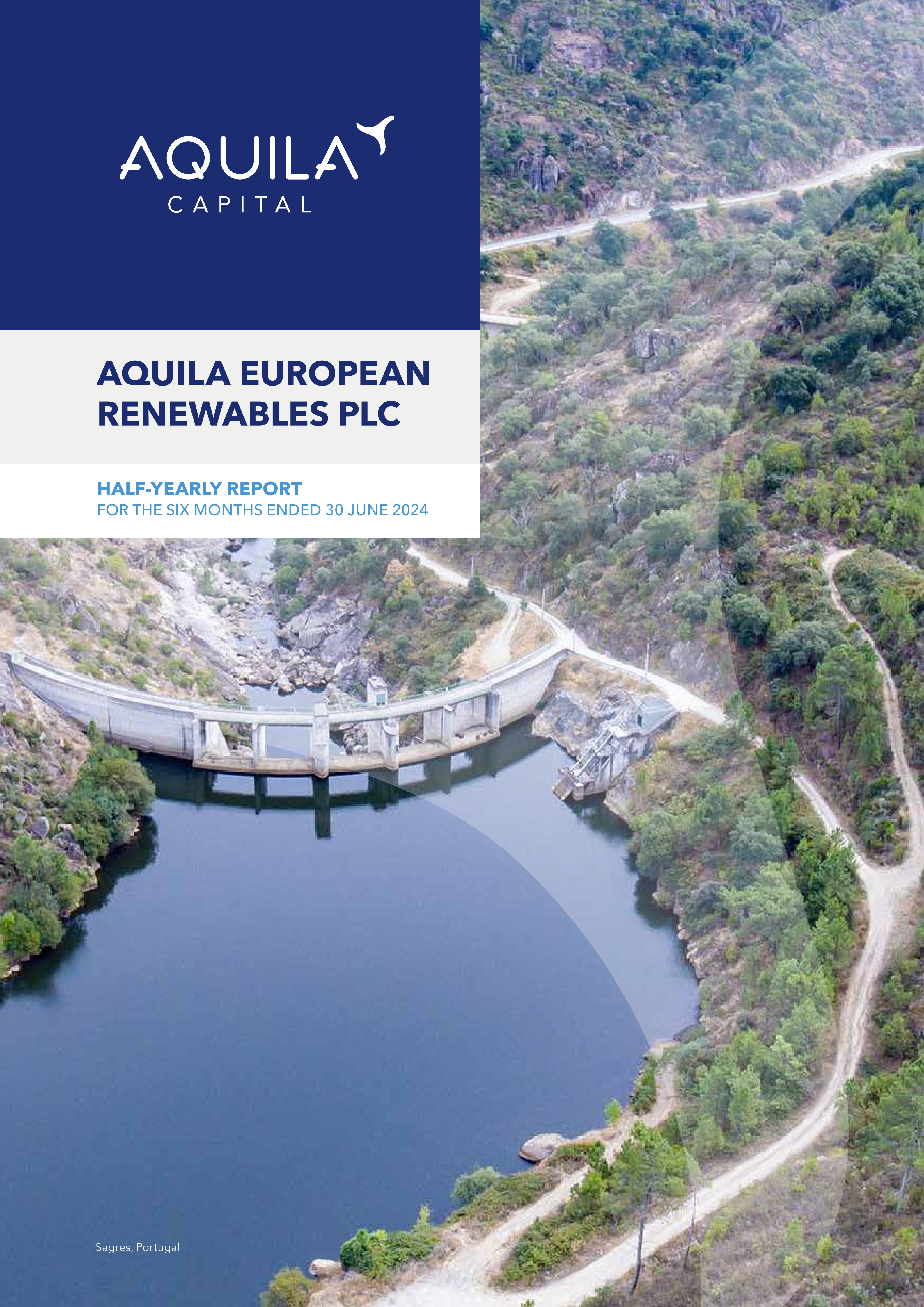
AQUILA CAPITAL

AQUILA EUROPEAN RENEWABLES PLC

HALF-YEARLY REPORT
FOR THE SIX MONTHS ENDED 30 JUNE 2024



Sagres, Portugal

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For more information please visit our website

www.aquila-european-renewables.com

INVESTMENT OBJECTIVE

Aquila European Renewables plc ("AER", the "Company") seeks to generate stable returns, principally in the form of income distributions, by investing in a diversified portfolio of renewable energy infrastructure investments.

Direct Asset Exposure to Wind Energy, Solar PV & Hydropower

Read more on pages 5 and 6

European Focused (Ex-UK)

Read more on page 7

Contracted Revenues

Read more on page 14

Wind Energy

Tesla, Norway

Solar PV

Tiza, Spain

Hydropower

Sagres, Portugal

HIGHLIGHTS

Financial Information
as at 30 June 2024

Net Assets (EUR million)	NAV per Ordinary Share (cents)[1]	Total NAV Return per Ordinary Share[1,2]
335.5	**88.7**	**(7.1%)**
2023: 372.5	2023: 98.5	1H23: (3.5%)

Dividends per Ordinary Share (cents)[3]	Ordinary Share Price (cents)	Dividend Yield[4]
2.9	**64.9**	**8.9%**
1H23: 2.8	2023: 78.5	2023: 7.4%

Dividend Cover[1,5]	Ordinary Share price Discount to NAV[1]	Ongoing Charges[1,6]
0.9x	**(26.9%)**	**1.1%**
1H23: 1.2x	2023: (20.3%)	1H23: 1.0%

1. This disclosure is considered to represent the Company's alternative performance measures ("APMs"). Definitions of these APMs and other performance measures used, together with how these measures have been calculated, can be found on page 47. All references to cents are in euros, unless stated otherwise.
2. Calculation based on NAV per Ordinary Share in euros, includes dividends and assumes no reinvestment of dividends.
3. Dividends paid/payable and declared relating to the period.
4. Dividend yield is calculated by dividing the target dividend of 5.79 cents per Ordinary Share for 2024 by the market share price as at 30 June 2024.
5. Calculation based on the operational result at special purpose vehicle ("SPV") level. Refer to page 17 for further details.
6. Calculation based on average NAV over the period and regular recurring annual operating costs of the Company, further details can be found on page 47.

Ourique, Portugal

Highlights

Dividend cover of 0.9x in 1H24 (1.4x before debt amortisation)

2024 target dividend guidance of EUR 5.79 cents (+5% increase vs. 2023) unchanged[2]

Attractive dividend yield of 8.9%[3]

In January 2024, the Company's inaugural ESG Report was released on the Company's website, highlighting key metrics, environmental and social initiatives

In January 2024, AER signed a EUR 50 million five-year debt facility with ING Bank N.V. Sucursal en España, secured by its 180 MWp Spanish solar PV operating portfolio

In June 2024, the Investment Adviser, Aquila Capital, signed a strategic partnership with Commerzbank AG aimed at significantly accelerating its growth into one of the leading asset managers for sustainable investment strategies in Europe

Subsequent Events

The Sami appraisal case concerning the Norwegian wind farm The Rock was heard before the local District Court between 27 May and 13 June 2024. A decision on the verdict is expected shortly

In September 2024, the Investment Adviser announced the sale of AER's 25.9% stake in the Norwegian wind farm Tesla at an attractive premium to its net asset value

A vote on the continuation and potential Managed Wind-Down of the Company at the General Meeting ("GM") will be held on 30 September 2024

1. Dividend cover presented is net of project debt repayments and assumes the 2024 target dividend is paid between 2024 and 2029. No reinvestment of surplus cash flow or interest received is assumed. There can be no assurance that these targets can or will be met and it should not be seen as an indication of the Company's expected or actual results or returns.
2. Subject to the portfolio performing in line with expectations. These are targets only and not forecasts. There can be no assurance that these targets can or will be met and it should not be seen as an indication of the Company's expected or actual results or returns.
3. Dividend yield is calculated by dividing the target dividend of 5.79 cents per Ordinary Share for 2024 by the market share price as at 30 June 2024.

OVERVIEW

The Company seeks to generate stable returns, principally in the form of income distributions, by investing in a diversified portfolio of renewable energy infrastructure investments.

