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AQUILA EUROPEAN RENEWABLES INCOME FUND PLC
Final Results

We are pleased to present the final results for the period ended 31 December 2019.

Investment Objective

Aquila European Renewables Income Fund Plc ('the Company' or 'AERIF') will seek to generate stable returns, principally in the form of income distributions, by investing in a diversified portfolio of renewable energy infrastructure investments.

Highlights

- The Company's initial public offering ('IPO') took place on 5 June 2019 and raised EUR 154.3 million
- Over 70.9% of the capital raised during the IPO was invested and a further 23.8% of the proceeds committed by 31 December 2019
- Five investments were made into a 132 MW[1] diversified portfolio of operating assets across four different countries
- The Company achieved its dividend target of 1.5 cents[2] per Ordinary Share for the period up to 31 December 2019
- The Company entered into a conditional sale and purchase agreement to acquire its first construction-ready asset, which is a 43.2 MW wind farm located in Finland
- The current portfolio is projected to power 93,315 households and offset over 112,723 tonnes of CO2 emissions annually[3]
- Long-term structured debt[4] is approximately 34.8% of gross asset value[5]('GAV')
- The Company's net asset value ('NAV') as at 31 December 2019 increase by 4.8% per Ordinary Share since the IPO
- The Company earned a Green Economy Mark from the London Stock Exchange
- Subsequent to the reporting date:
    - On 6 March 2020 the Company successfully raised EUR 40.0 million (oversubscribed) under its placing programme (as outlined in the Company`s IPO prospectus) to fund future acquisition opportunities
    - On 23 March 2020, the Company acquired an additional 9.6 MW operating wind farm in Denmark

Financial information

	As at 31 December 2019
NAV per Ordinary Share (cents)	102.7
Ordinary Share price (cents)	107.8
Ordinary Share price premium to NAV[6]	4.9%
Dividends per Ordinary Share (cents)	1.5
Net assets in (EUR million)	158.9
Ongoing charges[6]	1.7%

Performance summary

	% change[7,8]
NAV total return per Ordinary Share[6]	4.8%

Share price total return per Ordinary Share[6]	7.8%

Alternative Performance Measures ('APMs')

The disclosure in the tables above is considered to represent the Company's APMs. Definitions of these APMs and other performance measures used by the Company, together with how these measures have been calculated, can be found on page 79 of the Annual Report and Accounts.

1 Represents the Company's proportionate share of total megawatts across its existing investments as of 31 December 2019.
2 All references to cents are in Euros, unless stated otherwise.
3 CO_2 savings are based on the Company's proportionate share. Calculations follow the methodology of the Greenhouse Gas Protocol. CO_2 savings of European assets are based on the European average.
4 Represents the Company's proportionate share of total debt at the asset ('SPV') level across its existing investments as of 31 December 2019.
5 GAV is the sum of fair value valuations of AERIF's investments, cash and other relevant assets and liabilities of AERIF.
6 These are Alternative Performance Measures for the period from commencement of operations on 8 April 2019 to 31 December 2019. Share price total 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.
7 Total returns in Euro for the period.
8 Source: Bloomberg.

Strategic Report

Chairman's Statement

Introduction

On behalf of the Board, I am pleased to present the first annual report of Aquila European Renewables Income Fund Plc for the period to 31 December 2019, and to welcome all of our new Shareholders.

The Company raised EUR 154.3 million of capital in its IPO on 5 June 2019, to be deployed in an ex-UK, pan-European portfolio of renewable energy assets, diversified across both geography and generation technology (wind, hydro and solar photovoltaic ('PV')).

On 6 March 2020 the Company successfully raised a further EUR 40.0 million (oversubscribed) under its placing programme to fund future acquisition opportunities.

The investment opportunity for the Company arises from the energy transition which is underway, with the urgent need to reduce carbon emissions driving a shift to low-carbon sources of energy generation and an increasing electrification of energy use.

Europe is a leading participant in this transition, with renewable energy capacity expected to almost double over 2019-40, adding 518 GW, with significant investment required to support this.

The opportunity for investors to participate in the financing of this transition through listed renewable energy infrastructure funds ('REIFs' or 'YieldCos') was pioneered in the UK in 2013, and the sector has since become a recognized asset class, with a value of some GBP 8.0 billion.

Within this group, the Company is unique in its exclusive focus on pan-European, ex-UK investments.

Dividends and Returns

The Company's IPO prospectus set out a target dividend of 1.5 cents per Ordinary Share in relation to the period ended 31 December 2019. In line with the IPO prospectus, the Company announced its first dividend of 0.75 cents per Ordinary Share in November 2019 and a further 0.75 cents per Ordinary Share in February 2020, in respect of the quarterly periods to September and December 2019 respectively.

The Company is targeting a dividend of 4.0 cents per Ordinary Share in relation to the year ending 31 December 2020, subsequently increasing to 5.0 cents per Ordinary Share thereafter. Dividends on the Ordinary Shares are expected to be paid quarterly, normally in respect of the three months to 31 March, 30 June, 30 September and 31 December, with dividends declared in May, August, November and February.

As of 31 December 2019, the Company's NAV was EUR 158.9 million. This represents an increase of 4.8% since the IPO NAV. This strong NAV performance is reflective of capital deployment into high quality renewable assets, and our Investment Adviser's ability to add value by de-risking them.

Investment Strategy and Adviser

Our investment strategy is deliberately multi-technology, including wind, hydropower and solar PV assets. Each of these technologies delivers different levels of production volatility, and this is reflected in the marketplace for asset acquisition through differing discount rates which are applied to their forecasted cash flows. The pan-European marketplace also offers a changing landscape of Government subsidy schemes affecting the value of energy output, with an increasing trend towards the withdrawal of new subsidies, replaced by a reliance on market prices and bilaterally negotiated power purchase agreements ('PPAs'). The maturity of PPA markets across Europe is far from uniform, and whilst some energy markets are linked across certain countries, there is certainly no uniformity in energy pricing across our target countries.

The task for our Investment Adviser, Aquila Capital Investmentgesellschaft mbH ('Aquila Capital' or 'Investment Adviser'), is therefore to scour the landscape of opportunities across Continental Europe and Ireland, selecting those with the best risk-adjusted return profile, managing correlated and uncorrelated risk, so as to optimise the ability of our portfolio to sustain our target dividend whilst keeping our asset value whole.

This task is well matched to the breadth and depth of skills of Aquila Capital, part of the Aquila Group, which has over EUR 10.7 billion of assets under management or administration ('AuM / AuA'), and has undertaken transactions worth approximately EUR 9.5 billion, with aggregate capacity across wind, solar PV and hydropower energy of approximately 5,000 MW (as at 31 December 2019).

The individual investment decisions are made in order to keep the portfolio as a whole diversified within our published investment restrictions, and to also ensure an appropriate risk-return profile between various forms of market remuneration (government support, PPA and merchant revenue). In summary, we seek to provide investors with regular income, by balancing the portfolio across renewable technology, location and remuneration.

Initial Portfolio

Since IPO, the Company has invested in five operating and income bearing assets, deploying 70.9% of the initial IPO proceeds raised and entered into a conditional commitment for a further 23.8% of proceeds raised in relation to a sixth asset, an in-construction wind farm. As result of successful capital deployment, the Company now has an interest in a 132 MW[9] of operating assets, located in Denmark, Norway, Finland and Portugal. Further details of our portfolio are provided in our Investment Adviser's report. The steady pace of deployment is a testament to the strong pipeline of investible renewable energy assets provided to the Company by Aquila Capital.

Leverage

In keeping with our focus on generating immediate cash yield, the Company has targeted assets with only a moderate level of project debt. As at 31 December 2019, across the Company's investment portfolio there is approximately EUR 85.0 million of non-recourse, project debt (on a proportional basis) at the asset SPV level('SPV'), equivalent to approximately 34.8% of GAV. The leverage is fully amortizing and has been structured to account for each asset's seasonal production profile. There is no existing debt at either the Company level or its subsidiary, Tessseract Holdings Limited('HoldCo').

Asset Performance[10]

The portfolio produced 318.5 GWh of electricity, which is 5.1% below the expected electricity production of 335.5 GWh. The shortfall in total production is directly related to the portfolio's wind assets, as they were collectively off target by 10.4% as a result of below-average wind conditions and minor disruptions. Note that below-average wind conditions during this period were an industry wide phenomenon and since this time, we have observed performance above expectations in 2020.

Supporting the case for technology diversification, the Company's investment in the Sagres hydro portfolio, delivered above expectations during the reporting period. The hydro portfolio produced 118.5 GWh of electricity, which was 5.5% above expectations, mainly due to exceptionally high precipitation in the fourth quarter of 2019. Note, these results exclude a contribution from Svindbaek and Svindbaek II which were acquired in December 2019 and March 2020 respectively.

Whilst the Company's portfolio operates across a number of separate markets, overall power prices have been recently subdued due to a combination of several factors, including (but not limited to):

- COVID-19 has had a negative impact on oil and other commodity prices on expectations of lower demand
- Investments in liquified natural gas projects have outpaced global demand
- Winter conditions have been relatively mild across Europe
- High precipitation in the Nordic region
- Rebalancing effect of substituting fossil fuels for intermittent sources of energy

9 Represents the Company's proportionate share of total megawatts across its existing investments as of 31 December 2019.

10 All figures quoted in this section are presented on a proportional basis from the date of economic transfer (Sagres – 1 January 2018, Tesla & Holmen II – 1 January 2019,Olhava – 9 August 2019).

Environmental, Social and Governance

The Company strives to provide investors with a truly diversified portfolio of renewable assets, by investing in renewable energy infrastructure investments such as hydropower plants, onshore wind and solar PV across continental Europe and Ireland. Backed by this objective, the 132 MW [11] portfolio has the potential to power 93,315 households and offset over 112,723 tonnes of CO_2 emissions annually[12].

The Company is committed to focusing on the green economy, and as such has chosen Aquila Capital as its Investment Adviser. As a signatory of the United Nations' Principles for

Responsible Investments, Aquila Capital has integrated Environmental, Social and Governance('ESG') criteria across every single stage of its investment process for real assets, reflecting the sustainable strategy of the Company.

In October 2019, the Company became one of the first beneficiaries of the Green Economy Mark from the London Stock Exchange, reflecting the strong contribution from the Company towards the global green economy. This classification is an easy means for investors to identify companies that are truly aligned to the transition to a sustainable low carbon world.

Conclusion and Outlook

I would like to express my gratitude to my fellow Board members and to all of the Company's advisers, particularly for all of their work leading up to the IPO and in the busy period which followed.

Despite recent movements in power prices and the COVID-19 pandemic, the Company's portfolio benefits from both diversification and a strong mix of current contracted revenues (via government support schemes and PPAs).

The Board is pleased with the initial progress made by the Company in delivering against its investment objectives. Despite a difficult market backdrop, the Board believes that this positions the Company well for achieving its dividend and return targets in both the short and long-term. The pipeline of new investment opportunities that the Investment Adviser is engaged with provides confidence that the Company can achieve further gains in portfolio diversification and scale.

Ian Nolan
Chairman
27 April 2020

11 Represents the Company's proportionate share of total megawatts across its existing investments as of 31 December 2019.

12 CO2 savings are based on the Company's proportionate interest share. Calculations follow the methodology of the Greenhouse Gas Protocol. CO2 savings of European assets are based on the European average.

Investment Advisers' Report

Investment Adviser Background

The Company's Alternative Investment Fund Manager ('AIFM'), International Fund Management Limited has appointed Aquila Capital as the Investment Adviser to the AIFM in respect of the Company. Its key responsibilities are to originate, analyse and assess suitable renewable energy infrastructure investments, and advise the AIFM accordingly. Additionally, the Investment Adviser performs asset management services in relation to the operational assets in the portfolio or, to the extent asset management is delegated to third parties, oversees and monitors such asset management.

The Aquila Group is an experienced and long-term investor in essential, real asset investments. Founded in 2001 by Dr. Dieter Rentsch and Roman Rosslenbroich, the Aquila Group currently manages EUR 10.7 billion (AuM / AuA) for its clients worldwide (as at 31 December 2019). It has transacted an additional EUR 9.5 billion, including investments in up to 5.0 gigawatts of renewable energy capacity, over 1,300,000 square metres of real estate in Europe and manages EUR 1.5 billion in multi-asset infrastructure (as at 31 December 2019). KlimaInvest

Green Concepts, the leading German climate neutral company, is also part of Aquila Group. Last year Aquila Group entered into a strategic partnership with Daiwa Energy & Infrastructure.

