.
- Constant dialogue with investors, banks and off-takers on developing new and innovative structures for **risk diversification** and enabling to capture more of the upside.
- **Risk analysis** and **portfolio optimization** of different Aquila funds.

- We **provide pricing** for Aquila Group projects, backed by several third-party power price forecasts.
- Rigorous analysis and monitoring of **the main drivers for power prices**.
- Monitoring **policy/regulatory developments** in relevant markets at EU and national level.

Market and pricing analysis

FX and interest rate hedging strategies

- MMD's FX and interest rate specialists work across all asset classes to advise our investment teams on how to **hedge risk in all transactions and portfolios**.
- Where appropriate, interest rate and FX derivatives are employed **to manage asset exposures** to adverse interest rate and foreign exchange moves.

The MMD is currently building a team to execute power hedging strategies in liquid markets, as a complement to PPAs.

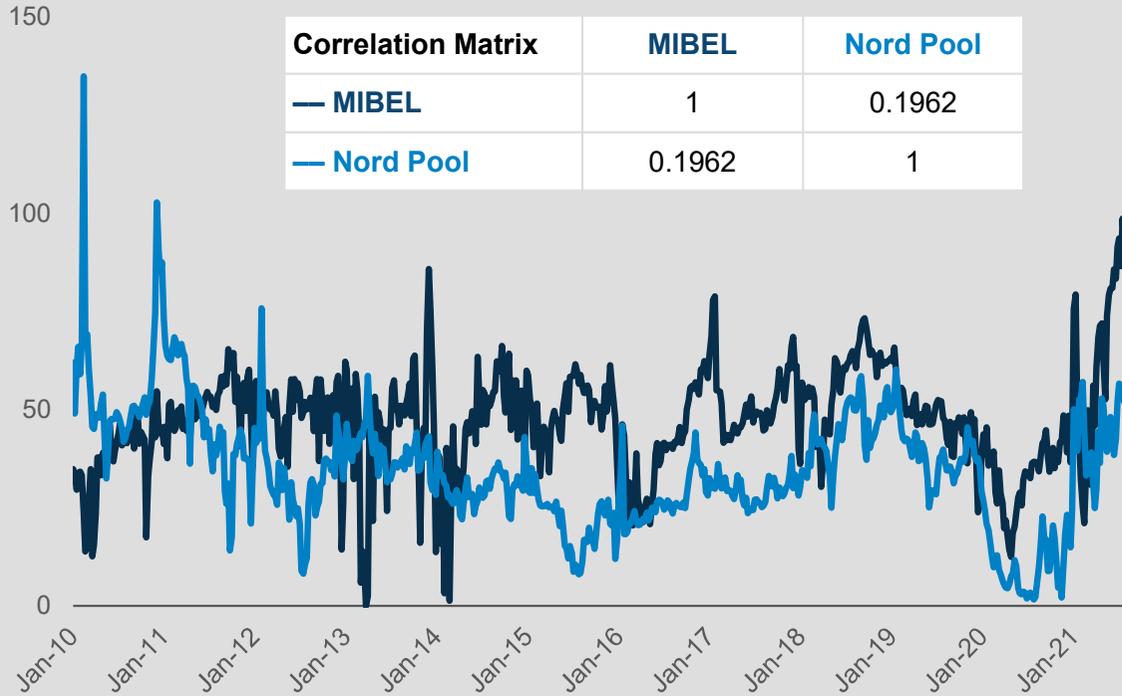
Source: Aquila Capital Investmentgesellschaft mbH, as of 09.02.2021.