Market Opportunity

- Participation in Europe's green energy transition
- Highly experienced Investment Adviser:
  - Managing a **25.7 GW** clean energy portfolio[1]
  - **EUR 24.8 billion** development and construction pipeline
- 2030 Aquila Capital target of avoiding **1.5 billion** tonnes of CO_2 during its lifetime[2]

Positioning

- European focused (excl. UK), diversified by geography and technology
- Cash flow supported by contracted revenues (PPAs, Government regulated tariffs) to ensure earnings visibility and a diversified operating portfolio
- Modest gearing level (**36.3%**) provides flexibility[3]

Returns

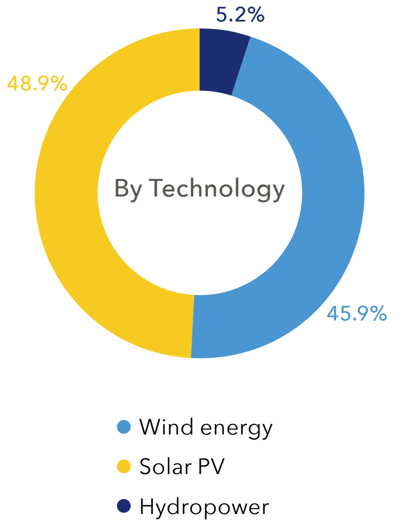
- Portfolio levered discount rate of **7.5%** excluding fund level leverage[4]
- Share price trading at a **26.9%** discount to NAV[5]
- Attractive dividend yield of **8.9%**[6]
- NAV total return since IPO of **13.7%**[7]

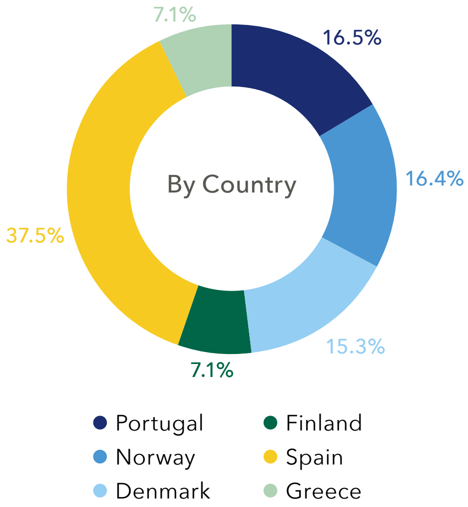
1. Data as at 31 December 2023, including historical divestments.
2. According to the 'GHG Accounting for Grid Connected Renewable Energy Projects' of the 'International Financial Institution's Technical Working Group on Greenhouse Gas Accounting', the feed-in of electricity produced by renewable energies leads to a theoretical avoidance of CO_2 emissions from fossil fuels, available at: https://www.aquila-capital.de/en/disclaimer-co2-lifetime-avoidance-clock.
3. This disclosure is considered to represent the Company's alternative performance measures ("APMs"). Definitions of these APMs and other performance measures used, together with how these measures have been calculated, can be found on pages 47 to 48. All references to cents are in euros, unless stated otherwise.
4. Fund level leverage includes drawn RCF debt of EUR 26.1 million.
5. Based on the share price as at 30 June 2024 (64.9 cents) and the NAV per Ordinary Share as at 30 June 2024 (88.7 cents).
6. Dividend yield is calculated by dividing the target dividend of 5.79 cents per Ordinary Share for 2024 by the market share price as at 30 June 2024.
7. Based on an opening NAV after launch expenses of EUR 0.98 per Ordinary Share. Calculation includes dividends paid during the period.

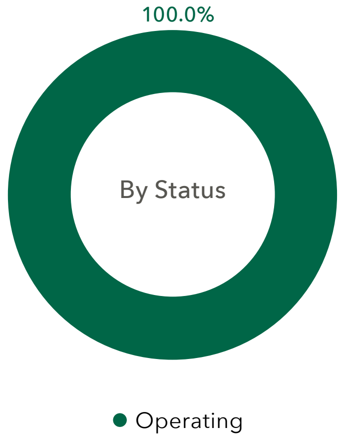
Sagres, Portugal

AT A GLANCE

Portfolio Breakdown[1]



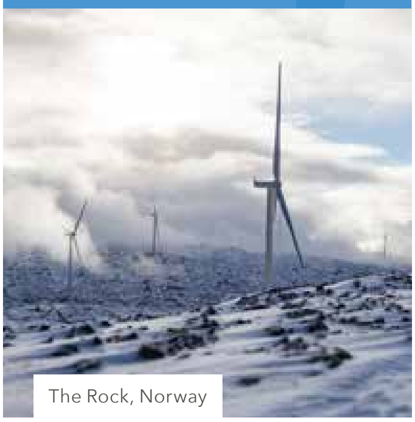




Diversified Technologies

Wind energy
213.7 MW

Four
countries


The Rock, Norway

Solar PV
230.7 MWp

Two
countries


Tiza, Spain

Hydropower
19.4 MW

One
country


Sagres, Portugal

1. Data as at 30 June 2024.

AT A GLANCE CONTINUED

As a result of the diversification of energy generation technologies, the seasonal production patterns of these asset types complement each other, providing a balanced cash flow profile, while the geographic diversification serves to reduce exposure to any one single energy market.

Wind energy | 213.7 MW

TESLA
150.0 MW
Ownership: 25.9%

HOLMEN II
18.0 MW
Ownership: 100.0%

OLHAVA
34.6 MW
Ownership: 100.0%

SVINDBAEK
32.0 MW
Ownership: 99.9%

THE ROCK
400.0 MW
Ownership: 13.7%

DESFINA
40.0 MW
Ownership: 89.0%[1]