Aquila Capital is focused on sustainable performance and creating value for its clients by capitalising on macroeconomic trends, dislocations and tipping points through bottom-up management carried out by highly specialised and passionate investment teams. Aquila Capital pursues operational stability, a distinct alignment of interest philosophy and stringent corporate governance.

The business centres on secular and sustainable trends in renewable energy, social housing, green logistics, infrastructure, timber and agriculture. Within these areas, Aquila Capital offers a range of real asset investment strategies managed by dedicated specialists in their respective fields. Expert investment teams with entrepreneurial mindsets draw on their sector networks and experience to screen, develop, finance, manage and operate investments along the entire value chain.

As this concept requires local management teams and a local presence, Aquila Capital is represented by 14 investment offices in 12 countries with more than 350 employees at group level.

The principal regulated entities within the Aquila Group, based in Germany and Luxembourg, are subject to significant European regulatory standards. Compliance with these standards helps to ensure the highest levels of service and comprehensive security for the Aquila Group's investors and business partners.

Embedded in its activities lies a passion for real assets and living ESG, better every day.

Investment Portfolio, Financial Performance and Valuation

Investment Portfolio

Portfolio as at 31 December 2019

Project	Type of asset	Country	Capacity	Status	COD[19]	Asset Life from COD[19]	Equipment	Energy Offtaker	Ownership in asset	Leverage[19]	Acquisition date
Tesla	Wind energy	Norway	150 MW[12]	Operational	2013-2018	25y	Nordex	PPA with utility / Spot[19]	25.9%	29.4%	Jul 2019
Sagres	Hydro-power	Portugal	103 MW[13]	Operational	1951-2006	n.a.[18]	Various	FiT[16] / Spot[14]	18.0%	45.5%	Jul 2019
Holmen II	Wind energy	Denmark	18 MW	Operational	2018	25y	Vestas	FiP[15] / Spot[19]	100.0%	42.8%	Jul 2019
Olhava	Wind energy	Finland	35 MW	Operational	2013-2015	27.5y	Vestas	FiT[16] / Spot[14]	100.0%	54.5%	Sep 2019
Svindbaek	Wind energy	Denmark	22 MW	Operational	2018	25y	Siemens	FiP[15] / Spot[14]	100.0%	29.1%	Dec 2019

13 Installed capacity at 100% ownership.

14 Currently, a major part of the portfolio is remunerated with a feed-in tariff (FiT).

15 Feed-in premium is structured as a Contract for Difference (CfD) at the spot market price.

16 Feed-in tariff is structured as a Contract for Difference.

17 Leverage as of 31 December 2019 based on the Fair Value of the Assets.

18 21 Individual assets; average concession life of 13 years.

19 Commercial operation date.

Portfolio Breakdown:

In the six months ended 31 December 2019, the Company exceeded its deployment target and managed to commit 94.8% of the proceeds raised in the IPO within a six months' time period across six asset[20]. The original deployment target for the IPO proceeds was nine to twelve months.

Deployment profile since IPO

In accordance with the Company's investment objectives, the current portfolio is geographically diversified, with investments located in Denmark, Finland, Norway and Portugal. The current portfolio compromises four onshore wind parks in the Nordics; namely Finland, Norway and Denmark and a portfolio of 21 hydro power plants located in Portugal. During the period, the Company also entered into a conditional sale and purchase agreement to acquire a sixth asset, Korkeakangas, an onshore wind park located in Finland.

Geographical allocation[21]

The current portfolio was carefully constructed to provide a high degree of contracted revenues and stable cash flows. A balanced mix of assets benefiting from government subsidies as well as assets that benefit from long-term fixed price PPAs provide diversification amongst revenue streams and counterparties. Over 70% of the present value of AERIF's forecast revenue over the next 5 years is contracted in the form of governmental subsidies or fixed price PPA, providing excellent earnings visibility.

20 One asset, Korkeakangas is subject to a conditional sale and purchase agreement.

21 Based on the ('GAV') as of 31 December 2019, excludes Korkeakangas.

Portfolio Production Performance[22]

Year	Budget (GWh)	Actual (GWh)	Variance (%)
2019	335.5	318.5	(5.1%)

The portfolio power generation relative to budget since economic transfer date for the financial period ended 31 December 2019 is set out in the table above.

Since its inception, the Company's portfolio has produced 318.5 GWh of electricity, which was 5.1% below expectations, largely due to below-average wind conditions and minor disruptions.

The performance of the wind assets was 10.4% below target, with electricity production in 2019 totalling 223.2 GWh. This was partly offset by the portfolio's approach of diversifying across various technologies and locations. In contrast to the portfolio's wind assets, which are all located in Scandinavia, the Portuguese hydropower portfolio produced 5.5% more electricity than forecasted. In Iberia, the hydrological situation improved considerably after a dry summer. This was particularly evident in the fourth quarter of 2019, which saw exceptionally high and intensive precipitation levels in Northern Portugal, which led to higher than budget power production. Due to the strong performance towards the end of the year, the Hydro portfolio was able to offset the below average precipitation levels in the first months of 2019.

Earnings during the financial period were also affected by the following:

- Olhava – the technical availability guarantee led to reimbursements by the Operational and Management ('O&M') provider, as the guaranteed availability of the wind turbines could not be achieved due to substation works and technical incidents
- Tesla – the asset SPV was obliged to make a compensation payment under its PPA, as the amount of electricity delivered was less than required under the PPA. Weak market power prices in Norway, especially with regard to El-Certs, led to below-budget electricity revenue
- Holmen II – in Denmark, spot prices and subsidies were not high enough to offset the impact of lower than expected production
- Sagres – the prices achieved in Portugal were on average above the forecast values, resulting in revenues from 2018 and 2019 which were 6.7% above expectations

22 All figures quoted in this section are presented on a proportional basis from the date of economic transfer (Sagres – 1 January 2018, Tesla & Holmen II – 1 January 2019, Olhava – 9 August 2019).

Acquisitions

During 2019, the Company successfully completed the following investments (on a cash free basis).

Asset Name	Amount (EUR million)
Sagres	16.3
Holmen II	23.8
Tesla	20.6
Olhava	24.4
Svindbaek	24.3
Total[23]	109.4

On 23 March 2020, the Company also acquired an additional, 9.6 MW operating wind farm in Denmark (Svindbaek II) for EUR 13.2 million.

Investment Commitment (Conditional)

Project	Type of asset	Country	Capacity	Status	COD	Asset Life from COD	Equipment	Energy offtaker	Ownership (conditional)	Leverage	Acquisition date
Korkeakangas	Wind energy	Finland	43 MW	Construction	2022	30y	Nordex	TBD	100.0%	TBD	2020 (envisaged)

On 20 December 2019, the Company entered into a conditional sale and purchase agreement to acquire 100.0% of the shares of Korkeakangas Wind Oy, a Finnish company that owns Project Korkeakangas for a total consideration of EUR 36.7 million, subject to certain conditions.

Project Korkeakangas is a ready-to-build onshore wind farm construction project, located in Karstula, Central Finland. Construction work began in January 2020 and the project is expected to be fully operational in December 2021. The wind farm is expected to have an operating life of 30 years with a total capacity of 43.2 MW. Whilst the Investment Adviser`s lifetime assumption is generally 25 years for wind assets, Korkeakangas benefits from an O&M agreement with a 30 years availability guarantee.

Dividend Cover

The Company achieved a 6.7[24] times dividend cover for the period ended 31 December 2019. Note the Company reports a higher dividend coverage than what can be expected over the medium and long-term due to a number of factors:

-Asset SPV cash flow contributions over the reporting period are recorded from their economic transfer dates (Tesla & Holmen II – 1 January 2019, Olhava – 9 August 2019, Sagres – 1 January 2018), reflecting the terms of each acquisition. Some of these economic transfer dates precede the Company's actual acquisition of these investments. One in particular, Sagres, reflects an 18 month differential between the economic transfer date and acquisition date, which yields an extraordinarily high dividend cover. To illustrate the impact, excluding Sagres from the dividend coverage calculation would reduce the Company's dividend cover to 1.6 times.

-As the Company listed on 5 June 2019, only the Q3 dividend is recorded in the dividend coverage calculation

23 Excludes interest receivables, transaction costs and other.

24 Calculation is based on the Company's proportionate share of asset SPV cash flows (after debt servicing) from the economic transfer date. Calculation excludes Svindbaek as it was acquired on 12 December 2019

Leverage

As at 31 December 2019, the Company has approximately EUR 85.0 million of project debt across its investment portfolio (on a look through, proportionate basis), representing approximately 34.8% of the GAV. The average length of the investment portfolio debt is 13.0 years. The leverage is fully amortizing and has been structured to account for each asset's seasonal production profile.

Equity Issuance and Performance

	Value (EUR)	Shares on issue	NAV per Ordinary Share (EUR cents per share)
Opening NAV IPO	154,304,752	154,304,752	100.0
Share issue costs	(3,122,849)		
Subsequent share issues	353,704		
Increase in valuation of investments	8,607,381		
Foreign exchange losses	(12,737)		
Net loss for the period	(53,661)		
Dividend paid	(1,160,011)		
Closing NAV 31 December 2019	158,916,579	154,668,084	102.7

- On 31 May 2019, the Company raised EUR 154.3 million in its IPO. Following the admission into London Stock Exchange the company issued 154,304,752 Ordinary Shares.
- The NAV at 31 December 2019 was EUR 158.9 million (102.7 cents per Ordinary Share), representing an increase of 4.8% from IPO, after adjusting for share issue costs

- The costs in relation to the IPO and the issue of the shares amounted to EUR 3.1 million
- 363,332 Ordinary Shares have been issued to the Company's Investment Adviser, in relation to fees payable during the financial period, in accordance with the Investment Advisory Agreement
- The unrealised movement in the fair value of investments amounted to EUR 8.6 million.
- Dividends of EUR 1.2 million (0.75 cents per Ordinary Share) were paid during the financial period with respect to the third quarter of 2019
- On 6 March 2020 the Company successfully raised EUR 40.0 million (oversubscribed) under its placing programme to fund future acquisition opportunities

Portfolio Valuation Movement

As of 31 December 2019, the Company's investments were valued as follows:

Asset Name	Valuation Amount (EUR million)
Sagres	16.8
Holmen II	24.3
Tesla	28.0
Oldhava	25.0
Svindbaek	24.4

Most investments within the portfolio experienced a valuation uplift resulting from a combination of higher power price curve forecasts and transitioning from purchase price to fair value calculations, in accordance with the Company's valuation policy. The largest contribution related to the Company interests in Tesla, which recorded an increase of approximately EUR 7.5 million, as a result of the transition from purchase price to fair value calculations and a recent extension of capacity for the asset.

Valuation Assumptions

The Investment Adviser has carried out fair market valuations of the SPV investments as at 31 December 2019 and the Directors have satisfied themselves as to the methodology used, the discount rates and key assumptions applied, and the valuation. All SPVs investments are at fair value through profit or loss and are valued using the IFRS 13 framework for fair value measurement. The following economic assumptions were used in the valuation of the SPVs.

	As at 31 December 2019
Discount rates	The valuation methodology comprises country- and asset-specific discount rates for each asset.
Power price	Power prices are based on an initial two years of market forward pricing, and then a rolling average of capture rates (i.e. technology and country or region specific power price curves) to reflect the forecasted impact of intermittent electricity on power prices and to limit quarterly volatility. Power price forecasts are independently sourced from a provider with coverage in almost all European markets.

Energy yield / load factors	Estimated based on third party assessments and operational performance data (where applicable) into account.
Inflation rates	Long-term inflation is based on central bank targets for the respective jurisdiction.
Asset life	In general, an operating life of 25 years for onshore wind and 30 years for solar PV. In individual cases a longer operating life is assumed where the contractual set-up (ie. O&M agreement with availability guarantee) supports such assumption. The operating life of hydropower assets are estimated in accordance with their expected concession term.
Operating expenses	The operating expenses are primarily based on the respective contracts and, where not contracted, on the assessment from a technical adviser.
Taxation rates	The underlying country-specific tax rates are derived from due diligence reports from leading tax consulting firms.

