

Aquila European Renewables Income Fund Plc

Quarterly Fact Sheet Q4 2021

Investment Strategy and Objective

The objective of the Aquila European Renewables Income Fund Plc (the Company) is to generate stable returns and provide investors with a diversified portfolio of renewable energy assets. The Company's target is to invest mainly in diversified operating and a limited number of development and construction renewable energy assets, such as hydropower plants, wind farms and solar photovoltaic (PV) parks, across continental Europe and Ireland. The varied seasonal production of these asset types works to balance the cash flow of the Company, while geographical diversification reduces the Company's exposure to any single energy market. In addition, a balance is maintained between government supported revenues, fixed price power purchase agreements (PPAs) and market power price risk.

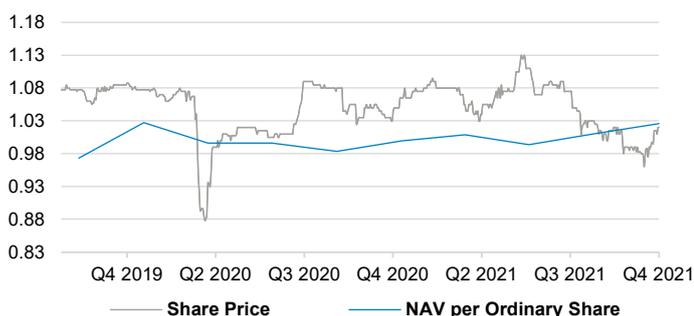
Key Statistics

Listing	London Stock Exchange
Ticker	AERI
ISIN/WKN	GB00BK6RLF66
Investment Advisor	Aquila Capital Investmentgesellschaft mbH
Target dividend with respect to 2021 in EUR cts/share	5.0

Key Performance Figures as at 31 December 2021

Share price in EUR	1.0200
Share price in GBP ¹	0.8475
NAV per share in EUR (unaudited)	1.0258
NAV in mEUR (unaudited)	417.4
GAV in mEUR (unaudited)	561.8
No. of shares in issue in millions	406.9
Market capitalisation in mEUR	415.1
Discount to NAV per share in %	-0.6
Total shareholder return over quarter in % ²	0.2
Total shareholder return since IPO in % ^{2,3}	11.3
NAV total return over quarter in % ²	2.8
NAV total return since IPO in % ^{2,3}	14.1
Dividend approved for the year 2021 in EUR cts/share ⁴	5.0
Dividend (Q4) approved in EUR cts/share	1.25
Dividend (Q4) declaration date	04.02.2022
Dividend (Q4) record date	18.02.2022
Dividend (Q4) payment date	11.03.2022

NAV vs. Share Price in EUR



Financial and Operational Highlights

- The Company's NAV as at 31 December 2021 was 417.4m euros or 102.58 cents per Ordinary Share. Compared to the Company's NAV as at 30 September 2021 (410.4m euros) this represents a NAV total return of 2.8% per Ordinary Share (an increase of 1.5% in NAV together with a dividend paid of 1.25 cents per Ordinary Share).
- A key driver of the NAV movement was the impact of a positive power price curve for all assets within the portfolio. In addition, the increase in short-term CPI forecasts (medium and long-term assumptions remain unchanged) had a marginal positive impact
- The Company's cash on hand⁵ as at 31 December 2021 was 102.2m euros. In addition, the Company has a 40.0m euros revolving credit facility. Remaining construction commitments to be funded by equity amount to approximately 6.1m euros, in relation to Albeniz.
- The portfolio's overall production performance was broadly in line with the budget during the fourth quarter of 2021. Production performance over the year 2021 was 8.2% below budget, mainly due to lower than expected wind levels in Norway and Denmark as well as lower than expected irradiation and precipitation levels in Portugal. The overall increase in power prices in 2021 partially offset the lower production performance.
- Construction of The Rock continued with all activities being carried out as per the revised schedule and the main installations of all wind turbine generators has now been completed. Full completion remains on track for the end of March 2022.
- Construction work at Albeniz progressed well during the quarter (completion of module assembly and procurement works, good progress with regard to mechanical and engineering works). The process to obtain the final approvals and permits from the requisite local authorities to complete the project experienced some delays, due, in main part, to the high volume of projects currently being commissioned in Spain. Accordingly, the commissioning date is now expected in the second quarter of 2022.
- Following a period of favourable pricing dynamics in Iberian power markets, additional PPAs for Benfica III and Albeniz were negotiated. For Benfica III an additional PPA increased total P50 production coverage from 52% to approximately 85%. For Albeniz an additional PPA increased total P50 production hedging from 60% to 80% (over five years). Attractive prices were secured, representing notable increases compared to those achieved under existing PPAs.
- The Company will publish its 2021 annual report in April 2022.