Solar PV | 230.7 MWp

BENFICA III
19.7 MWp
Ownership: 100.0%

ALBENIZ
50.0 MWp
Ownership: 100.0%

OURIQUE
62.1 MWp
Ownership: 50.0%

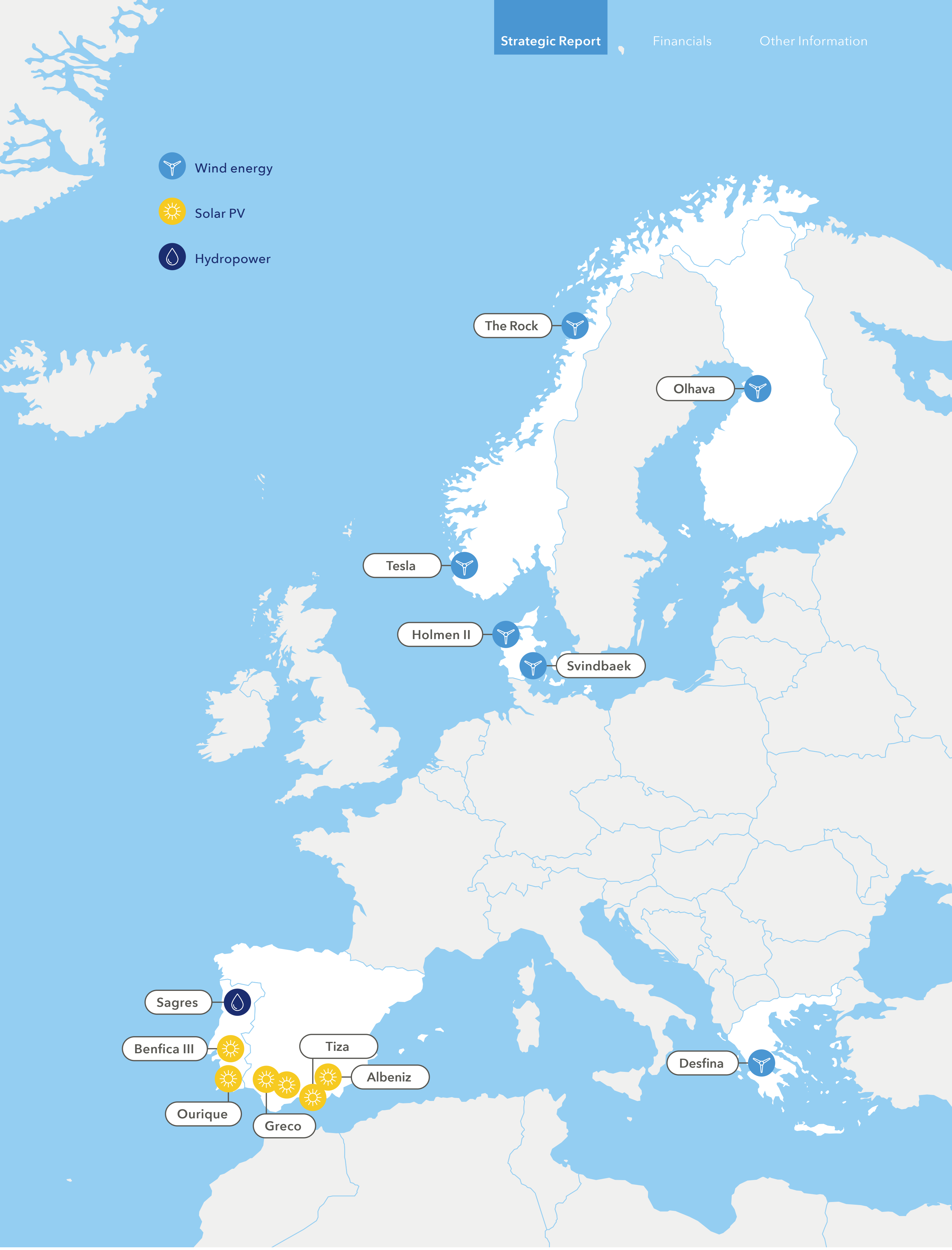
GRECO
100.0 MWp
Ownership: 100.0%

TIZA
30.0 MWp
Ownership: 100.0%

Hydropower | 19.4 MW

SAGRES
107.6 MW
Ownership: 18.0%

1. Voting interest. Economic interest: 90.5%.


Wind energy
Solar PV
Hydropower
The Rock
Olhava
Tesla
Holmen II
Svindbaek
Sagres
Benfica III
Tiza
Albeniz
Ourique
Greco
Desfina

CHAIRMAN'S STATEMENT

Ian Nolan | Chairman

Introduction

The first half of 2024 has witnessed a convergence of challenging macro-economic conditions, including persistently high inflation and interest rates, an increasingly fraught geopolitical environment, combined with lower electricity prices and volatile wind, solar and hydro conditions. The deteriorating macro-economic conditions widened the Company's share price discount to Net Asset Value ("NAV") to -26.9% as at 30 June 2024, a problem shared by our peer group of renewable energy investment trusts. Nevertheless, despite this difficult backdrop, the Company's diversified operating portfolio continued to deliver strong cash flows to enable a progressive dividend.

Key Developments

In January 2024, the Company, via its wholly owned subsidiaries, secured a EUR 50.0 million five-year debt financing for its 180 MWp unlevered Spanish solar PV operating portfolio. We are pleased the debt financing was secured at attractive terms, with an all-in interest rate below that of the existing RCF. Net proceeds from the debt financing, which was drawn in January 2024, were used to pay down the RCF. As at 30 June 2024, the Company maintains a modest gearing level of 36.3% of Gross Asset Value ("GAV"). Moreover, in May 2024, in recognition of the fact that the Company is not pursuing new investment opportunities in the current market environment and to save on commitment fee expenses, your Board elected to reduce the RCF available capacity limit from EUR 100.0 million to EUR 50.0 million.

In September 2024, the Company entered into a sale and purchase agreement with Sunnhordland Kraftlag AS ("SKL") to sell its 25.9% interest in Tesla for a consideration of approximately EUR 27.1 million.[1] Tesla is a 150 MW operating onshore wind farm located in Southern Norway, which was acquired by the Company in 2019. The buyer, SKL is a Norwegian energy company with a long history of producing, developing and operating hydropower plants. SKL's hydropower portfolio generates approximately 2,700 GWh in production per annum. The sale price represents a 10.8% premium to the Company's fair value of Tesla as at 30 June 2024. The majority of the sale proceeds will be used to repay the Company's RCF, which is currently drawn to EUR 26.1 million (excluding bank guarantees of EUR 2.8 million, which will remain in place). Based on AER's net asset value as at 30 June 2024 and gearing levels, AER's total leverage is expected to decrease from 36.3% to 31.7% on a pro forma basis as a result of the sale and subsequent repayment of the RCF. The sale transaction is subject to the grant of certain regulatory and governmental approvals, with completion of the sale expected to occur by October 2024. The sale is a further sign of the Board's ongoing commitment to secure greater recognition of the value inherent in the portfolio.

1H24 Performance

The Company's NAV per Ordinary Share was 88.7 cents as at 30 June 2024, resulting in a NAV total return per Ordinary Share of -7.1%, including dividends during the period. Movement in the NAV was primarily driven by a decrease in short-term power price forecasts across the majority of the portfolio in the first quarter of the year, reflecting lower commodity prices (notably gas and coal) relative to last year, and a sharp decrease in the price of Guarantees of Origin ("GoOs") in the second quarter of the year as a result of lower demand due to lower than expected industrial activity. AER's annualised total NAV return per Ordinary Share (including dividends paid) from IPO to 30 June 2024 has been 2.6%[2].

1. The actual purchase price received will be subject to certain adjustments depending on the date of closing.
2. Based on an opening NAV per share of EUR 0.98.

In May 2024, your Board announced a 5.0% increase to the dividend and is targeting 5.79 cents per Ordinary Share for 2024, on the basis that the operating performance and cash flow of the Company will remain in line with expectations. To date in 2024, the Company has paid or declared dividends of 2.9 cents per Ordinary Share, in line with the target. Since the IPO in June 2019, the Company has returned EUR 105.6 million to shareholders in the form of dividends and share buybacks, equivalent to 25.3% of total raised capital.[1]

Over the reporting period, total revenue was 17.1% below budget as a consequence of declining short-term electricity spot market prices across most of the portfolio's markets, reflecting the fall in commodity prices relative to last year, lower demand from milder-than-expected temperatures in Europe, lower GoO price forecasts and elevated filling levels of gas storage reservoirs. The portfolio's production was 7.9% below budget over the six-month period, primarily due to lower irradiation for the solar portfolio, curtailment of the Iberian solar PV assets in times of negative power prices and lower than forecast average wind resource in the Nordics. This in turn was partially offset by continued strong performance from the hydropower portfolio due to higher-than-forecast water availability, continuing a strong positive trend for the hydropower portfolio since June 2023.

ESG

The Company contributes to the UN Sustainable Development Goals to ensure access to affordable, reliable, sustainable and modern energy for all. Your Board was pleased to release the Company's inaugural ESG Report in January 2024, highlighting key metrics, environmental and social initiatives that illustrate the breadth of action that the Company has taken across its portfolio. Full details of the Company's approach to combatting climate change, enhancing biodiversity, boosting regional and local community engagement, ensuring sustainable supply chain management and best-practice labour standards, as well as other environmental and social topics, can be found in this dedicated report.[2]

Continuation Vote

As mentioned in my last statement to you, the Board and the Investment Adviser commenced a series of initiatives designed to secure greater appreciation of the value inherent in the portfolio. In May 2024, the Company announced that, following shareholder feedback and in light of sector trading conditions at that time, it had decided to terminate the review of a possible combination with another listed investment company by way of a Section 110 Scheme of Reconstruction under the Insolvency Act 1986. Furthermore, in June the Company announced that it had received enquiries from a number of parties relating to a possible sale of all of the assets, geographic portfolios of assets or individual assets of the Company. While some of these discussions remain ongoing, none have been progressed sufficiently to put them to shareholders and therefore, in accordance with the commitment made following the continuation vote held in 2023, the Board is again providing shareholders with a further opportunity to have their say as to the future of the company.

At the General Meeting ("GM") to be held on 30 September 2024, based on shareholder feedback we expect that the resolution being proposed to discontinue the fund in its current form will be approved, together with a further resolution to adopt a revised investment policy providing for the orderly realisation of the Company's assets. Aquila Capital, which holds approximately 2.6% of the issued share capital of the Company intends to abstain from voting, reflecting their views on good corporate governance. In the event that these resolutions are approved, it is the Board's intention to update shareholders as to its proposed orderly realisation strategy.