Valuation Sensitivities (references in this section to per share, refer to Ordinary Shares)

A Sensitivity analysis is produced to show the impact of changes in key assumptions adopted to arrive at the valuation of SPVs. For each of the sensitivities, it is assumed that potential changes occur independently of each other with no effect on any other base case assumption, and that the number of investments in the SPVs remains static throughout the modelled life.

The NAV per share impact from each sensitivity is shown below.

(i) Discount Rates

The discounted cash flow ('DCF') valuation of the SPV investments represents the largest component of NAV and the key sensitivities are considered to be the discount rate used in the DCF valuation and assumptions.

The weighted average valuation discount rate applied to calculate the portfolio valuation is 7.6% at 31 December 2019.

An increase or decrease of 0.5% in this rate at project level has the following effect on valuation.

Discount rate	NAV per share impact EUR cents	-0.5% change EUR'000	Total NAV value EUR'000	+0.5% change EUR'000	NAV per share impact EUR cents
Valuation as of 31 December 2019	3.97	165,057	158,917	153,209	(3.69)

(ii) Power Price

Long term power price forecasts are provided by a leading market consultant and are updated quarterly. The sensitivity below assumes a 10.0% increase or decrease in power prices relative to the base case for every year of the asset life, which is relatively extreme (a 10.0% variation in short term power prices, as reflected by the forward curve, would have a much less effect). The sensitivity considers a flat 10.0% movement in power prices for all years, i.e. the effect of adjusting the forecast electricity price assumptions in each of the jurisdictions applicable to the portfolio down by 10.0% and up by 10.0% from the base case assumptions for each year throughout the operating life of the portfolio.

A 10.0% increase or decrease in the forecast electricity price has the following effect.

Power price	NAV per share impact EUR cents	-10.0% change EUR'000	Total NAV value EUR'000	+10.0% change EUR'000	NAV per share impact EUR cents
Valuation as of 31 December 2019	(9.09)	144,854	158,917	172,723	8.93

(iii) Energy yield

The base case assumes a 'P50' level of output. The P50 output is the estimated annual amount of electricity generation (in MWh) that has a 50.0% probability of being exceeded, both in any single year and over the long term and a 50.0% probability of being under achieved. Hence the P50 is the expected level of generation over the long term. The sensitivity illustrates the effect of assuming 'P90 10-year' (a downside case) and 'P10 10 years' (an upside case) energy production scenarios. A P90 10 years downside case assumes the average annual level of electricity generation that has a 90.0% probability of being exceeded over a 10 years period. A P10 10 years upside case assumes the average annual level of electricity generation that has a 10.0% probability of being exceeded over a 10years period. This means that the portfolio aggregate production outcome for any given 10years period would be expected to fall somewhere between these P90 and P10 levels with an 80.0% confidence level, with a 10.0% probability of it falling below that range of outcomes and a 10.0% probability of it exceeding that range. The sensitivity does not include the portfolio effect which would reduce the variability because of the diversification of the portfolio. The sensitivity is applied throughout the next ten years.

The table below shows the sensitivity of the SPV value to changes in the energy yield applied to cash flows from project companies in the portfolio as per the terms P90, P50 and P10 explained above.

Energy yield	NAV per share impact EUR cents	P90 10 year Total EUR'000	Total NAV value EUR'000	P10 10 year Total EUR'000	NAV per share impact EUR cents
Valuation as of 31 December 2019	(8.71)	145,450	158,917	171,783	8.32

(iv) Inflation Rates

The projects' income streams are principally a mix of subsidies, fixed-price PPAs and merchant revenues. Subsidies and fixed-price PPAs tend not to be inflation linked, whilst merchant revenues are generally subject to inflation. The current contractual life of subsidies and fixed-price PPAs are shorter than their respective asset lives, meaning from a valuation perspective, the assets are more exposed to merchant revenues over the asset life. The projects' management and maintenance expenses typically move with inflation, but debt payments are fixed. This results in the SPV returns and valuation being positively correlated to inflation. The SPVs valuation assumes long-term inflation of 2.0% p.a.

The sensitivity illustrates the effect of a 0.5% decrease and a 0.5% increase from the assumed annual inflation rates in the financial model for each year throughout the operating life of the SPV.

Inflation	**NAV per share impact EUR cents**	**-0.5% change EUR'000**	**Total NAV value EUR'000**	**+0.5% change EUR'000**	**NAV per share impact EUR cents**
Valuation as of 31 December 2019	(3.72)	153,167	158,917	165,108	4.00

(v) Asset Life

In general, an operating life of 25 years for onshore wind and 30 years for solar PV is assumed. In individual cases, a longer operating life is assumed where the contractual set-up (ie. O&M agreement with availability guarantee) supports such an assumption. The operating life of hydropower assets are estimated in accordance with their concession term.

The sensitivity analysis below shows the impact on the valuation assuming all assets within the portfolio have a year longer and a year shorter asset life assumed.

Asset life	**NAV per share impact EUR cents**	**-1 years change EUR'000**	**Total NAV value EUR'000**	**+1 years change EUR'000**	**NAV per share impact EUR cents**
Valuation as of 31 December 2019	(3.12)	154,094	158,917	163,286	2.82

(vi) Operating Costs

The sensitivity analysis shows the effect of a 10.0% decrease and a 10.0% increase to the base case for annual operating costs for the SPVs, in each case assuming that the change to the base case for operating costs occurs with effect from 1 January 2020 and that change to the base case remains reflected consistently thereafter during the life of the project.

An increase or decrease of 10.0% in operating expenses at the SPV level has the following effect on valuation, as shown below.

Operating costs	**NAV per share impact EUR cents**	**-10.0% change EUR'000**	**Total NAV Value EUR'000**	**+10.0% change EUR'000**	**NAV per share impact EUR cents**
Valuation as of 31 December 2019	3.64	164,545	158,917	153,280	(3.64)

Market Outlook (Source: Aquila Capital Investmentgesellschaft mbH)

Despite recent market developments as a result of COVID-19, the long-term outlook for income producing wind, solar PV and hydropower assets throughout continental Europe and Ireland remains strong. European leaders continue to support the transition to a low carbon society through an increase of their country's Renewable Energy Share ('RES'). The recent agreement on the revised Renewable Energy Directive (EU) 2018/2001, which increased the overall European Union ('EU') target for RES to 32% in 2030, is expected to further increase renewable energy investments in the region and contribute to the long-term goal of 75% of the EU energy mix from renewable energy in 2050.

Europe is expected to generate 87% of the electricity mix from renewables by 2050 with wind and solar PV being the most prominent. It is expected that onshore wind will contribute approximately 80% of the wind electricity provided to the European grid. Hydropower is also seen as a key source of energy, providing around 14% of electricity for the period 2018-2050. By 2030, more than half of Europe's electricity is expected to be supplied by wind and solar PV. With respect to fossil fuel, coal and gas are expected to be in constant decline from 35% in 2017 to 10% by 2032. Nuclear is also expected to phase-out from 25% in 2017 to 8% in 2050. The advancement of the renewables market is anticipated to drive investments totaling USD 1.8 trillion until 2050, providing sufficient opportunity for the Company's continued growth.

Governments across Europe are increasingly focused on market-based, sustainable support schemes to limit the impact on consumer bills. In response, we expect new projects to be built in locations where they are economically viable, without having to rely on government support. This trend is supported by a significant reduction in wind and solar PV Levelised Cost Of Energy over the past decade, which has allowed renewables investment activity to be focused in areas with a strong matching natural resource. For that reason, we expect Southern Europe will be increasingly attractive for solar PV opportunities, Northern Europe plus coastal areas for wind opportunities and regional specific areas characterised by high precipitation for hydropower.

All of the Company's wind investments to-date have been in Nordic countries associated with high wind speeds, and its hydropower investments are located in central and northern Portugal where there is comparatively higher precipitation than in the southern part of the country. Our 2020 outlook of investments is expected to follow a similar geographic pattern.

Another trend we expect to continue is investor interest in long-term fixed-price PPAs to mitigate market power price risk. Whilst utilities have traditionally dominated the market, corporate offtakers are becoming more prevalent. The Company views the implementation of PPAs as an important part of its overall strategy.

The Investment Adviser has a dedicated Merchant Markets Desk ('MMD') responsible for the origination, negotiation and execution of PPAs. The MMD team works with the off takers to structure delivery obligation profiles and alternative hedging solutions.

When considering the structure of PPAs, the views on market risk and outlook are the key driver behind approaches to power purchase, given the trade-off between security (e.g. price certainty) and potential upside (e.g. long term prices in merchant market). Analysis of the risk profile of different products and consideration of visible, long term revenue and the potential to capture potential upside on long term prices are key to the right balance between risk and return.

COVID-19

COVID-19, the disease caused by the Coronavirus, is becoming an increasing challenge for the global economy.

Since the launch of the Company in June 2019, the portfolio has been built on the basis of a robust investment strategy, from which the Company is currently benefiting. In particular, this includes assets with low gearing, the lowest possible foreign currency impact and a high level of contracted revenues in the near and mid-term. Further, the portfolio of assets is diversified across renewable technologies, energy markets and regions.

The Company's existing investments in Sagres, Holmen II, Tesla, Olhava, Svindbaek I and II are connected to the power grid as existing investments and continue to produce electricity regardless of current market conditions. There is no project development risk for these investments.

Each of the Company's existing investments continue to benefit from contracted revenue either in the form of government subsidies FiT or PPAs which last between 6 and 10 years. As a result, the electricity prices for a large portion of the production volume are protected and not fully dependent on short to medium term macroeconomic developments. Over 70% of the present value of the Company's forecast revenue (as at 31 December 2019) over the next five years is contracted in the form of governmental subsidies or fixed price PPA, providing excellent earnings visibility.

As a result of the pro-active asset management practices implemented by Aquila Group, all existing facilities are technically in top condition and production is not affected by current market conditions. Aquila Group's asset management teams are in close contact with the technical and commercial operating managers of the affiliated companies in order to continue to ensure the best possible operation of the plants and, if necessary, to react to changing risk profiles.

The Company's Investment Adviser and other stakeholders have implemented procedures to ensure the safety and wellbeing of all employees, as well as preserving business continuity.

Conclusion

The Investment Adviser believes that Company's diversified portfolio by geography, technology and remuneration mix positions the Company well to selectively target future investment opportunities which fit the Company's investment policies. The Company is supported by its Investment Adviser, which has a team of more than 50 investment professionals focused on the acquisition of renewable power generation assets to further expand the portfolio and achieve an adequate level of installed capacity. As such, the Company is in a strong position to actively participate in the energy transition.

Aquila Capital Investmentgesellschaft mbH

27 April 2020

Risk and Risk Management

Principal risks and uncertainties

The Company has carried out a robust assessment of its principal and emerging risks and the procedures in place to identify any emerging risks are described below.

Procedures to identify principal or emerging risks:

The Board regularly reviews the Company's risk matrix and focuses on ensuring that the appropriate controls are in place to mitigate each risk. The experience and knowledge of the Board is important, as is advice received from the Board's service providers, specifically the AIFM, who is responsible for the risk and portfolio management services and outsources the portfolio management to the Investment Adviser. The following is a description of the work that each service provider highlights to the Board on a regular basis.

1. Investment Adviser: the Investment Adviser provides a report to the Board at least quarterly or periodically as required on industry trends, insight to future challenges in the renewable sector including the regulatory, political and economic changes likely to impact the renewables sector;

2. Alternative Investment Fund Manager ('AIFM'): following advice from the Investment Adviser and other service providers, the AIFM maintains a register of identified risks including emerging risks likely to impact the Company;

3. Broker: provides advice periodically specific to the Company on the Company's sector, competitors and the investment company market whilst working with the Board and Investment Adviser to communicate with Shareholders;

4. Company secretary: briefs the Board on forthcoming legislation/regulatory change that might impact on the Company.

5. AIC: The Company is a member of the Association of Investment Companies (AIC), which provides regular technical updates as well as drawing members' attention to forthcoming industry and regulatory issues.

Procedure for oversight

Audit and Risk Committee: Undertakes a review at least twice a year of the Company's risk matrix and a formal review of the risk procedures and controls in place at the AIFM and other key service providers to ensure that emerging (as well as known) risks are adequately identified and so far as practicable,mitigated.