Market Development

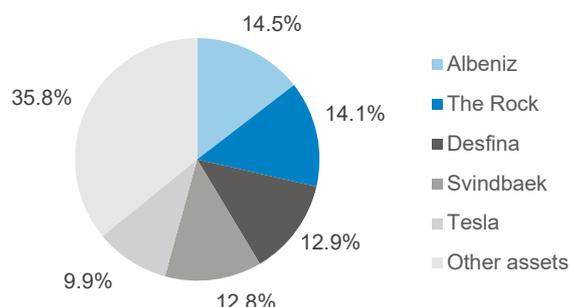
The fourth quarter of 2021 saw bullish power price levels continue across Europe. This trend has been a consequence of the feedback loop formed by rising commodity prices and limited energy reserves. This has been further supported by relatively higher demand from the colder autumn and winter weather. In the Nordics, the increase in power price levels has been driven by a reduction in hydro reservoir levels and the impact of significantly more bullish interconnected Continental European and UK markets.

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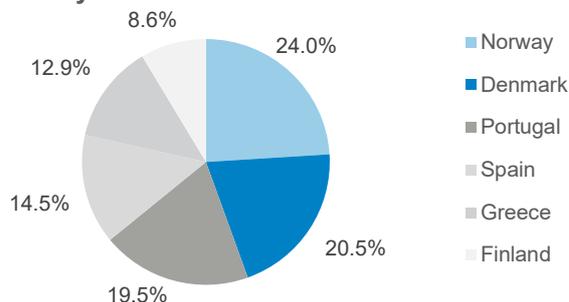
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Portfolio Breakdown Based on Fair Value⁶ as at 31 December 2021

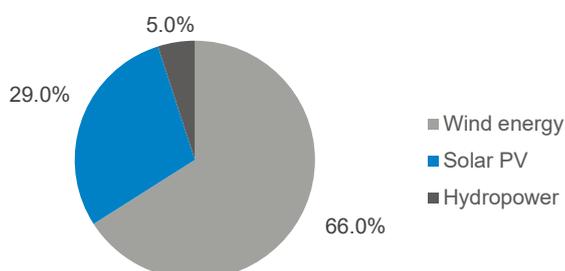
Assets



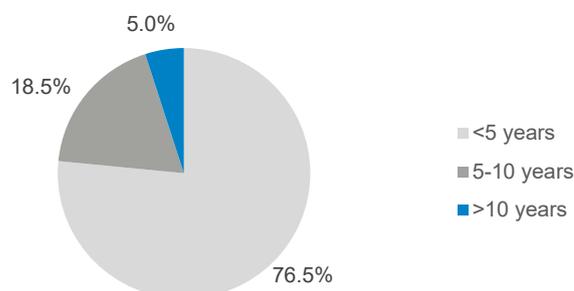
Country



Technology



Asset Age



Investment Policy

The Company will seek to achieve its investment objective, through investments in renewable energy infrastructure in continental Europe and the Republic of Ireland, comprising wind, photovoltaic and hydropower plants, and through investments in non-generating renewable energy related infrastructure.

Investment Advisor

Aquila Capital Investmentgesellschaft mbH (ACI) is the investment advisor and asset manager for the Company and is authorised and regulated by BaFin.

Contact

AERIF-Contact@aquila-capital.com

AIFM

Sanne Fund Management (Guernsey) Limited⁷

Administrator

Sanne Fund Services (UK) Limited⁷

¹ Source: Bloomberg as at 31 December 2021.

² Calculation includes dividends paid during the period.

³ Total 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.

⁴ Cumulative with respect to Q1 2021 - Q4 2021 in EUR cts/share.

⁵ Cash on hand includes cash positions of Aquila European Renewables Income Fund Plc and its wholly owned subsidiary, Tesseract Holdings Limited.

⁶ Allocation is based on fair value of the assets, equal to 317.6m euros (excluding cash and any other fund level items), unless stated otherwise.

⁷ The name of the Company's Administrator and Company Secretary as well as of the AIFM has changed from PraxisIFM Fund Services (UK) Limited to Sanne Fund Services (UK) Limited and International Fund Management Limited to Sanne Fund Management (Guernsey) Limited respectively.

Disclaimer

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Portfolio Map