Outlook

We expect the challenging macro-economic backdrop for the sector to improve in the second half of 2024 as the Company is set to benefit from a number of positive tailwinds, namely the increasing likelihood of central banks beginning to cut interest rates and the market consensus that inflation in the European Union should gradually recede towards the European Central Bank's inflation target of 2.0%. Lower interest rates have the effect of reducing the discount rate applied to the DCF valuation of assets, thus increasing value – all other things being equal. Nevertheless, we expect inflation to remain above the levels witnessed in the past decade due to a series of cyclical and secular trends such as high labour demand supporting wage growth, ageing demographics in the labour market, limited housing availability supporting real estate prices, de-globalisation, energy shortages, disrupted supply chains, and higher defence spending as a result of the continuing conflict in Ukraine. The prospect of an escalation of the conflict in the Middle East triggering supply disruptions and increased competition with Asia for liquefied natural gas has already seen European natural gas prices climb recently. In the short term, we expect these factors to raise the price floor for commodities and, consequently, electricity prices.

Overall, the Board remains optimistic on the long-term outlook for the listed renewable energy sector, driven by the urgent need to decarbonise the world's energy supply, a broadly favourable European regulatory environment incentivising energy security and the expectation of increasing power demand from a recovery in European industrial activity, the electrification of industry, heat and transport and the rising energy needs of data centres and generative artificial intelligence ("AI").

Ian Nolan
Chairman

26 September 2024

1. Raised capital including shares issued to the Investment Adviser as payment of the management fee.
2. Available at: https://www.aquila-european-renewables.com/fileadmin/user_upload/PDF_Files_Microsite/31.12.23_AER_ESG_Report.pdf

INVESTMENT ADVISER'S REPORT

Leader in Investment and Asset Management in European Renewables

Overall CO_2eq emissions avoided[2]

1.4 million tonnes

Green energy produced[2]

4.9 TWh

Households supplied[2]

1.3 million

Olhava, Finland

Investment Adviser Background[1]

Aquila Capital Investmentgesellschaft mbH ('Aquila Capital') is one of the leading investment and industrial development companies, managing over EUR 14.6 billion on behalf of institutional investors worldwide and running one of the largest clean energy portfolios in Europe. Over the past two decades, Aquila Capital and its subsidiaries have committed themselves to supporting the clean energy transition and creating a more sustainable world. As at 31 December 2023, Aquila Capital transacted wind energy, solar PV, hydropower energy and battery storage assets with a capacity of approximately 25.7 GW[2]. Additionally, it has projects in sustainable real estate and green logistics, either completed, in construction or under development. Aquila Capital also invests in energy efficiency, carbon forestry and green data centres.

Aquila Capital's expert investment teams comprise about 750 employees worldwide. Moreover, the strategic partnership entered into in 2019 with Japan's Daiwa Energy & Infrastructure draws on its sector networks and experience to screen, develop, finance, manage and operate investments along the entire value chain. As this business model requires local management teams, Aquila Capital is represented across 19 investment offices. Aquila Capital currently has a significant pipeline of over 17.5 GW of development and construction assets in the EMEA region, primarily in solar PV located in southern Europe. This represents an attractive source of growth opportunities for AER.

Aquila Capital's in-house Markets Management Group ("MMG"), a team of experts dedicated to sourcing and structuring Power Purchase Agreements ("PPAs"), market analysis, trading, origination, FX, interest rates and other hedging products, has facilitated the Company's proactive approach to hedging and risk management. Since its inception, the team has structured, negotiated and put in place more than 32 PPAs and has created an extensive network of offtakers, being recognised as one of the most important players in the European landscape. The ultimate aim is to secure stable revenues whilst always ensuring the best possible risk-adjusted return. MMG also supports the rest of the teams within Aquila by providing market insights, analysis, research and regulatory knowledge. It also undertakes regular reporting on market evolution and events and ad hoc research to identify emerging market trends.

The Company's Alternative Investment Fund Manager ("AIFM"), FundRock Management Company (Guernsey) Limited, has appointed Aquila Capital as its Investment Adviser for the Company. Aquila Capital's key responsibilities are to originate, analyse and assess suitable renewable energy infrastructure investments and advise the AIFM accordingly, as well as to provide Asset Management services.

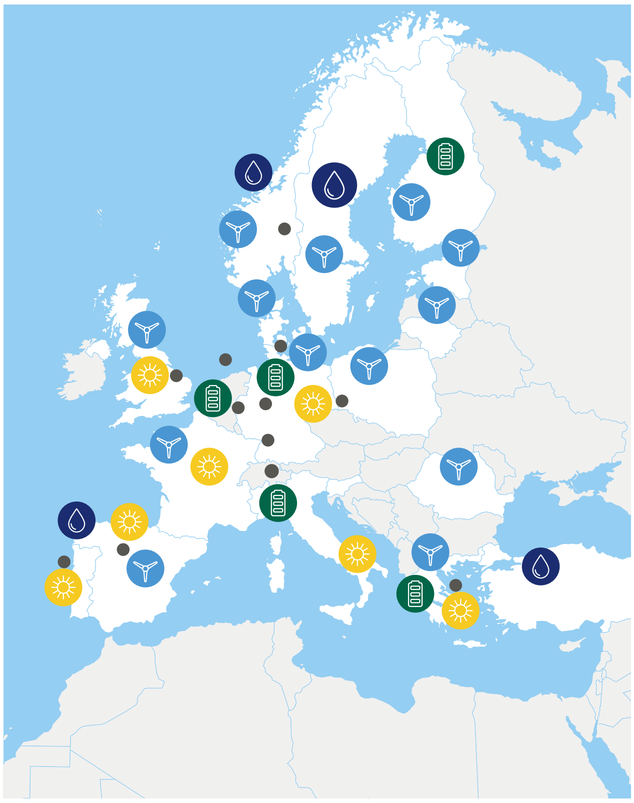
1. Figures presented in this section refer to Aquila Capital Investmentgesellschaft mbH and its partners within the Aquila Group. Data as at 31 December 2023.
2. Data as at 30 June 2024 for the first six months of 2024, based on current portfolio of the Aquila Group. For details on the methodology for avoided emissions, refer to: https://www.aquila-capital.de/fileadmin/user_upload/PDF_Files_Whitepaper-Insights/20231121_LAE_White_paper_EN.pdf

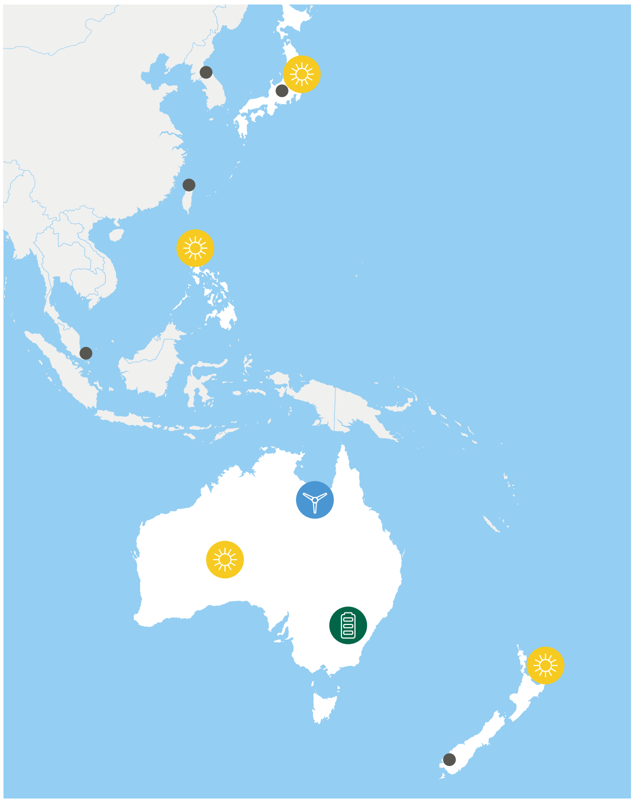
The Rock, Norway

The Investment Adviser announced a strategic partnership with Commerzbank AG on 18 January 2024 aimed at significantly accelerating the Investment Adviser's growth into one of the leading asset managers for sustainable investment strategies in Europe. Commerzbank is a major listed European banking institution serving a diverse client base of around 26,000 corporate client groups and nearly 11 million private and corporate clients, with a global presence in more than 40 countries. As part of this partnership, Commerzbank will acquire a 74.9% stake in the Investment Adviser, whilst ensuring the continued managerial independence of the Investment Adviser, which will remain autonomous in terms of operations, investment decisions, product development and brand representation. The parent company of the Investment Adviser, Aquila Group, will remain engaged as a shareholder with its remaining 25.1% shareholding. The existing Asset Management team responsible for AER will remain unchanged. The transaction was completed following the receipt of the required regulatory approvals on 3 June 2024.