Principal risks

The Board considers the following to be the principal risks faced by the Company along with the potential impact of these risks and the steps taken to mitigate them.

Principal Risks	Potential Impact/Description	Mitigation
Economic and Political		
Electricity Prices	The income and value of the Company's investments may be affected by future changes in the market price of electricity. While some of the revenues of the Company's investments benefit from fixed prices, they are also partly dependent on the wholesale market price of electricity which is volatile and is affected by a variety of factors including: • market demand • generation mix of	The Company holds a balanced mix of investments that benefit from government subsidies as well as long term fixed price PPAs. Over 70% of the present value of AERIF's forecast revenue over the next 5 years is contracted in the form of governmental subsidies or fixed price PPA*. The Investment Adviser retains the services of a market leading energy

	- power plants - government support for various forms of power generation - fluctuations in the market prices of commodities - foreign exchange There is a risk that the actual prices received vary significantly from the model assumptions, leading to a shortfall in anticipated revenues by the Company.	consultant to assist with determining future power pricing. The Company may use derivative instruments such as futures, options, futures contracts and swaps to protect from fluctuations in future electricity prices.
Interest Rates/Inflation	Changes to interest rates may impact discount rates applied to the portfolio valuations and costs of debt both in the underlying SPVs and the Company. Risks from changes in interest rates also include debt refinancing risk and the possibility of bank covenant breaches with a resulting valuation impact and potential loss on underperforming investments. Future revenue and expenditure of the Company's investments include assumptions about inflation. Any variation from these inflation assumptions could impact, positively or negatively, the valuations and the asset value performance of the Company.	Interest rate risk on bank debt is mitigated by use of hedging instruments. The AIFM monitors the effectiveness of the hedging strategy. Most of the Company's non-contracted revenues and costs of the Company's investments are either indexed or correlated to inflation.
Exchange Rates	The Company holds investments in non-Eurozone jurisdictions. Changes in foreign currency rates may therefore impact the value of investments and of the income received.	The Company maintains all uninvested cash in base currency (Euro) other than for small amounts of operational cash in sterling and therefore does not expect a need to hedge currency. The AIFM monitors and

		reports regularly to the Board on currency exposure. SPV's may have natural hedges to non-Euro revenue through structuring of operating expenses and debt service in the respective currency to hedge some currency exposure.
Equity Market Volatility	The Company's ability to raise equity from investors to repay debt or to support further investments could be impacted by stock market volatility. Market sentiment could go against renewable energy funds and the Company's share price could move to a significant discount.	The Company's adviser, Numis, monitors market conditions and reports regularly to the Board. In the event that the Company is unable to raise new capital to repay debt, the Company could hold back from making new investments until the stock market recovered and, in extremis, investments could be sold to reduce debt. In the event of the share price moving to a significant discount, the Board could implement its share buy-back policy as described in the prospectus.
Pandemic	COVID-19 has had a significant recent impact on economies across the globe. This may lead to recession in certain countries and possible global recession.	The Company's response is focused on dealing with the short term practical impact of COVID-19. In order to protect people, travel is restricted at of the Company's service providers, social distancing is being enforced and all meetings are conducted by video or phone. The Investment Adviser is in close contact with each asset's O&M service providers and continues to work with the counterparties to identify and mitigate these risks. The Board has assessed other relevant areas of risk (price and

		operational risks) identified and mitigants remain appropriate in light of COVID-19.
Global Recession	Global recession may lead to a fall in demand for electricity with a resulting impact on electricity prices which are likely to fall.	Over 70% of the present value of AERIF's forecast revenue over the next 5 years is contracted in the form of governmental subsidies or fixed price PPA*. The Investment Adviser has a dedicated MMD team which is responsible for the origination, negotiation and execution of PPAs.
	Other impacts of a global recession include potential lack of debt availability, lack of access to capital markets for fund raising and increased counterparty risks as balance sheets become stressed.	The Board, along with the Company's advisers, focus on risk identification and oversight will help to ensure key risks resulting from a global recession are identified and addressed in advance.
Change in Political Sentiment	A change in political direction in one of the countries in which the Company targets investment, could lead to changes, reductions or withdrawals of government support arrangements or potentially the nationalisation of investments. This would have a material impact on the valuation of the investments and the Company's NAV.	The AIFM, advised by the Investment Adviser, continuously monitors all jurisdictions in which the Company invests.
Operational		
Investment Performance	There is a risk that the portfolio underperforms and, as a result, the target IRR (net of fees and expenses) of between 6% and 7.5% is not met over the longer term. This could lead to the dividend not being covered and an inability to pay the	Each quarter the Board reviews a report prepared by the Investment Adviser on the portfolio performance. In addition, a report on key risks is provided by the AIFM along with how these

	target dividend.	risks are being actively mitigated. The Investment Adviser has a substantial team of executives employed across various disciplines within the renewables sector in 14 investment offices in 12 countries who oversee and monitor all of the investments. New investments are proposed to the Board by the AIFM having received recommendations from the Investment Adviser. These are reviewed and approved by the Board in line with the Company's investment policy.
Pipeline and Investment Deployment	An important part of the Investment Advisers' role is its ability to source high quality potential investment opportunities in line with the Company's investment strategy. Should suitable opportunities not be forthcoming and cash remains uninvested this could result in 'cash drag' with a potential impact on the dividend target and investment objective.	The Investment Adviser is a market leader in this sector and has a good track record in originating potential investments. The AIFM monitors the investment pipeline received from the Investment Adviser and reports to the Board on progress in meeting the Company's investment targets. It is unlikely that the Board would agree to raise new capital in the absence of a strong investment pipeline hence mitigating any impact of 'cash drag'.
Competition for Assets	With increasing numbers of investors looking for asset backed yield, it is possible that new competitors will enter the market in which the Company operates. This could lead to increased pricing for the Company's target investments with	The track record of the Investment Adviser and its market position and penetration allow it to access potential investments that newer entrants might not. The Board is mindful of

	corresponding lower returns.	pricing when it reviews new investment proposals and the need to deliver on the Company's target objective and strategy.
Counterparty Risk	The majority of the operational risk in the Company's investments is retained by the counterparty or its subcontractors. However, some risks will remain within the investment. Poor performance by a subcontractor may lead to the need for a replacement which could have cost implications impacting the performance of the investment and potentially distributions to the Company until the issue is resolved. The value of the Company's investments and the income they generate may be affected by the failure of counterparties to comply with their obligations under a PPA.	Constant monitoring of the investments and the counterparties/service providers allows the Investment Adviser to identify and address risks early. Diversification of counterparties and service providers ensures any impact is limited. In addition, a diversified portfolio provides further mitigation. The Investment Adviser assesses the credit risk of companies against defined criteria prior to them becoming counterparties to PPAs.
Operation and Maintenance of Assets	Failure to properly operate and maintain assets may result in reduction of revenues and value of assets.	Operation and maintenance of assets are subcontracted to a counterparty who is liable to ensure effective operation and maintenance. The Investment Adviser ensures that each such counterparty has the experience and resources to comply with their obligations and monitors compliance on an ongoing basis.
Construction of Assets	For investments which are not in operation, delays in completion may result delays in expected revenue. Cost overruns and defects in construction may affect the value of the asset	The Investment Adviser, part of Aquila Group is an experienced manager of development and construction projects in various jurisdictions throughout Europe. Construction and post-

		completion risks are generally mitigated by appropriate contractual mechanisms. The Investment Adviser assesses acceptable counterparties and monitors compliance on an ongoing basis.
Performance of the Investment Adviser	The Investment Adviser manages over EUR 10 billion for clients worldwide, there is a risk that it allocates resources to activities in which the Company is not engaged which could have a negative effect on the Company's investment performance. The Investment Adviser is dependent on key people to identify, acquire and manage the Company's investments. There is a risk that a key person leaves the Investment Adviser.	The Investment Adviser has substantial resources and is not required to commit all of its resources to the Company. The Company and AIFM are made aware of and review potential conflicts of interest at the time of each investment being made. In addition, an investment allocation policy has been implemented by the Investment Adviser and has been agreed by the Board. The strength and depth of the Investment Adviser's resources mitigate the risk of a key person departure.
IT Security	A hacker or third party could obtain access to the Investment Adviser or any other service provider and destroy data or use it for malicious purposes. Data records could be destroyed resulting in an inability to make investment decisions and monitor investments.	Service providers have been carefully selected for their expertise and reputation in the sector. Each service provider has provided assurances to the AIFM and Company on their cyber policies and business continuity plans along with external audit reviews of their procedures where applicable. The Investment Adviser has an information security policy in place and has appointed an IT security officer whose tasks are to provide support for emergency events and crises, the monitoring of the resumption and repair of the IT security measures after

		completion of a disturbance or incident, and the ongoing development of improvements to the IT security concept. The AIFM reports to Board annually following review of these procedures.
Financial		
Portfolio Valuation	The principal component of the Company's balance sheet is its portfolio of renewable investments. Each quarter the AIFM is responsible for preparing a fair market value of the investments, with input and guidance from the Investment Adviser. These valuations and the key underlying assumptions are approved by the Board. There is a risk that these valuations and underlying assumptions such as future electricity prices and discount rates being applied are not a fair reflection of the market meaning that the investment portfolio could be over or under valued.	The Investment Adviser has a strong track record in undertaking valuations of renewable assets built up over the years since it was founded in 2001. The AIFM and the Board review and interrogate the valuations and underlying assumptions provided by the Investment Adviser on a quarterly basis prior to approving them. In addition, when there is a conflicted investment proposed by the Investment Adviser, the Investment Adviser procures and provides the Board and AIFM with an fairness valuation opinion on that investment from an independent adviser.
Leverage Risk	The use of leverage creates special risks including: • exposure to interest rate risks due to fluctuations in prevailing market rates • covenant breaches • enhanced loss on underperforming investments As a result, the investment risk may be enhanced through the use of leverage	The Company's investment policy restricts the use of leverage to: • Short-term debt: 25% of the prevailing GAV • Long-term structural debt: 50% of the prevailing GAV The AIFM monitors all debt levels against these policy restrictions and reports them to the Board on a quarterly basis. The Company may use derivative instruments to protect itself from

		fluctuations in interest rates.
Compliance, Tax and Legal		
Changes to tax legislation or rates	Changes in tax legislation such as base erosion and profit shifting rules, withholding tax rules and rates could result in tax increases resulting in a drop of income received from the Company investments.	The corporate structure of the Company is reviewed periodically by the company and its advisers. The Investment Adviser works closely with tax and industry experts prior to providing structuring recommendations to the Company prior to investment and on an ongoing basis.
Regulatory and Compliance changes	The Company is required to comply with Section 1158 of the Corporation Tax Act to ensure maintenance of investment trust status, UK Listing Authority regulations including Listing rules, Foreign Account Tax Compliance Act and Alternative Investment Fund Managers Directive ('AIFMD'). Failure to comply with the relevant rules and obligations may result in reputational damage to the Company or have a negative financial impact.	All service providers including the broker, Administrator, Investment Adviser and AIFM are experienced in these areas and provide comprehensive reporting to the Board and on the compliance of these regulations. The AIFM is experienced in compliance with the AIFMD reporting obligations and reports at least quarterly to the Board.

* Present value of operating revenue over the next 5 years as at 31 December 2019. Revenue streams are discounted by the weighted average of all discount rates used in the asset valuations as of 31 December 2019

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable laws and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards ('IFRS') as adopted by the European Union. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the company for that period, In preparing the financial statement the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable IFRSs as adopted by the European Union have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and which disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements and the Director's Remuneration Report comply with the Companies Act 2006. The Directors are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the company's website.

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Directors' confirmation statement

Each of the directors, whose names and functions are listed in the Corporate Governance section, confirm to the best of their knowledge that:

(a) the company financial statements, which have been prepared in accordance with applicable accounting standards, give a true and fair view of the assets, liabilities, financial position and profit of the Company; and

(b) this Director's Report includes a fair review of the development and performance of the business and position of the Company, together with a description of the principal risks and uncertainties that it faces.

Having taken advice from the Audit and Risk Committee, the Directors consider that the Annual Report taken as a whole is fair, balanced and understandable and provides the information necessary for Shareholders to assess the Company's position and performance, business model and strategy.