European Power Prices and the Benefits of Diversification

MIBEL (Iberia) vs. Nord Pool Power Prices (EUR)¹

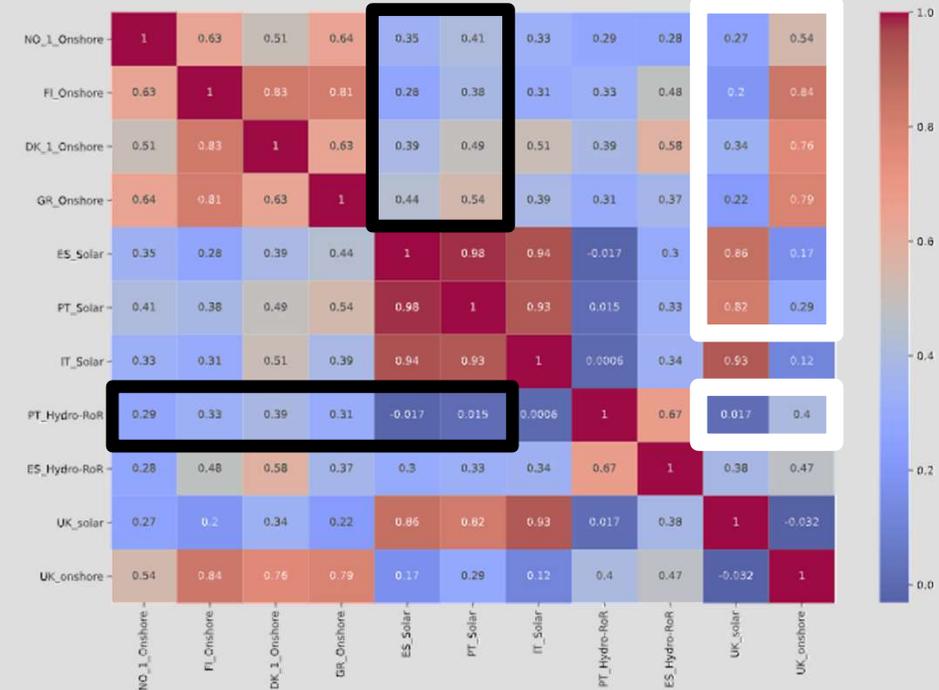
EUR / MWh

Correlation Matrix	MIBEL	Nord Pool
— MIBEL	1	0.1962
— Nord Pool	0.1962	1



Revenue Correlation Matrix – Europe and UK²

AERIF Portfolio
 AERIF Portfolio vs. UK renewables

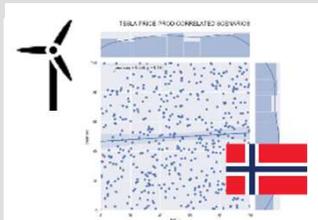
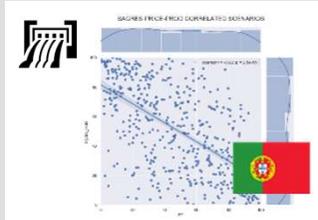


AERIF portfolio exhibits low revenue correlation factors between Iberian solar versus Nordic and Greek wind, as well as low to medium correlation factors with UK solar and wind

Source: Aquila Capital Investmentgesellschaft mbH. ¹Source: European Network of Transmission System Operators for Electricity (ENTSO-E), Nordpool. ²Correlation matrix performed on average monthly revenues at a country level, data obtained from 1 January 2015. Correlations calculated using data from 1 January 2015.

Simulation Analysis and New Investment Opportunities

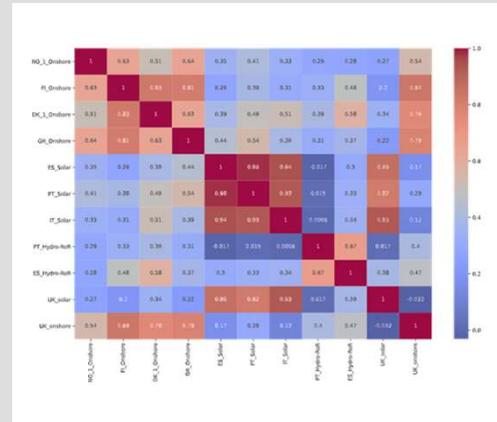
Historical prod¹-price correlation at asset level



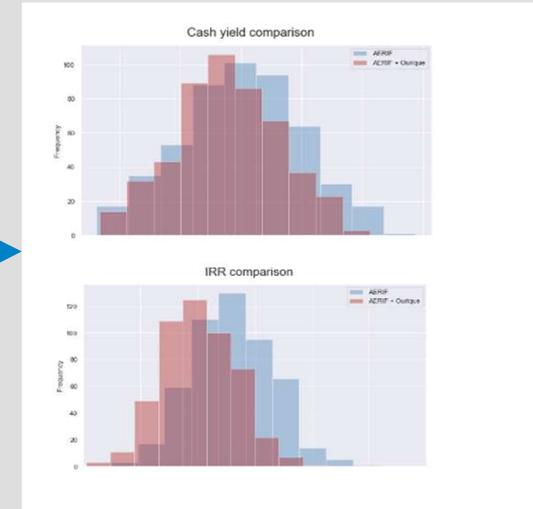
500 prod-price simulations per asset



500 simulations for revenue correlation



500 simulations at fund level



– Simulation analysis allows for unique insights beyond asset-level analysis:

- Identification of portfolio correlation factors
- Assessment of portfolio cash yields and IRR across a distribution of outcomes
- Quantitative analysis covering Mean, Standard Deviation and Sharpe Ratio
- Quantification of portfolio level effects, including the benefits of diversification (e.g. lower volatility)

Source: Aquila Capital Investmentgesellschaft mbH. ¹Production.