Current Renewables Portfolio of Aquila Capital[1]:

Portfolio Capacity[2]





Wind energy	Solar PV	Hydropower	Energy storage systems	19 Offices
4,702 MW 1,010 WTGs	15,733 MWp 370 PV parks	1,050 MW 295 plants	4,190 MW 15 projects	

1. Map is shown for illustrative purposes only. Exact locations of offices and assets might deviate. Points indicate one or more assets and are not indicative of size.
2. Data as at 31 December 2023, including historical divestments.

INVESTMENT ADVISER'S REPORT CONTINUED

Investment Portfolio

Project	Country	Capacity[1]	Status	COD[2]	Asset Life from COD[2]	Equipment Manufacturer	Energy Offtaker[3]	Offtaker	Ownership in Asset	Leverage[4]	Acquisition Date
Wind Energy											
Tesla	Norway	150.0 MW	Operational	2013, 2018	25y	Nordex	PPA	Statkraft	25.9%[6]	24.3%	Jul-19
Holmen II	Denmark	18.0 MW	Operational	2018	25y	Vestas	FiP	Energie.dk	100.0%	34.2%	Jul-19
Olhava	Finland	34.6 MW	Operational	2013-2015	30y	Vestas	FiT	Finnish Energy	100.0%	32.1%	Sep-19
Svindbaek	Denmark	32.0 MW	Operational	2018	29y	Siemens	FiP	Energie.dk	99.9%	18.1%	Dec-19 & Mar-20
The Rock	Norway	400.0 MW	Operational	2022	30y	Nordex	PPA	Alcoa	13.7%[6]	55.4%	Jun-20
Desfina	Greece	40.0 MW	Operational	2020	25y	Enercon	FiP	DAPEEP	89.0%[6,7]	54.1%[8]	Dec-20
Solar PV											
Benfica III	Portugal	19.7 MW	Operational	2017, 2020	40y	AstroNova	PPA	Axpo	100.0%	0.0%	Oct-20
Albeniz	Spain	50.0 MW	Operational	2022	40y	Canadian Solar	PPA	Statkraft	100.0%	22.1%	Dec-20
Ourique	Portugal	62.1 MW	Operational	2019	40y	Suntec	CfD	ENI	50.0%[6]	0.0%	Jun-21
Greco	Spain	100.0 MW	Operational	2023	40y	Jinko	PPA	Statkraft	100.0%	28.4%	Mar-22
Tiza	Spain	30.0 MW	Operational	2022	40y	Canadian Solar	PPA	Axpo	100.0%	30.3%	Jun-22
Hydropower											
Sagres	Portugal	107.6 MW	Operational	1951-2006	n/a[5]	Various	FiT	EDP/Renta	18.0%[6]	21.7%	Jul-19
Total (AER Share)		**463.8 MW**									

1. Installed capacity at 100.0% ownership.
2. COD = Commissioning date.
3. PPA = Power Purchase Agreement, FiT = Feed-in tariff. FiP = Feed-in premium, CfD = Contract for Difference. Further information on the contracted revenue position can be found on page 14.
4. Leverage level calculated as a percent of debt plus fair value as at 30 June 2023.
5. 21 individual assets. Approximately ten years remaining asset life when calculated using net full load years.
6. Majority of remaining shares are held by entities managed and/or advised by Aquila Capital.
7. Represents voting interest. Economic interest is 90.5%.
8. Calculation based on voting interest.

Sagres, Portugal

Portfolio Updates

as at 30 June 2024

The Rock

Country:	Norway
Technology:	Onshore Wind
Date Acquired:	June 2020
Status:	Operational
Capacity:	400.0 MW
Interest:	13.7%

The Sami appraisal case was heard before the Helgeland District Court between 27 May and 13 June 2024. A decision on the verdict is expected shortly.

As communicated with shareholders previously, Eolus, the developer of The Rock, remains responsible for handling the appraisal case and for the economic impact on the project company associated with the outcome of that case, as well as the economic impact associated with the mitigation measures noted above. The Company will continue to keep shareholders updated regarding any key developments.

The project company, the developer and the turbine supplier continue to be involved in an arbitration process to settle outstanding claims related to construction delays and extensions of time under the turbine supply agreement. The project company does not expect the arbitration case to affect its financial position. A ruling on this arbitration case is expected in the fourth quarter of 2024.

The Rock, Norway

Tesla

Country:	Norway
Technology:	Onshore Wind
Date Acquired:	July 2019
Status:	Operational
Capacity:	150.0 MW
Interest:	25.9%

In September 2024, the Company entered into a conditional sale and purchase agreement with Sunnhordland Kraftlag AS ("SKL") to sell its 25.9% interest in Tesla for a consideration of approximately EUR 27.1 million.[1]

Tesla is a 150 MW operating onshore wind farm located in Southern Norway, which was acquired by the Company in 2019. The buyer, SKL is a Norwegian energy company with a long history of producing, developing and operating hydropower plants. SKL's hydropower portfolio generates approximately 2,700 GWh in production per annum.

The sale price represents a 10.8% premium to the Company's fair value of Tesla as at 30 June 2024. The majority of the sale proceeds will be used to fully repay the Company's RCF, which is currently drawn to EUR 26.1 million (excluding bank guarantees of EUR 2.8 million, which will remain in place). Based on AER's net asset value as at 30 June 2024 and gearing levels, AER's total leverage is expected to decrease from 36.3% to 31.7% on a pro forma basis as a result of the sale and subsequent repayment of the RCF. The sale transaction is subject to the grant of certain regulatory and governmental approvals, with completion of the sale expected to occur by October 2024.

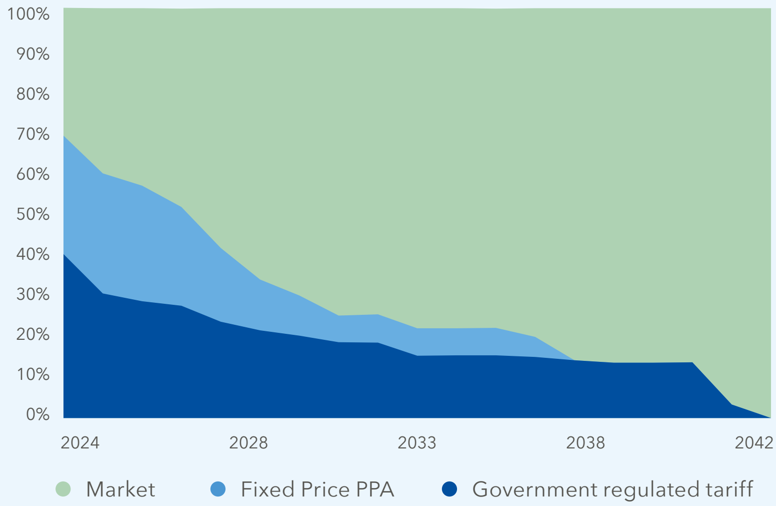
Tesla, Norway

1. Actual purchase price paid will be subject to certain adjustments depending on the date of closing.

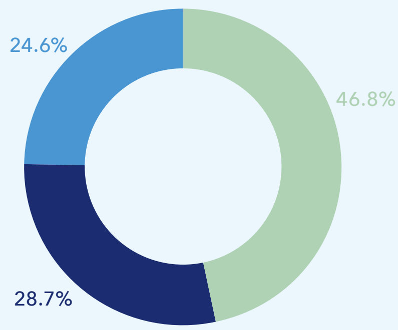
INVESTMENT ADVISER'S REPORT CONTINUED

Contracted Revenue Position[1]

Revenue Mix – Existing Contracts



Present Value of Revenues (Five Years)[2]



Contracted revenue net present value[3]
EUR 230.9m

Contracted revenue over the next five years[2]
53.2%

Contracted revenue (aggregate over asset life)[4]
EUR 325.5m

Weighted average contracted revenue life
10.3 years

1. Data excluding Tesla, which entered into a conditional sale and purchase agreement in September 2024.
2. Asset revenues are discounted by the weighted average portfolio discount rate as of 30 June 2024 and are taken from 1 July 2024 onwards.
3. Contracted revenue as at 30 June 2024, discounted by the weighted average portfolio discount rate.
4. Aggregate contracted revenue over entire asset life (not discounted).