For and on behalf of the Board

Ian Nolan

Chairman

27 April 2020

Financial Statements

STATEMENT OF COMPREHENSIVE INCOME

For the period from incorporation on 8 April 2019 to 31 December 2019

	Notes	Revenue EUR'000	Capital EUR'000	Total EUR'000
Gain on investments	4	-	8,608	8,608
Net foreign exchange losses		-	(13)	(13)

Interest Income	5	1,609	-	1,609
Investment Advisory fees	6	(654)	-	(654)
Other expenses	7	(810)	-	(810)
Profit on ordinary activities before finance costs and taxation		**145**	**8,595**	**8,740**
Finance costs	8	(199)	-	(199)
Profit on ordinary activities before taxation		**(54)**	**8,595**	**8,541**
Taxation	9	-	-	-
Profit on ordinary activities after taxation		**(54)**	**8,595**	**8,541**
Return per Ordinary Share(cents)	10	(0.04c)	7.11c	7.07c
Return per Ordinary Share-diluted(cents)	10	(0.04c)	7.09c	7.05c

The total column of the Statement of is the profit and loss account of the Company.

All revenue and capital items in the above statement derive from continuing operations. No operations were acquired or discontinued during the period.

Return on ordinary activities after taxation is also the “Total comprehensive income for the period”.

STATEMENT OF FINANCIAL POSITION

As at 31 December 2019

	Notes	As at 31 December 2019 EUR'000
Fixed assets		
Investments held at fair value through profit or loss	4	118,660
Current assets		
Trade and other receivables	11	1,927
Cash and cash equivalents		38,862
		40,789
Creditors: amounts falling due within one year		
Other creditors	12	(532)
		(532)
Net current assets		**40,257**
Total assets less current liabilities		**158,917**
Capital and reserves: equity		
Share capital	13	1,547
Share premium		313
Special distributable reserve	14	148,516

Capital reserve		8,595
Revenue reserve		(54)
Total Shareholders' funds		**158,917**
Net assets per Ordinary Share(cents)	15	102.7c

The financial statements were approved by the Board of Directors on 27 April 2020 and signed on its behalf by

Ian Nolan

Director

Company number 11932433

STATEMENT OF CHANGES IN EQUITY

For the period from incorporation on 8 April 2019 to 31 December 2019

	Notes	Share capital EUR'000	Share premium account EUR'000	Special distributable reserve EUR'000	Capital reserve EUR'000	Revenue reserve EUR'000	Total EUR'000
Opening equity as at 8 April 2019		**-**	**-**	**-**	**-**	**-**	**-**
Shares issued in period	13	1,547	153,112	-	-	-	154,659
Share issue costs		-	(3,123)	-	-	-	(3,123)
Transfer to special distribution reserve	14	-	(149,676)	149,676	-	-	-
Profit for the period		-	-		8,595	(54)	8,541
Dividend paid	16	-	-	(1,160)	-	-	(1,160)
Closing equity as at 31 December 2019		**1,547**	**313**	**148,516**	**8,595**	**(54)**	**158,917**

The Company's distributable reserves consist of the Special distributable reserve, Capital reserve and Revenue reserve.

STATEMENT OF CASH FLOWS

For the period from incorporation on 8 April 2019 to 31 December 2019

	Notes	EUR'000
Operating activities		
Profit on ordinary activities before taxation		8,541
Adjustment for unrealised gains on		(8,608)

investments		
Increase in other debtors		(1,927)
Increase in other creditors		532
Net cash flow used in operating activities		**(1,462)**
Investing activities		
Purchase of investments	4	(110,052)
Net cash flow used in investing activities		**(110,052)**
Financing activities		
Proceeds of share issues	13	154,659
Share issue costs		(3,123)
Dividend paid		(1,160)
Net cash flow from financing activities		**150,376**
Increase in cash		**38,862**
Cash and cash equivalents at start of period		**-**
Cash and cash equivalents at end of period		**38,862**

NOTES TO THE FINANCIAL STATEMENTS

For the period from incorporation on 8 April 2019 to 31 December 2019

1. GENERAL INFORMATION

Aquila European Renewables Income Fund Plc (the 'Company') is a public Company limited by shares incorporated in England and Wales on 8 April 2019 with registered number 11932433. The Company is domiciled in England and Wales. The Company is a closed-ended investment company with an indefinite life. The Company commenced its operations on 5 June 2019 when the Company's Ordinary Shares were admitted to trading on the London Stock Exchange. The Directors intend, at all times, to conduct the affairs of the Company as to enable it to qualify as an investment trust for the purposes of section 1158 of the Corporation Tax Act 2010, as amended.

The registered office and principal of business of the Company is Mermaid House, 2 Puddle Dock, London EV4V 3DB. The Company's initial 154,304,752 Ordinary Shares were admitted to the premium segment of the London Stock Exchange, raising gross proceeds of EUR154.3 million.

The Company's investment objective is to generate stable returns, principally in the form of income distributions, by investing in a diversified portfolio of Renewable Energy Infrastructure Investments.

International Fund Management Limited acts as the Company's Alternative Investment Fund Manager (the'AIFM') for the purposes of Directive 2011/61/EU on alternative investment fund managers ('AIFMD'). In accordance with the terms of the AIFM agreement dated 10 May 2019 between the Company and the AIFM, the AIFM provides portfolio and risk management services to the Company. The AIFM is authorised and regulated by the Guernsey Financial Services Commission.

The Company's Investment Adviser is Aquila Capital Investmentgesellschaft mbH authorised and regulated by the German Federal Financial Supervisory Authority.

PraxisIFM Fund Services (UK) Limited (the 'Administrator') provides administrative and company secretarial services to the Company under the terms of an administration agreement between the Company and the Administrator.

2. BASIS OF PREPARATION

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards ('IFRS') as adopted by the European Union, and applied in accordance with the provisions of the Companies Act 2006 as applicable to companies using IFRS. These comprise standards and interpretations of the International Accounting Standards and Standing Interpretations Committee as approved by the International Accounting Standards Committee ('IASC') that remain in effect, to the extent that IFRS have been adopted by the European Union.

The financial statements have also been prepared as far as is relevant and applicable to the Company in accordance with the Statement of Recommended Practice ('SORP') issued by the Association of Investment Companies ('AIC') in November 2014 and updated in October 2019.

The financial statements are prepared on the historical cost basis, except for the revaluation of certain financial instruments at fair value through profit or loss. The principal accounting policies adopted are set out below. These policies are consistently applied.

The functional currency of the Company is Euros as this is the currency of the primary economic environment in which the Company operates. Accordingly, the financial statements are presented in Euros rounded to the nearest thousand Euros, unless otherwise stated. Euro/GBP exchange rate as of 31 December 2019 was 0.8457.

Accounting for Subsidiary

The Company owns 100% of its subsidiary Tesseract Holdings Limited ('HoldCo'), the registered office and principal of business of the Company is Mermaid House, 2 Puddle Dock, London EV4V 3DB. The Company has acquired Renewable Energy Infrastructure Investments (the 'SPVs') through its investment in the HoldCo. The Company finances the HoldCo through a mix of loan investments and equity. The loan investment finance represents shareholder loans (the 'Shareholder loans') provided by the Company to HoldCo. The Company meets the definition of an investment entity as described by IFRS 10. Under IFRS 10 an investment entity is required to hold subsidiaries at fair value through profit or loss and therefore does not consolidate the subsidiary.

The HoldCo is also an investment entity and as described under IFRS 10, values its SPVs investments at fair value through profit or loss.

Characteristics of an investment entity

Under the definition of an investment entity, the Company should satisfy all three of the following tests:

I. Company obtains funds from one or more investors for the purpose of providing those investors with investment management services;

II. Company commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income, or both; and

III. Company measures and evaluates the performance of substantially all of its investments on a fair value basis.

In assessing whether the Company meets the definition of an investment entity set out in IFRS 10 the Directors note that:

I. the Company has multiple investors and obtains funds from a diverse group of Shareholders who would otherwise not have access individually to investing in Renewable Energy Infrastructure Investments due to high barriers to entry and capital requirements;

II. the Company intends to hold these Renewable Energy Infrastructure Investments for the remainder of their useful life for the purpose of capital appreciation and investment income. The Renewable Energy Infrastructure Investments are expected to generate renewable energy output for 25 to 30 years from their relevant commercial operation date, the Directors believe the Company is able to generate returns to the investors during that period; and

III. the Company measures and evaluates the performance of all of its investments on a fair value basis which is the most relevant for investors in the Company. Management use fair value information as a primary measurement to evaluate the performance of all of the investments and in decision making.

The Directors are of the opinion that the Company meets all the typical characteristics of an investment entity and therefore meets the definition set out in IFRS 10. The Directors agree that investment entity accounting treatment appropriately reflects the Company's activities as an investment trust.

The Directors believe the treatment outlined above provides the most relevant information to investors.

Going concern

The Directors have adopted the going concern basis in preparing the financial statements. The Directors have a reasonable expectation that the Company has adequate operational resources to continue in operational existence for at least twelve months from the date of approval of these financial statements. Details of the Directors assessment of the going concern status of the Company, which considered the adequacy of the Company's resources and the impacts of the COVID-19 pandemic, are given on page 40 of the Annual Report and Accounts

Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires the application of estimates and assumptions which may affect the results reported in the financial statements. Estimates, by their nature, are based on judgement and available information.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying value of assets and liabilities are those used to determine the fair value of the investments as disclosed in note 4 to the financial statements.

As disclosed above, the Directors have concluded that the Company meets the definition of an investment entity as defined in IFRS 10. This conclusion involved a degree of judgement and assessment as to whether the Company met the criteria outlined in the accounting standards.

The key assumptions that have a significant impact on the carrying value of the Company's underlying investments in SPVs are useful life of the assets, the discount factors, the rate of inflation, the price at which the power and associated benefits can be sold and the amount of electricity the assets are expected to produce.

Useful lives are based on the Investment Adviser's estimates of the period over which the assets will generate revenue which are periodically reviewed for continued appropriateness. The assumption used for the useful life of the wind farms is 25 years and solar PV is 30 years. The actual useful life may be a shorter or longer period depending on the actual operating conditions experienced by the asset.

The discount factors are subjective and therefore it is feasible that a reasonable alternative assumption may be used resulting in a different value. The discount factors applied to the cashflows are reviewed annually by the Investment Adviser to ensure they are at the appropriate level. The Investment Adviser will take into consideration market transactions, where of similar nature, when considering changes to the discount factors used.

The operating costs of the operating companies are frequently partly or wholly subject to indexation and an assumption is made that inflation will increase at a long-term rate.

The price at which the output from the generating assets is sold is a factor of both wholesale electricity prices and the revenue received from the Government support regime. Future power prices are estimated using external third-party forecasts which take the form of specialist consultancy reports. The future power price assumptions are reviewed as and when these forecasts are updated. There is an inherent uncertainty in future wholesale electricity price projection.

Specifically commissioned external reports are used to estimate the expected electrical output from the wind farm assets taking into account the expected average wind speed at each location and generation data from historical operation. The actual electrical output may differ considerably from that estimated in such a report mainly due to the variability of actual wind to that modelled in any one period. Assumptions around electrical output will be reviewed only if there is good reason to suggest there has been a material change in this expectation.

Adoption of new IFRS standards

A number of new standards, amendments to standards and interpretations are effective for the annual periods beginning after 1 January 2019 and have been applied in preparing these financial statements. None of these are expected to have a significant effect on the measurement of the amounts recognised in the financial statements of the Company.

IFRS 16 – Leases (effective 1 January 2019) specifies accounting for leases and removes the distinction between operating and finance leases. This standard is not applicable to the Company as it has no leases.

IFRIC 23 – Uncertainty over Income Tax Treatments seeks to provide clarity on how to account for uncertainty over income tax treatments and specifies that an entity must consider whether
it is probable that the relevant tax authority will accept each tax treatment or group of tax treatments, that it plans to use in its income tax filing. The interpretation also requires
companies to reassess the judgements and estimates applied if facts and circumstances change. The interpretation would require the Company to recognise uncertain tax positions which are more than probable within its financial statements. The interpretation is unlikely to have any impact on the financial statements of the Company.