PPA Origination and Market Analysis



Joakim Johnsen
Head of Merchant Market Desk

Experience & previous roles

- +17 years in renewables in investment and executive positions at Statkraft and Aquila
- 6 years in strategy consulting with Gemini Consulting
- Has sourced 600+ MW of PPAs across the Nordics and Iberia

Education

- BSc in Mgmt Sciences – UMIST
- MBA – Manchester Business School



Marcos Dominguez
Director Power Sales Iberia

Experience & previous roles

- +12 years of experience in energy sector
- Head of Trading & Origination at Alcanzia
- Lead power trader - ElectroRoute & Iberdrola

Education

- Master's Degree in Engineering – Comilla Pontifical University in Madrid
- Chartered Financial Analyst (CFA)



Lars Haavik
Director Power Markets Nordics

Experience & previous roles

- +15 years of experience in financial industry, including 10 years working with Nordic power markets
- Lead originator - Vatenfall Energy Trading
- Sales & Trading at Axpo

Education

- BSc in B.A. – University of Kent (UK)



Natalia Wisniewska
Power Markets Analyst

Experience & previous roles

- +4 years of experience in the energy sector
- Regulation & Markets Associate – EDP Renováveis
- Energy Market Consultant – AFRY Management Consulting

Education

- BEng in Chemical Engineering Swansea University (UK)
- MSc in Sustainable Energy Futures – Imperial College London (UK)



Mena Nidam
MMD Analyst

Experience & previous roles

- +2 years of experience in the financial industry
- Senior Risk Management Analyst - Deloitte

Education

- BSc in Economics – University of Bristol
- MA in Financial Economics IDC (Israel)
- CFA Level I

Hedging and portfolio management solutions, FX and interest rate exposure management



Dr. Arne M. Weber
Head of Trading & Origination

Dean Morris
Head of Operations & Risk

Norman Hartmann
Chief Technology & Processing Officer

Dr. Dirk Brunnberg
Energy Markets & Product Management

Kilian Leykam
Head of Markets Development, Trading & Origination

Terence Scheit
Head of Rates & Portfolio Hedging

Ben Corp
Manager Operations & Middle Office

Konstantinos Falieros
Trader

Björn Lämmerzahl
Trader

Trading & Origination

- Best-in-class trading, optimisation and execution approach
- Rigid analytical and quantitative approach
- Innovative (complex) deal structures and excellent market network
- Vast (green) commodity spectrum

Risk management

- Independently measures, monitors and reports exposure
- Supervision and control of front office activities
- Assessment of risks, opportunities and potential returns
- (Macro) risk analysis and portfolio optimisation

Analysis

- State of the art fundamental market analysis
- Short term price forecasts based on rigid data analytics & data mining
- Developing new and innovative structures for risk diversification
- Structuring and valuation support both for projects and front office

Operations

- Market access and day-to-day operations support
- Streamlined settlement processes
- Efficient operational cash management
- Clearing and banking expertise

Source: Aquila Capital Investmentgesellschaft mbH, as of 30 June 2021.

Terms of the Fund

Aquila European Renewables Income Fund Plc

Fund structure	UK-domiciled closed-end investment company
Listing	Premium Segment of the London Stock Exchange
Ticker / ISIN in EUR / SEDOL	AERI / GB00BK6RLF66 / BK6RLF6
Ticker / ISIN in GBP / SEDOL	AERS / GB00BK6RLF66 / BJMXQK1
Currency	Fund raising, reporting and investor distributions will be Euro-denominated
Target dividend profile¹	2021: minimum of 5 cents per ordinary share, with the aim of growing progressively thereafter
Target returns¹	Total return target of 6.0 – 7.5% (net of fees and expenses) over the long-term
Governance	Independent board of 4 directors
Investment adviser	Aquila Capital Investmentgesellschaft mbH
AIFM	International Fund Management Limited
Advisory agreement	Initial term: 4 years with 1 year termination notice period
Investment advisory fees + applicable taxes	<p>< EUR 300m: 0.75% of NAV (+ VAT)</p> <p>≥ EUR 300m ≤ EUR 500m: 0.65% of NAV (+ VAT)</p> <p>> EUR 500m: 0.55% of NAV (+ VAT)</p>
Shareholder alignment	<ul style="list-style-type: none"> – Continuation vote after 4 years and every 4 years thereafter – Discount triggered buyback subject to free cashflow – Advisory fee settled in shares until 30 June 2023
Key elements of investment policy/limits (% of portfolio by value at time of acquisition)	<p><25% in a single asset</p> <p><20% in energy infrastructure technologies outside onshore wind, solar PV and hydropower</p> <p><30% assets under development/construction</p> <p><=50% of Gross Asset Value is long-term structural debt</p> <ul style="list-style-type: none"> – Geographical allocation: throughout continental Europe and the Republic of Ireland
Risk management	<ul style="list-style-type: none"> – Power production sold to creditworthy counterparties – An appropriate hedging policy in relation to interest rates will be adopted – No currency hedging

¹These are targets only and not forecasts. There can be no assurance that these targets can or will be met and it should not be seen as an indication of the Company's expected or actual results or returns. Accordingly, investors should not place any reliance on these targets in deciding whether to invest in ordinary shares or assume that the Company will make any distributions at all.

Contact details

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For more information please visit us on [www](http://www.aquila-capital.com) [in](https://www.linkedin.com/company/aquila-capital) [X](https://x.com/aquila_capital) [Twitter](https://twitter.com/aquila_capital)

As at 30 June 2021.

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The Fund is incorporated and registered in England and Wales as a public company limited by shares under the Companies Act 2006 (as amended). A prospectus has been issued for the Fund, which is, together with further documents and information available free of charge via website at <https://www.aquila-european-renewables-income-fund.com/>.

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