Financial Performance

Performance[1]

Electricity Production (GWh)

Technology	Region	1H24	1H23	Variance (%)	Variance 1H24 against P50 budget
Wind energy	Denmark, Finland, Norway, Greece	**279.8**	260.5	7.4%	(9.1%)
Solar PV	Portugal, Spain	**190.9**	195.1	(2.1%)	(14.0%)
Hydropower	Portugal	**54.7**	33.2	64.8%	33.8%
Total		**525.5**	488.8	7.5%	(7.9%)

Load Factors

Technology	1H24	1H23
Wind energy	**30.7%**	27.0%
Solar PV	**18.8%**	21.4%
Hydropower	**64.9%**	39.5%
Total	**31.3%**	27.0%

Technical Availability[2]

Technology	1H24	1H23
Wind energy	**93.6%**	94.0%
Solar PV	**99.3%**	99.7%
Hydropower	**98.9%**	98.8%
Total	**96.8%**	96.7%

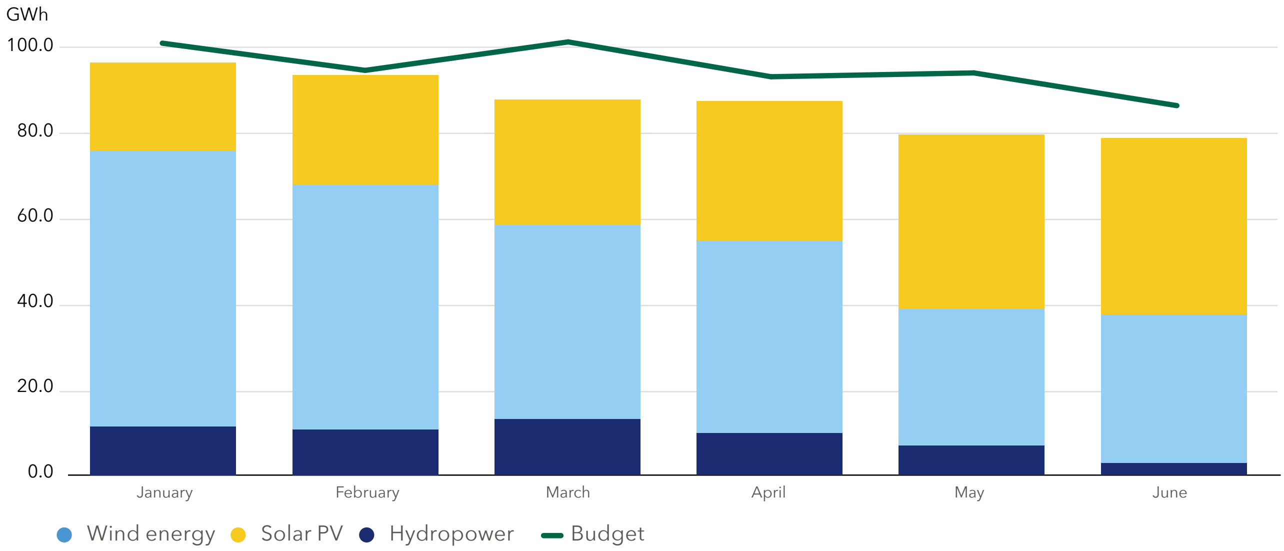
Revenues[3] (EUR million)

Technology	1H24	1H23	Variance (%)
Wind energy	**16.3**	16.9	(3.6%)
Solar PV	**9.2**	11.1	(17.7%)
Hydropower	**4.7**	3.5	36.7%
Total	**30.2**	31.5	(4.1%)

1. Desfina data based on economic share (1H24: 90.5%, 1H23: 92.6%). 1H23 Includes Guillena from April 2023.
2. Average technical availability based on weighted installed capacity (AER share).
3. Includes merchant revenue, contracted revenue and other revenue (e.g. Guarantees of Origin, Electricity Certificates).

INVESTMENT ADVISER'S REPORT CONTINUED

1H24 Monthly Production Performance vs. Budget (AER Share)



As shown in the graph above, the addition of solar PV assets to the portfolio has significantly improved the stability of production across the portfolio month to month and subsequently reducing the portfolio's reliance on wind production. This is consistent with the investment philosophy of the Company which is seeking to diversify across different technologies and provide a balanced portfolio mix between wind and solar PV.

The portfolio's production was 7.9% below budget over the reporting period, primarily due to lower irradiation for the solar portfolio, curtailment of the Iberian solar PV assets in times of negative power prices and lower-than-forecast average wind resource in the Nordics. This in turn was partially offset by continued strong performance from the hydropower portfolio due to higher-than-forecast water availability, continuing a strong positive trend for the hydropower portfolio since June 2023. Total weighted average technical availability over the reporting period remained broadly unchanged at 96.8% (2023: 97.0%).

Technical availability and production at the Norwegian wind farm The Rock have stabilised, exceeding budget by approximately 20.0% in June 2024 due to strong wind resource. Production in August is expected to be approximately 40.0% higher than budgeted due to continued strong wind resource.

As of June 2024, Olhava's historic Debt Service Coverage Ratio ("DSCR") ratio was 0.96x, which is below the default threshold of 1.05x under the bank financing with Skandinaviska Enskilda Banken ("SEB"). The breach is due to continued low production and power prices, combined with higher debt repayments (which are expected to reduce significantly from 2025 onwards, in accordance with the existing debt amortisation schedule). The Investment Adviser is currently in discussions with the lender to agree an appropriate remedy, which may involve the use of the existing Debt Service Reserve Account and/or an equity cure. The Company does not expect any material consequences as a result of the breach.

Financial Performance continued

Dividend cover (unaudited)[1]

EUR million[2]	1H24	1H23	Variance (%)
Asset income	**30.2**	31.5	(4.1%)
Asset operating costs	**(8.2)**	(7.9)	4.9%
Interest and tax	**(3.6)**	(2.5)	44.2%
Asset underlying earnings	**18.3**	21.1	(13.3%)
Asset debt amortisation	**(5.3)**	(4.9)	9.2%
Company and HoldCo[3] expenses[4]	**(2.0)**	(2.2)	(8.6%)
RCF interest and fees[5]	**(1.2)**	(1.2)	0.6%
Total underlying earnings	**9.7**	12.8	(23.9%)
Dividends paid	**10.7**	10.7	(0.2%)
Dividend cover after debt amortisation (x)	**0.9x**	1.2x	nmf.[6]
Dividend cover before debt amortisation (x)	**1.4x**	1.7x	nmf.[6]

This table calculates dividend cover based on the underlying earnings of its investment portfolio, taken from the profit & loss ("P&L") statements from each of the Company's investments, with the exception of debt amortisation which is taken from the cash flow statement. Each of the Company's investments is held through special purpose vehicles ("SPVs"). The SPV, Company and HoldCo financial statements are audited.

Total underlying asset earnings are calculated by aggregating the P&L of the Company's SPVs (adjusted for AER's share), less any repayments of project level debt at the SPV level (adjusted for AER's share), less fund level costs at the Company and HoldCo level.

The Company reported dividend cover of 0.9x during the first half of 2024. However, the calculation does not take into account any liquidated damages that some SPVs are entitled to from the availability guarantees. For the assets Olhava and The Rock, the expected amount is around EUR 0.7 million (AER share), which would increase the dividend cover ratio to 1.0x. Liquidated damages will be included in the calculation at the time of crediting (probably in the second half of the year).

1. This disclosure is considered to represent the Company's alternative performance measures ("APMs"). Definitions of these APMs and other performance measures used, together with how these measures have been calculated, can be found on page 47. Numbers and percentages may vary due to rounding differences.
2. Non-euro currencies converted to EUR as at 30 June 2024. Desfina contribution reflects AER's economic interest (90.5%) rather than voting interest (89.0%), whereas asset debt amortisation reflects the voting interest of all assets throughout the report.
3. Tesseract Holdings Limited.
4. Expenses reflect recurring ordinary costs and expenses at AER and THL level. Legal fees, investment expenses and amortised one-off cost of the Revolving Credit Facility ("RCF") is not included. Expenses are reduced by interest income on cash at banks.
5. Excluding amortised one-off cost of the Revolving Credit Facility ("RCF").
6. Not meaningful.