New standards and interpretations not yet adopted

Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2019 reporting periods and have not been early adopted by the Company. These standards are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

Comparatives

There are no comparatives as this is the Company's first accounting period.

3. SIGNIFICANT ACCOUNTING POLICIES

Financial Instruments

Financial assets

The Company's shareholder loan and equity investments in HoldCo are held at fair value through profit or loss. Gains or losses resulting from the movement in fair value are recognised in the Company's Statement of Comprehensive Income at each valuation point. As shareholder loan investments form part of a managed portfolio of assets whose performance is evaluated on a fair value basis, shareholder loan investments are designated at fair value.

Financial liabilities

The Company's financial liabilities include trade and other payables and other short term monetary liabilities which are initially recognised at fair value and subsequently measured at amortised cost using the effective interest rate method.

Recognition, derecognition and measurement

Financial assets and financial liabilities are recognised in the Company's Statement of Financial Position when the Company becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

A Financial liability (in whole or in part) is derecognised when the Company has extinguished its contractual obligations, it expires or is cancelled.

A Financial assets are derecognised when the rights to receive cash flows from the investments have expired or the Company has transferred substantially all risks and rewards of ownership.

Subsequent to initial recognition, financial assets at fair value through profit or loss are measured at fair value. Gains and losses resulting from the movement in fair value are recognized in the statement of comprehensive income. Financial liabilities are subsequently measured at amortised cost using the effective interest rate method.

Taxation

Investment trusts which have approval under Section 1158 of the Corporation Tax Act 2010 are not liable for taxation on capital gains. Shortly after listing the Company received an approval as an Investment Trust by HMRC.

Deferred taxation

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the statement of financial position liability method. Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Investment trusts which have approval as such under Section 1158 of the Corporation Tax Act 2010 are not liable for taxation on capital gains.

Segmental reporting

The Chief Operating Decision Maker, which is the Board, is of the opinion that the Company is engaged in a single segment of business, being investment in renewable energy infrastructure assets to generate investment returns whilst preserving capital. The financial information used by the Chief Operating Decision Maker to manage the Company presents the business as a single segment.

Income

Income includes investment income from financial assets at fair value through profit or loss and finance income.

Investment income from financial assets at fair value through profit or loss is recognised in the Statement of Comprehensive Income within investment income when the Company's right to receive income is established.

Interest earned on shareholder loans are recognised on an accruals basis.

Dividend income is recognised when the right to receive it is established and is reflected in the Statement of Comprehensive Income as Investment Income.

Expenses

All expenses are accounted for on an accruals basis. In respect of the analysis between revenue and capital items presented within the Statement of Comprehensive Income, all expenses are presented as revenue.

Payment of Investment Advisory fees in shares

The Company issues shares to the Investment Adviser in exchange for receiving investment advisory services. The fair value of the investment advisory services received in exchange for shares is recognised as an expense at the time at which the investment advisory fees are earned, with a corresponding increase in equity. The fair value of the investment advisory services is calculated by reference to the definition of investment advisory fees in the Investment Advisory Agreement.

Foreign currency

Transactions denominated in foreign currencies are translated into Euros at actual exchange rates as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the period end are reported at the rates of exchange prevailing at the period end. Any gain or loss arising from a change in exchange rates subsequent to the date of the transaction is included as an exchange gain or loss to capital or revenue in the Statement of Comprehensive Income as appropriate. Foreign exchange movements on investments are included in the Income Statement within gains on investments.

Cash and cash equivalents

Cash and cash equivalents includes deposits held at call with banks and other short-term deposits with original maturities of three months or less.

Trade and other payables

Trade and other payables are initially recognised at fair value, and subsequently re-measured at amortised cost using the effective interest method where necessary.

Share capital and share premium

Ordinary Shares are classified as equity. Costs directly attributable to the issue of new shares (that would have been avoided if there had not been a new issue of new shares) are recognized against the value of the ordinary share premium account.

Repurchase of the Company's own shares are recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

4. INVESTMENT HELD AT FAIR VALUE THROUGH PROFIT OR LOSS

(a) Summary of valuation	**Shareholder Loans EUR'000**	**Equity Investments EUR'000**	**Total EUR'000**
Analysis of closing balance:			
Investments held at fair value through profit or loss	67,581	51,079	118,660
Total investments at 31 December 2019	**67,581**	**51,079**	**118,660**
(b) Movements during the period:			
Opening balance of investments, at cost	-	-	-
Purchases at cost	67,581	42,471	110,052
Cost of investments at 31 December 2019	**67,581**	**42,471**	**110,052**
Revaluation of investments to fair value:			
Unrealised movement in fair value of investments	-	8,608	8,608
Balance of capital reserve – investments held at 31 December 2019	**-**	**8,608**	**8,608**
Fair value of investments at 31	**67,581**	**51,079**	**118,660**

December 2019			
(c) Gain on investments in period (per Income Statement)			
Movement on unrealised valuation of investments held	-	8,608	8,608
Gains on investments	**-**	**8,608**	**8,608**

During the period, the HoldCo incurred transaction costs on purchases on underlying SPVs totalling in aggregate EUR 712,000.

The fair value of the Company's equity and the shareholder loans investments in HoldCo are determined by the underlying fair values of the SPV investments, which are not traded and contain unobservable inputs. As such, the Company's equity and the shareholder loans investments in HoldCo have been classified as level 3.

Fair value measurements

IFRS 13 requires disclosure of fair value measurement by level. The level of fair value hierarchy within the financial assets or financial liabilities is determined on the basis of the lowest level input that is significant to the fair value measurement. Financial assets and financial liabilities are classified in their entirety into only one of the following 3 levels:

Level 1

The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.

Level 2

Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.

Level 3

Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

The classification of the Company's investments held at fair value is detailed in the table below:

	As at 31 December 2019			
	Level 1	**Level 2**	**Level 3**	**Total**
	EUR'000	**EUR'000**	**EUR'000**	**EUR'000**
Investments at fair value through profit and loss				
Equity investments in HoldCo	-	-	51,079	51,079
Shareholder loan investments in HoldCo	-	-	67,581	67,581
	-	**-**	**118,660**	**118,660**

Due to the nature of the investments, they are always expected to be classified as level 3. There have been no transfers between levels during the period ended 31 December 2019.

The movement on the Level 3 unquoted investments during the period is shown below:

	As at 31 December 2019
	EUR'000

Opening balance	-
Additions during the period	110,052
Unrealised gain on investments	8,608
Closing balance	**118,660**

Valuation methodology

The Company owns 100% of its subsidiary HoldCo. The Company meets the definition of an investment entity as described by IFRS 10, as such the Company's investments in the HoldCo are measured at fair value.

The Company acquired underlying investments in SPVs through its investment in the HoldCo.

The Investment Adviser has carried out fair market valuations of the SPV investments as at 31 December 2019 and the Directors have satisfied themselves as to the methodology used, the discount rates and key assumptions applied, and the valuation. All SPV investments are at fair value through profit or loss and are valued using the IFRS 13 framework for fair value measurement. The following economic assumptions were used in the valuation of the SPVs.

Valuation Assumptions

	As at 31 December 2019
Discount rates	The valuation methodology comprises country and asset-specific discount rates for each asset.
Power price	Power prices are based on an initial two years of market forward pricing, and then a rolling average of capture rates (i.e. technology and country or region specific power price curves) to reflect the forecasted impact of intermittent electricity on power prices and to limit quarterly volatility. Power price forecasts are independently sourced from a provider with coverage in almost all European markets
Energy yield / load factors	Estimated based on third party energy yield assessments and operational performance data (where applicable).
Inflation rates	Long-term inflation is based on central bank targets for the respective Jurisdiction.
Asset life	In general, an operating life of 25 years for onshore wind and 30 years for solar PV is assumed. In individual cases a longer operating life is assumed where the contractual set-up (ie. O&M agreement with availability guarantee) supports such assumption. The operating life of hydropower assets are estimated in accordance with their expected concession term.
Operating expenses	The operating expenses are primarily based on the respective contracts and, where not contracted, on the assessment from a technical advisor.
Taxation rates	The underlying country-specific tax rates are derived from due diligence reports from leading tax consulting firms.

Valuation Sensitivities

The fair value of the Company's investments in HoldCo are ultimately determined by the underlying fair values of the SPV investments. As such sensitivity analysis is produced to show the impact of changes in key assumptions adopted to arrive at the SPV valuation.

For each of the sensitivities, it is assumed that potential changes occur independently of each other with no effect on any other base case assumption, and that the number of investments in the SPVs remains static throughout the modelled life.

The NAV per share impacts from each sensitivity is shown below.

(i) Discount rates

The DCF valuation of the SPV investments represents the largest component of the NAV of the Company and the key sensitivities are considered to be the discount rate used in the DCF valuation and assumptions.

The weighted average valuation discount rate applied to calculate the SPV valuation is 7.6% at 31 December 2019.
An increase or decrease of 0.5% in this rate at project level has the following effect on valuation.

Discount rate	**NAV per share impact EUR cents**	**-0.5% change EUR'000**	**Total NAV Value EUR'000**	**+0.5% Change EUR'000**	**NAV per share impact EUR cents**
Valuation as of 31 December 2019	3.97	165,057	158,917	153,209	(3.69)

(ii) Power Price

Long term power price forecasts are provided by a leading market consultant and are updated quarterly. The sensitivity below assumes a 10.0% per cent increase or decrease in power prices relative to the base case for every year of the asset life, which is relatively extreme (a 10%. variation in short term power prices, as reflected by the forward curve, would have a much lesser effect). The sensitivity considers a flat 10.0% movement in power prices for all years, i.e. the effect of adjusting the forecast electricity price assumptions in each of the jurisdictions applicable to the SPV down by 10% and up by 10.0% from the base case assumptions for each year throughout the operating life of the SPV.

A 10.0% increase or decrease in the forecast electricity price has the following effect on valuation, as shown below.

Power price	**NAV per share impact EUR cents**	**-10.0% Change EUR'000**	**Total NAV Value EUR'000**	**+10.0% change EUR'000**	**NAV per share impact EUR cents**
Valuation as of 31 December 2019	(9.09)	144,854	158,917	172,723	8.93

(iii) Energy yield

The base case assumes a 'P50' level of output. The P50 output is the estimated annual amount of electricity generation (in MWh) that has a 50% probability of being exceeded both in any single year and over the long term and a 50% probability of being under achieved. Hence the P50 is the expected level of generation over the long term. The sensitivity illustrates the effect of assuming "P90 10 years" (a downside case) and 'P10 10 years' (an upside case) energy production scenarios. A P90 10 years downside case assumes the average annual level of electricity generation that has a 90% probability of being exceeded over a 10 years period. A P10 10 years upside case assumes the average annual level of electricity generation that has a 10.0% probability of being exceeded over a 10 years period. This means that the SPV aggregate production outcome for any given 10 years period would be expected to fall somewhere between these P90 and P10 levels with an 80% confidence level, with a 10.0% probability of it falling below that range of outcomes and a 10.0% probability of it exceeding that range. The sensitivity does not include the portfolio effect which would reduce the variability because of the diversification of the portfolio. The sensitivity is applied throughout the next ten years.

The table below shows the sensitivity of the SPV value to changes in the energy yield applied to cash flows from project companies in the SPV as per the terms P90, P50 and P10 explained above.

Energy yield	**NAV per share Impact EUR cents**	**P90 10 years exceedance Total EUR'000**	**Total NAV Value EUR'000**	**P10 10 years exceedance Total EUR'000**	**NAV per share impact EUR cents**
Valuation as of 31 December 2019	(8.71)	145,450	158,917	171,783	8.32

(iv) Inflation rates

The projects' income streams are principally a mix of subsidies, fixed-price PPAs and merchant revenues. Subsidies and fixed-price PPAs tend not to be inflation linked, whilst merchant revenues are generally subject to inflation. The current contractual life of subsidies and fixed-price PPAs are shorter than their respective asset lives, meaning from a valuation perspective, the assets are more exposed to merchant revenues over the asset life. The projects' management and maintenance expenses typically move with inflation, but debt payments are fixed. This results in the SPV returns and valuation being positively correlated to inflation. The SPVs valuation assumes long-term inflation of 2.0% p.a.

The sensitivity illustrates the effect of a 0.5% decrease and a 0.5% increase from the assumed annual inflation rates in the financial model for each year throughout the operating life of the SPV.

Inflation assumption	**NAV per share impact EUR cents**	**-0.5% Change EUR'000**	**Total NAV Value EUR'000**	**+0.5% Change EUR'000**	**NAV per share impact EUR cents**
Valuation as of 31 December 2019	(3.72)	153,167	158,917	165,108	4.00

(v) Asset life

In general, an operating life of 25 years for onshore wind and 30 years for solar PV is assumed. In individual cases a longer operating life is assumed where the contractual set-up (ie. O&M agreement with availability guarantee) supports such an assumption. The operating life of hydropower assets are estimated in accordance with their concession term.

The sensitivity below shows the impact on the valuation of assuming all assets within the portfolio have a year longer and a year shorter asset life assumed.

Asset life	NAV per share impact EUR cents	-1 year change EUR'000	Total NAV Value EUR'000	+1 year Change EUR'000	NAV per share impact EUR cents
Valuation as of 31 December 2019	(3.12)	154,094	158,917	163,286	2.82

(vi) Operating expenses
The sensitivity shows the effect of a 10.0% decrease and a 10.0% increase to the base case for annual operating costs for the SPV, in each case assuming that the change to the base case for operating costs occurs with effect from 1 January 2020 and that change to the base case remains reflected consistently thereafter during the life of the projects.

An increase or decrease in operating expenses by 10.0% at SPV level has the following effect on valuation, as shown below.

Operating costs	NAV per share impact EUR cents	-10.0% Change EUR'000	Total NAV Value EUR'000	+10.0% Change EUR'000	NAV per share impact EUR cents
Valuation as of 31 December 2019	3.64	164,545	158,917	153,280	(3.64)

5. INTEREST INCOME

Income from investments	For the period ended 31 December 2019 EUR'000
Interest received from shareholder loans	1,609
Total Income	**1,609**

6. INVESTMENT ADVISORY FEES

	For the period ended 31 December 2019		
	Revenue EUR'000	Capital EUR'000	Total EUR'000
Investment Advisory fees	654	-	654

Under the Investment Advisory Agreement, the following fee is payable to the Investment Adviser:

a) 0.75 per cent. per annum of NAV (plus VAT) of the Company up to EUR300 million;
b) 0.65 per cent. per annum of NAV (plus VAT) of the Company between EUR300 million and EUR500
million; and
c) 0.55 per cent. per annum of NAV (plus VAT) of the Company above EUR500 million

During the first two years of its appointment, the Investment Adviser has undertaken to apply its fee (net of any applicable tax) in subscribing for, or acquiring, Ordinary Shares. If the Ordinary Shares are trading at a premium to the prevailing NAV, the Company will issue new Ordinary Shares to the Investment Adviser. If, however, the Ordinary Shares are trading at a discount to the prevailing NAV at the relevant time, no new Ordinary Shares will be issued by the Company and instead the Company will instruct its broker to acquire Ordinary Shares to the value of fee due in the relevant period.

The Investment Adviser is also entitled to be reimbursed for certain expenses under the Investment Advisory Agreement. These include out-of-pocket expenses properly incurred by the Investment Adviser in providing services, including transactional, organisational, operating and/or travel expenses.

Share based payments

The Company settled investment advisory fees by issuing Ordinary Shares. The Company has issued following shares to settle investment advisory fees in respect of the period under review:

In respect of the period to	Investment advisory fees in EUR	Issue price in cents	Number of shares	Date of issue
30 September 2019	353,704	97.35	363,332	11 November 2019
31 December 2019	300,417	103.50	290,258	17 February 2020

7. OTHER EXPENSES

	For the period ended 31 December 2019		
	Revenue EUR'000	Capital EUR'000	Total EUR'000
Secretary and administrator fees	105	-	105
Tax compliance	159	-	159
Directors' fees	147	-	147
Directors' other costs	18	-	18
Broker retainer	60	-	60
Auditor's remuneration*			
-Statutory audit fee	81		81
-Initial accounts audit	24	-	24
AIFM fees	58	-	58
Registrar's fees	16	-	16
Marketing fees	44	-	44
FCA and listing fees	32	-	32
Other expenses	66	-	66
Total expenses	**810**	**-**	**810**

* Auditor’s remuneration includes VAT of GBP 14,000 on statutory audit fees and GBP 4,000 on non-audit fees for audit of the Company's initial accounts.

Prior to appointment as the Company’s Auditor, the auditors received EUR100,100 (excluding VAT of EUR 20,020) for non-audit services related to the IPO, which have been treated as a capital expense and included in ‘share issue costs’ disclosed in the Statement of Changes in Equity.

8. FINANCE COSTS

	For the period ended 31 December 2019		
	Revenue EUR'000	Capital EUR'000	Total EUR'000
Interest charges	198	-	198
Bank charges	1	-	1
Total	**199**	**-**	**199**

9. TAXATION

(a) Analysis of charge in the period

	For the period ended 31 December 2019		
	Revenue EUR'000	Capital EUR'000	Total EUR'000
Corporation tax	-	-	-
Taxation	-	-	-

(b) Factors affecting total tax charge for the period:

The standard rate of UK corporation tax at 31 December 2019 was 19%. The tax charge differs from the charge resulting from applying the standard rate of UK corporation tax for an investment trust company.

The differences are explained below:

	Revenue EUR'000	Capital EUR'000	Total EUR'000
Profit on ordinary activities before taxation	(54)	8,595	8,541
Corporation tax at 19%	(10)	1,633	1,623
Effects of:			
Movement in management expenses not utilised/recognised	10	-	10
Foreign exchange gains		2	2
Gain on investments held at fair value not taxable	-	(1,635)	(1,635)
Total tax charge for the period	-	-	-

Investment companies which have been approved by the HM Revenue & Customs under section 1158 of the Corporation Tax Act 2010 are exempt from tax on capital gains. Due to the Company’s status as an Investment Trust, and the intention to continue meeting the conditions required to obtain approval in the foreseeable future, the Company has not provided for deferred tax on any capital gains or losses arising on the revaluation of investments.

The Company has an unrecognised deferred tax asset of EUR 206,000 based on the prospective UK corporation tax rate of 17%. No asset has been recognised in the accounts because, it is not likely that this asset will be utilised in the foreseeable future.

10. RETURN PER ORDINARY SHARE

Return per share is based on the profit for the period of EUR8,541,000 attributable to the undiluted weighted average number of Ordinary Shares in issue of 120,853,408 and the diluted weighted average number of Ordinary Shares in issue of 121,143,666 in the period to 31 December 2019. Revenue and capital (losses)/ profits are (EUR54,000) and EUR8,595,000 respectively.

Weighted average number of shares used as the denominator

	Number of shares
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	120,853,408
The effect settled investment advisory fees by issuing Ordinary Shares	290,258
Weighted average number of ordinary shares and potential ordinary shares used as the denominator in calculating diluted earnings per share	121,143,666

11. TRADE AND OTHER RECEIVABLES

	As at 31 December 2019 EUR'000
Interest due from shareholder loans	1,609
Receivable from HoldCo	286
Prepaid expenses	32
Total	**1,927**

12. OTHER CREDITORS

	As at 31 December 2019 EUR'000
Accrued expenses	532
Total	**532**

13. SHARE CAPITAL

	As at 31 December 2019 No. of shares	**EUR'000**
Allotted, issued and fully paid:		
Redeemable Ordinary Shares of 1p each ('Ordinary Shares')	154,668,084	1,547
Total	**154,668,084**	**1,547**

On incorporation, the issued share capital of the Company was 1 Ordinary Share of EUR0.01 issued to the subscriber to the Company's memorandum. The Company's issued share capital was increased by GBP 50,000 represented by 50,000 Management Shares of nominal value GBP 1.00 each, which were subscribed for by the Investment Adviser. Following admission, the Management Shares were redeemed by the holder. On admission 5 June 2019, 154,304,752

Ordinary Shares were allotted and issued to Shareholders as part of the placing and offer for subscription in accordance with the Company's prospectus dated 10 May 2019. The Company raised gross proceeds of EUR154.3 million.

For the period from 8 April 2019 to 31 December 2019	Shares in issue at the beginning of the period	Shares subscribed	Shares redeemed	Shares in issue at the end of the period
Management shares	-	50,000	(50,000)	-
Ordinary shares	-	154,668,084	-	154,668,084

On 6 November 2019, the Company issued 363,332 Ordinary Shares to the Company`s Investment Adviser, in relation to advisory fees payable for the period ended 30 September 2019.
Since the period end, the Company issued a further 290,258 Ordinary Shares to the Company`s Investment Adviser, in relation to advisory fees payable for the period ended 31 December 2019.

14. SPECIAL DISTRIBUTABLE RESERVE

As indicated in the Company's prospectus dated 10 May 2019, following admission of the Company's Ordinary Shares to trading on the London Stock Exchange, the Directors applied to the Court and obtained a judgement on 30 July 2019 to cancel the amount standing to the credit of the share premium account of the Company. The amount of the share premium account cancelled and credited to a special distributable reserve was EUR149,675,608.

15. NET ASSETS PER ORDINARY SHARE

Net assets per ordinary share as at 31 December 2019 is based on EUR 158,916,758 of net assets of the Company attributable to the 154,668,084 Ordinary Shares in issue as at 31 December 2019.

16. DIVIDEND PAID

The Company has paid the following interim dividends in respect of the period under review:

	In respect of the period to	**Dividend amount per Ordinary Share**	**Amount EUR'000**	**Pay Date**
1st Interim Dividend	30 September 2019	0.75 cents	1,160	29 November 2019
2nd Interim Dividend	31 December 2019	0.75 cents	1,162	20 March 2020

17. FINANCIAL RISK MANAGEMENT

The Investment Adviser, AIFM and the Administrator report to the Board on a quarterly basis and provide information to the Board to monitor which allows it to monitor and manage financial risks relating to Company's operations. The Company's activities expose it to a variety of financial risks: market risk (including price risk, interest rate risk and foreign currency risk), credit risk and liquidity risk. These risks are monitored by the AIFM. Each risk and its management is summarised below.

(i) Currency risk

Foreign currency risk is defined as the risk that the fair value of future cashflows will fluctuate because of changes in foreign exchange rates. The Company's financial assets and liabilities are denominated in Euro and substantially all of its revenues and expenses are in Euro. The Company is not considered to be materially exposed to foreign currency risk.

(ii) Interest rate risk

The Company's interest rate risk on interest bearing financial assets is limited to interest earned on shareholder loans. The Board considers that, as shareholder loans investments bear interest at a fixed rate, they do not carry any interest rate risk.

The Company's interest and non-interest bearing assets and liabilities as at 31 December 2019 are summarised below:

Assets	**Interest bearing EUR'000**	**Non-interest bearing EUR'000**	**Total EUR'000**
Cash and cash equivalents	-	38,862	38,862
Trade and other receivables	-	1,927	1,927
Investments held at fair value through profit or loss	67,581	51,079	118,660
Total assets	**67,581**	**91,868**	**159,449**
Liabilities			
Other creditors	-	(532)	(532)
Total liabilities	**-**	**(532)**	**(532)**

(iii) Price risk

Price risk is defined as the risk that the fair value of a financial instrument held by the Company will fluctuate. Investments are measured at fair value through profit or loss. As of 31 December 2019 the Company held investments with an aggregate fair value of EUR 118,660,000. All other things being equal, the effect of a 10% increase or decrease in the value of the investments held at the year end would have been an increase or decrease of EUR 11,866,000 in the profit after taxation for the period ended 31 December 2019 and the Company's net assets at 31 December 2019.

Credit risk

Credit risk is the risk of loss due to the failure of a borrower or counterparty to fulfil its contractual obligations. The Company is exposed to credit risk in respect of Trade and other receivables, cash at bank and shareholder loan investments. The Company's credit risk exposure is minimised by dealing with financial institutions with investment grade credit ratings and making shareholder loan investments which are equity in nature. The Company has advanced shareholder loans to HoldCo, when advancing shareholder loans to the HoldCo, the Company consider available security for the loans.

	As at 31 December 2019 EUR'000
Investments at fair value through profit or loss - Shareholder loan investments	67,581
Trade and other receivables	1,927

Cash and cash equivalents	38,862
Total	**108,370**

The cash and cash equivalents are held with RBS International and the Standard & Poor's credit rating of RBS International is BBB-.