Tesla, Norway

INVESTMENT ADVISER'S REPORT CONTINUED

Cash Dividend Cover (unaudited)

EUR million[1]	1H24	1H23	Variance (%)
Company			
Net cash flow from operating activities	**5.8**	11.2	(48.6%)
HoldCo			
Net cash flow from operating activities	**4.2**	(0.4)	nmf.[7]
Adjustments			
Shareholder loan and equity repayments from operating activities[2]	**3.7**	2.4	54.0%
Distribution funded by Spanish bank financing[3]	**(3.9)**	–	n/a
RCF interest and fees[4]	**(1.5)**	(1.6)	(4.9%)
Asset cash flow used for investment activities[5]	**–**	0.3	n/a
Other[6]	**0.2**	(0.3)	nmf.[7]
Adjusted net cash flow	**8.5**	11.7	(27.2%)
Dividends paid	**(10.7)**	(10.7)	(0.2%)
(x)	**0.8x**	1.1x	nmf.[7]

The table above provides an alternative dividend cover calculation based on actual cash distributions received by the Company and HoldCo from the investment portfolio or SPVs. Cash distributions are paid in the form of dividends, shareholder loan payments (interest or principal) or equity repayments.

Adjusted net cash flow is calculated by consolidating net cash flow from operating activities at the Company and HoldCo, subject to certain adjustments (as shown in the table above), the most notable being distributions from the Company's assets in the form of shareholder loan repayments.

1. Non-euro currencies converted to EUR as at 30 June 2024. Desfina contribution reflects AER's economic interest (90.5%) rather than voting interest (89.0%), whereas asset debt amortisation reflects the voting interest of all assets throughout the report.
2. Distributions from operating activities in the form of shareholder loan and equity repayments.
3. Interest payments classified as cash flow from operating activities.
4. Including amortised one-off cost of the RCF (for 1H23, this is a correction of the original calculation, which wasn't adjusted for RCF one-off cost.)
5. In 1H23 part of Jaén and Guillena PAC payment made by the operating company.
6. Adjustment for non-recurring expenses for Euronext listing (1H23: capitalisation of Shareholder loan interest).
7. Not meaningful.

Financial Performance continued

Gearing[1]

EUR million	As at 30 June 2024	As at 31 December 2023	Variance (%)
NAV	**335.5**	372.5	(9.9%)
Debt[2]	**190.9**	194.8	(2.0%)
GAV	**526.4**	567.4	(7.2%)
Debt (% of GAV)[3]	**36.3**	34.3	192bps
Project debt weighted average maturity (years)	**10.8**	13.9	(3.1)
Project debt weighted average interest rate (%)[4]	**3.1**	2.6	54bps
RCF interest rate (%)[5]	**5.5**	5.7	(22bps)

Debt Summary as at 30 June 2024[1]

Project	AER Share	Drawn Debt (EUR million)	Currency	Bullet/ amortising	Maturity	Hedged Proportion	Type
Tesla	25.9%	7.8	EUR	Partly amortising	Mar-29	100.0%	Bank Debt
Sagres	18.0%	5.1	EUR	Fully amortising	Jun-33	70.0%	Bank Debt
Olhava	100.0%	12.0	EUR	Fully amortising	Dec-30/ Sep-31	100.0%	Bank Debt
Holmen II	100.0%	11.8	DKK	Fully amortising	Dec-37	92.6%	Bank Debt
Svindbaek	99.9%	7.0	DKK	Fully amortising	Dec-37	100.0%	Bank Debt
The Rock: USPP Bond	13.7%	30.9	EUR	Fully amortising	Sep-45	100.0%	Debt Capital Markets
The Rock: Green Bond	13.7%	11.0	EUR	Bullet	Sep-26	100.0%	Debt Capital Markets
Desfina	89.0%	29.6	EUR	Fully amortising	Dec-39	100.0%	Bank Debt
Albeniz	100.0%	10.9	EUR	Partly amortising	Dec-28	90.0%	Bank Debt
Jaén	100.0%	12.1	EUR	Partly amortising	Dec-28	90.0%	Bank Debt
Guillena	100.0%	16.8	EUR	Partly amortising	Dec-28	90.0%	Bank Debt
Tiza	100.0%	9.7	EUR	Partly amortising	Dec-28	90.0%	Bank Debt
Subtotal		**164.8**				**95.5%**	
RCF	100.0%	26.1	EUR	Bullet	Apr-25	0.0%	Bank Debt
Total		**190.9**				**82.5%**	

1. Foreign currency values converted to EUR as at 30 June 2024. Data represents AER's share of debt. AER share of Desfina debt based on voting interest.
2. Debt corresponds to senior debt secured at project level and RCF at HoldCo level.
3. This disclosure is considered to represent the Company's alternative performance measures ("APMs"). Definitions of these APMs and other performance measures used, together with how these measures have been calculated, can be found on page 47. All references to cents are in euros, unless stated otherwise.
4. Weighted average all in interest rate for EUR denominated debt (excl. RCF). DKK denominated debt has an average weighted interest rate of 2.8% (31 December 2023: 2.7%).
5. Consists of 1M EURIBOR plus a margin of 1.85%.

INVESTMENT ADVISER'S REPORT CONTINUED

Valuation

Fair Value (unaudited, EUR million)

The table below shows the fair values of the investments held by Tesseract Holdings Limited ("HoldCo"), the Company's wholly owned subsidiary, as well as the reconciliation to the respective item on the Company's balance sheet.

Note the valuation decline for the Company's Spanish assets is more pronounced than the rest of the portfolio as a result of the EUR 50 million debt financing completed in 2024, with proceeds raised being distributed to THL.

EUR million	**As at 30 June 2024**	As at 31 December 2023	Variance (%)
Tesla	**24.5**	25.8	(5.3%)
Sagres	**18.5**	20.1	(7.9%)
Holmen II	**22.7**	26.5	(14.6%)
Olhava	**25.4**	30.8	(17.5%)
Svindbaek	**31.9**	37.7	(15.5%)
The Rock	**33.7**	37.7	(10.6%)
Benfica III	**13.7**	16.1	(15.0%)
Albeniz	**38.3**	50.5	(24.1%)
Desfina	**25.1**	26.1	(3.7%)
Ourique	**26.6**	30.5	(12.8%)
Greco	**73.0**	103.4	(29.4%)
Tiza	**22.3**	32.5	(31.7%)
Fair value of investments (HoldCo)[1]	**355.7**	438.0	(18.8%)
Cash and other current assets of HoldCo	**6.0**	9.6	(37.6%)
Revolving credit facility drawn by HoldCo	**(26.1)**	(74.7)	(65.1%)
Elimination of intercompany shareholder loans	**(0.3)**	(0.5)	(37.9%)
Investments at fair value through profit or loss	**335.3**	372.4	(10.0%)