Liquidity risks
Liquidity risk is the risk that the Company may not be able to meet a demand for cash or fund an obligation when due. The Investment Adviser, AIFM and the Board continuously monitor forecast and actual cashflows from operating, financing and investing activities to consider payment of dividends, repayment of the Company's shareholder loans or further investing activities.

Financial assets and liabilities by maturity at the period end are shown below:

	Less than 1 year EUR'000	1-2 years EUR'000	2-5 years EUR'000	Total EUR'000
Assets				
Investments at fair value through profit or loss - Shareholder loan investments	-	-	67,581	67,581
Trade and other receivables	1,927	-	-	1,927
Cash and cash equivalents	38,862	-	-	38,862
Liabilities				
Other creditors	(532)	-	-	(532)
	40,257	**-**	**67,581**	**107,838**

As at 31 December 2019, across the Company's investment portfolio there is approximately EUR 85.0 million of non-recourse, project debt (on a proportional basis) at the asset SPV level.

Capital management
The Company's capital management objectives are to ensure that the Company will be able to continue as a going concern while maximising the return to equity Shareholders.

In accordance with the Company's investment policy, the Company's principal use of cash (including the proceeds of the IPO and placings) is to investing in a diversified portfolio of Renewable Energy Infrastructure Investments, as well as expenses related to the share issue when they occur, ongoing operational expenses and payment of dividends and other distributions to Shareholders in accordance with the Company's dividend policy.

The Company considers its capital to comprise ordinary share capital, distributable reserves and retained earnings. The Company is not subject to any externally imposed capital requirements. The Company's share capital and reserves that are shown in the Statement of Financial Position at a total EUR 158,917,000.

The Board, with the assistance of the Investment Adviser, monitors and reviews the Company's capital on an ongoing basis.
Share capital represents the 1cent nominal value of the issued share capital.

The share premium account arose from the net proceeds of new shares.

The capital reserve reflects any increases and decreases in the fair value of investments which have been recognised in the capital column of the income statement.

The revenue reserve reflects all income and expenditure recognised in the revenue column of the income statement and is distributable by way of dividend.

Use of distributable reserves is disclosed in note 19.

18. TRANSACTIONS WITH THE INVESTMENT ADVISER AND RELATED PARTY TRANSACTIONS

Fees payable to the Investment Adviser are shown in the Income Statement. As at 31 December 2019, the fee outstanding to the Investment Adviser was EUR 300,417.
Fees are payable to the directors, effective from appointment of the directors 8 April 2019, at an annual rate of EUR 75,000 to the Chairman, EUR 46,000 to the Chairman of the Audit Committee and EUR 41,000 to the other directors.
During the period, the Company advanced shareholder loans to HoldCo EUR 67,581,000. The accrued interest and the shareholder loans outstanding at the period end was EUR 69,190,000.

The directors had the following shareholdings in the Company, all of which were beneficially owned.

	Ordinary Shares At 31 December 2019
Ian Nolan	100,000
David MacLellan	75,000
Kenneth MacRitchie	50,000
Patricia Rodrigues	50,000

19. DISTRIBUTABLE RESERVES

The Company's distributable reserve consists of the Special distributable reserve, Capital reserve and Revenue reserve. The Company currently pays dividends from the Special distributable reserve.

20. COMMITMENTS AND CONTINGENCIES

On 20 December 2019, the Company announced it had entered into a Sale and Purchase Agreement to acquire a 100% interest in a construction-ready wind farm project in Finland Project Korkeakangas for total consideration of EUR 36.7 million. The Company's right to purchase this asset runs until December 2020. The conditions to completion have yet to be met by the vendor, and until that time the Company will work closely with the vendor to monitor the construction progress.

21. UNCONSOLIDATED SUBSIDIARIES AND ASSOCIATES

The following table shows subsidiaries of the Company. As the Company is regarded as an Investment Entity, as explained in Note 2, these subsidiaries have not been consolidated in the preparation of the financial statements.

Subsidiary entity name	**Effective ownership %**	**Investment**	**Country of incorporation**	**Profit/(loss) for the year ended 31/12/2019**	**Capital balances as at 31 December 2019**	**Registered address**

				EUR million*	EUR million*	
Tesseract Holdings Limited	100.0	HoldCo	United Kingdom	8.6	118.5	Mermaid House 2 Puddle Dock London EC4V 3DB
Holmen II Wind Park ApS	100.0	Holmen II	Denmark	1.3	26.9	Gyngemose Parkvej 50, 2860 Søborg, Denmark
Aalto Wind No 2 Ltd. Oy	100.0	Olhava	Finland	(0.3)	55.7	Oy, Bulevardi 1, 6th floor,00100 Helsinki, Finland
Svindbaek Vindkraft HoldCo ApS**	100.0	Svindbaek	Denmark	N/A	N/A	Gyngemose Parkvej 50, 2860 Søborg, Denmark
Svindbaek Vindkraft GP ApS**	100.0	Svindbaek	Denmark	N/A	N/A	Gyngemose Parkvej 50, 2860 Søborg, Denmark

* Unaudited balances
** Svindbaek investment was acquired on 17 December 2019 as such financial data is not available.

The Company's investments in subsidiaries are held through Holdco.

The following table shows associates of the Company. The Company's investments in associates are held through Holdco.

Associate entity name	Effective ownership %	Investment	Country of incorporation	Profit/(loss) for the year ended 31/12/2019 EUR million*	Capital balances as at 31 December 2019 EUR million*	Registered address
Aquia Enlica, Lda	18.0	Sagres	Portugal	9.5	92.3	RuaFilipe Folque, nº 10 J, 2º direito, Lisbon, Portugal
Midtfjellet Vindkraft AS	25.9	Tesla	Norway	(0.7)	116.2	Sandviksvågen 45, Fitjar, Norway

* Unaudited balances

As disclosed in Note 4, the Company finances the HoldCo through a mix of shareholder loans and equity. The shareholder loans accrue at an interest rate range of 5.3% to 10.3%.

HoldCo finances its SPV investments through a mix of shareholder loans and equity. The shareholder loans accrue at an interest rate range of 5.5% to 10.5%.

There are no restrictions on the ability of the Company's subsidiaries and associates to transfer funds in the form of interest and dividends.

The Company and the HoldCo do not provide financial support, guarantees or any other financial benefits to the unconsolidated subsidiaries and associates.

22. POST BALANCE SHEET EVENTS

On 6 March 2020 the Company successfully raised EUR 40 million under its placing programme to fund future acquisition opportunities.

On 23 March 2020, the Company also acquired an additional, 9.6 MW operating wind farm in Denmark (Svindbaek II) for EUR 13.2 million.

The recent outbreak of a novel and highly contagious form of COVID-19, which the World Health Organization has declared to constitute a pandemic, has resulted in numerous deaths, adversely impacted global commercial activity and contributed to significant volatility in certain equity markets. The global impact of the outbreak is rapidly evolving, and many countries have reacted by instituting quarantines, prohibitions on travel and the closure of offices, businesses, schools, retail stores and other public venues. Businesses are also implementing similar precautionary measures.

The Company's existing investments in Sagres, Holmen II, Tesla, Olhava, Svindbaek I and II are connected to the power grid as existing investments and continue to produce electricity regardless of current market conditions. There is no project development risk for these investments.

Each of the Company's existing investments continue to benefit from contracted revenue either in the form of government subsidies FiT or PPAs which last between 6 and 10 years. As a result, the electricity prices for a large portion of the production volume are protected and not fully dependent on short to medium term macroeconomic developments. Over 70% of the present value of Company's forecast revenue over the next 5 years is contracted in the form of governmental subsidies or fixed price PPA.

Investment Adviser's asset management teams are in close contact with the technical and commercial operating managers of the affiliated companies in order to continue to ensure the best possible operation of the plants and, if necessary, to react to changing risk profiles.

The Investment Adviser and other stakeholders have implemented procedures to ensure the safety and wellbeing of all employees, as well as preserving business continuity.

As explained above, the economic and financial implications in the medium to long term are unclear and a prolonged and deep market decline could lead to falling values in underlying businesses or interruptions to cash flow which would impact the fair value of investments. The Board considers the emergence of the COVID-19 coronavirus pandemic to be a non-adjusting post balance sheet event and therefore this impact is not yet recognised within these financial statements. It is uncertain and not yet capable of reliable estimation.

Alternative Performance Measures

APMs are often used to describe the performance of investment companies although they are not specifically defined under IFRS. APM calculations for the Company are shown below.

Premium

The amount, expressed as a percentage, by which the share price is more than the NAV per Ordinary Share.

As at 31 December 2019		
NAV per Ordinary Share (cents)	**a**	102.8
Share price (cents)	**b**	107.8
Premium	**(b÷a)-1**	**4.9%**

Ongoing charges

A measure, expressed as a percentage of average net assets, of the regular, recurring annual costs of running an investment company.

As at 31 December 2019		
Average NAV	**a**	154,567
Annualised expenses	**b**	2,557
Ongoing charges	**(b÷a)**	**1.7%**

Total return

A measure of share price and NAV performance over the reporting period.

As at 31 December 2019		Share price	NAV
Opening at 6 June 2019 (cents)	**a**	100.0	98.0
Closing at 31 December 2019 (cents)	**b**	107.8	102.8
Total return	**(b÷a)-1**	**7.8%**	**4.8%**

n/a = not applicable.

FINANCIAL INFORMATION

This announcement does not constitute the Company's statutory accounts. The financial information for 2019 is derived from the statutory accounts for 2019, which will be delivered to the registrar of companies. The auditors have reported on the 2019; their reports were unqualified and did not include a statement under Section 498(2) or (3) of the Companies Act 2006.

The Annual Report for the year ended 31 December 2019 was approved on 27 April 2020. It will be made available on the Company's website at https://www.aquila-european-renewables-income-fund.com/.

The Annual Report will be submitted to the National Storage Mechanism and will shortly be available for inspection at: https://data.fca.org.uk/#/nsm/nationalstoragemechanism.

This announcement contains regulated information under the Disclosure Guidance and Transparency Rules of the FCA.

ANNUAL GENERAL MEETING

In line with the requirements of the Companies Act 2006, the Company will hold an Annual General Meeting of shareholders to consider the resolutions laid out in the Notice of Meeting. The Annual General Meeting of Aquila European Renewables Income Fund Plc will be held at the carpark Abinger Hatch pub, Abinger Lane on 8 June 2020 at 2:00p.m. There will be no presentation from the Investment Manager and the sole business of the meeting will be to propose the resolutions set out in the Notice of Meeting contained in the Annual Report and Accounts.

In response to the current COVID-19 crisis, the UK Government has established stay at home measures prohibiting, amongst other things, public gatherings of more than two people. In light of these measures, the AGM will be run as a closed meeting and shareholders will not be able to attend in person. Shareholders attempting to attend the AGM will be refused entry.

The Board will make arrangements such that the legal requirements to hold the meeting can be satisfied through the attendance of two shareholders. Shareholders should therefore vote by proxy. Given the restrictions on attendance, shareholders are encouraged to appoint the "Chairman of the Meeting" as their proxy rather than another person who will not be permitted to attend the meeting. Details of how to vote, either electronically, by proxy form or through CREST, can be found in the Notes to the Notice of AGM included in the Annual Report and Accounts.

The outcome of the resolutions will as usual be determined by shareholder vote based on the proxy votes received. All valid proxy appointments (whether submitted electronically or in hard copy form) will be included in the poll to be taken at the AGM. The results of the poll will be announced to the London Stock Exchange and placed on the Company's website, in the usual way, as soon as practicable after the conclusion of the AGM.

Should a shareholder have a question that they would have raised at the AGM, either of the Board or the Investment Manager, the Board would ask that they send it by email to aquilacosec@praxisifm.com by the 6 June 2020. Answers to questions will be published on the Company's website in advance of the AGM.

This situation is constantly evolving, and the UK Government may change the current restrictions or implement further measures during the affected period. Shareholders should monitor the Company's website at https://www.aquila-european-renewables-income-fund.com/ and London Stock Exchange announcements for any updates regarding the AGM. Alternatively, shareholders can contact the Registrar, Computershare, for updated information (please see Notes to the Notice of AGM on of the Annual Report and Accounts for the Registrar's contact details).

27 April 2020

Secretary and registered office:
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