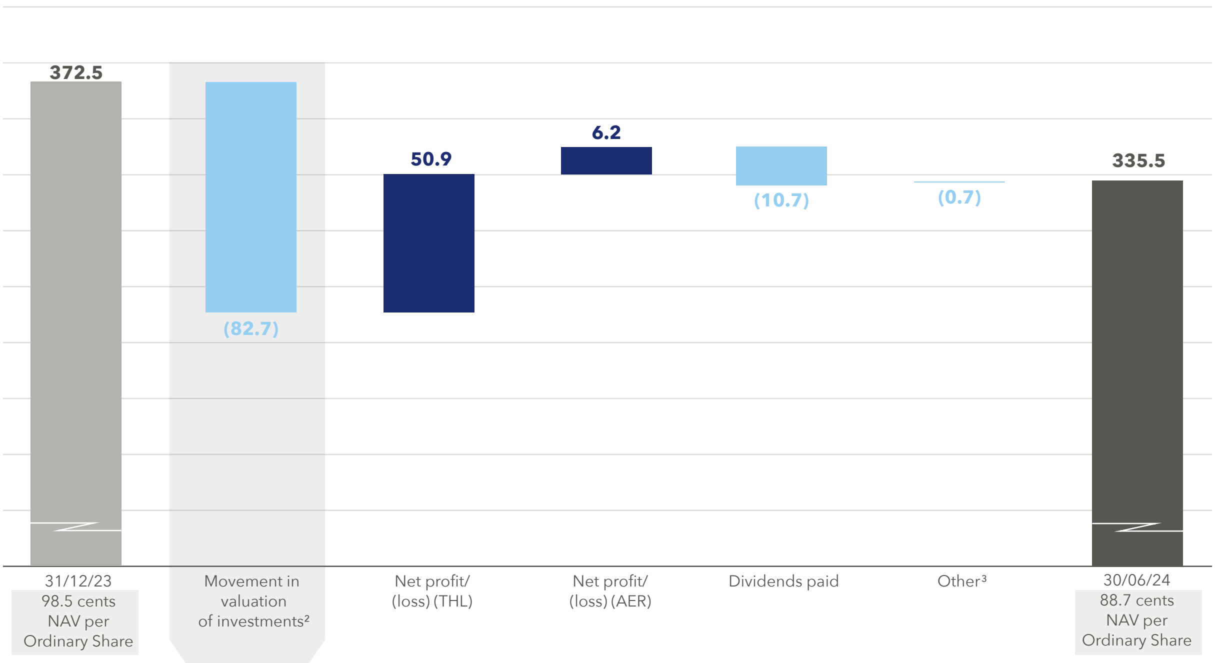
Desfina, Greece

1. 1H24 reflects the repayment of shareholder loans funded by the new EUR 50.0 million debt facility of the Spanish solar PV portfolio.

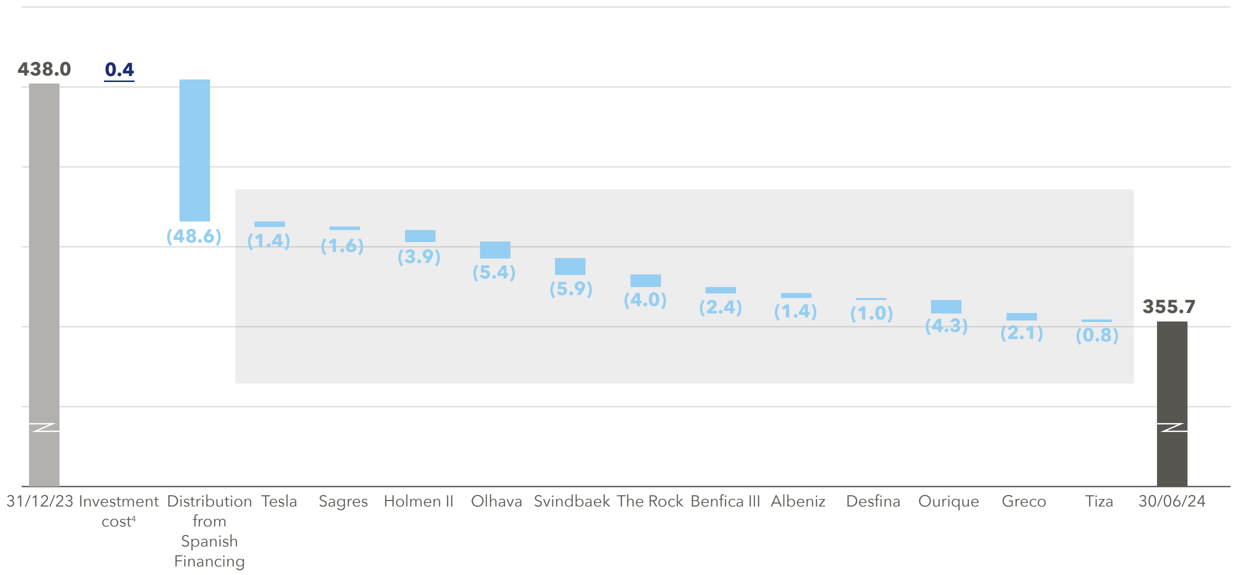
Financial Performance continued

Valuation continued

NAV Bridge (EUR million)[1]



Portfolio Valuation Bridge (EUR million)[1]



1. Totals may not add up due to rounding differences.
2. Excludes the impact of capital contributions.
3. Non-recurring expenses and FX losses.
4. Reflects the payment of a purchase price retention of Ourique.

Financial Performance continued

The Company's NAV as at 30 June 2024 was EUR 335.5 million or 88.7 cents per Ordinary Share (31 December 2023: EUR 372.5 million or 98.5 cents per Ordinary Share). This represents a NAV total return of -7.1% per Ordinary Share (1H23: -3.5%) including dividends.

Dividends of EUR 10.7 million (2.8 cents per Ordinary Share) were paid during the reporting period, with respect to the last quarter of 2023 and the first quarter of 2024.

The main drivers of NAV movement throughout the reporting period include:

– Guarantees of Origin (GoOs): A sharp decrease in Guarantees of Origin (GoOs) as a result of higher supply due to increase in RES capacity in Europe combined with lower demand due to lower industrial activity in the short term. Long-term GoO price forecasts have also declined reflecting expectations of lower demand as European countries approach fully decarbonized grids (-5.8 cents per Ordinary Share);
– Forecast power prices: Decrease in European power price forecasts, especially in the short term, mirroring lower commodity prices, lower demand due to mild winter weather conditions and structurally lower demand/consumption (-2.2 cents per Ordinary Share);
– Discount Rate: The company's discount rate increased from 7.2% as of 31 December 2024 to 7.5% as of 30 June 2024, resulting from a slight increase in the risk free rate and the positive effect from the addition of senior debt in the Spanish assets Albeniz, Tiza and Greco.

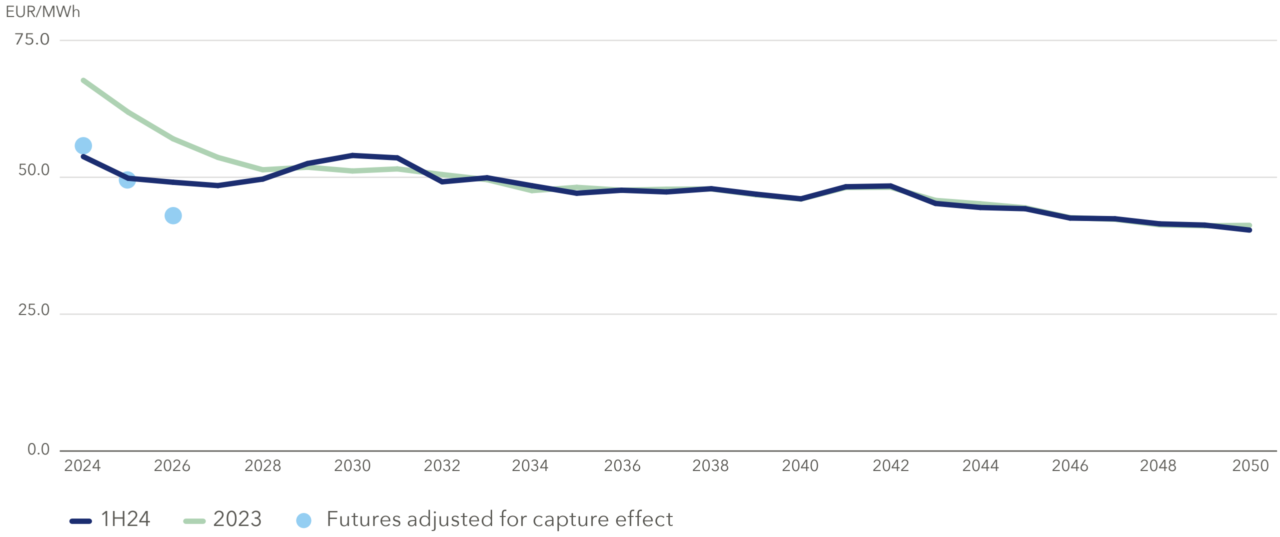
Portfolio Valuation – Key Assumptions

Metric		**As at 30 June 2024**	As at 31 December 2023
Discount rate	Weighted average	**7.5%**	7.2%
Long-term inflation	Weighted average	**2.0%**	2.0%
Remaining asset life[1]	Wind energy (years)	**22**	22
	Solar PV (years)	**35**	36
	Hydropower (years)	**9**	9
Operating life assumption[2]	Wind energy (years)	**28**	28
	Solar PV (years)	**40**	40
	Hydropower (years)	**n/a**	n/a

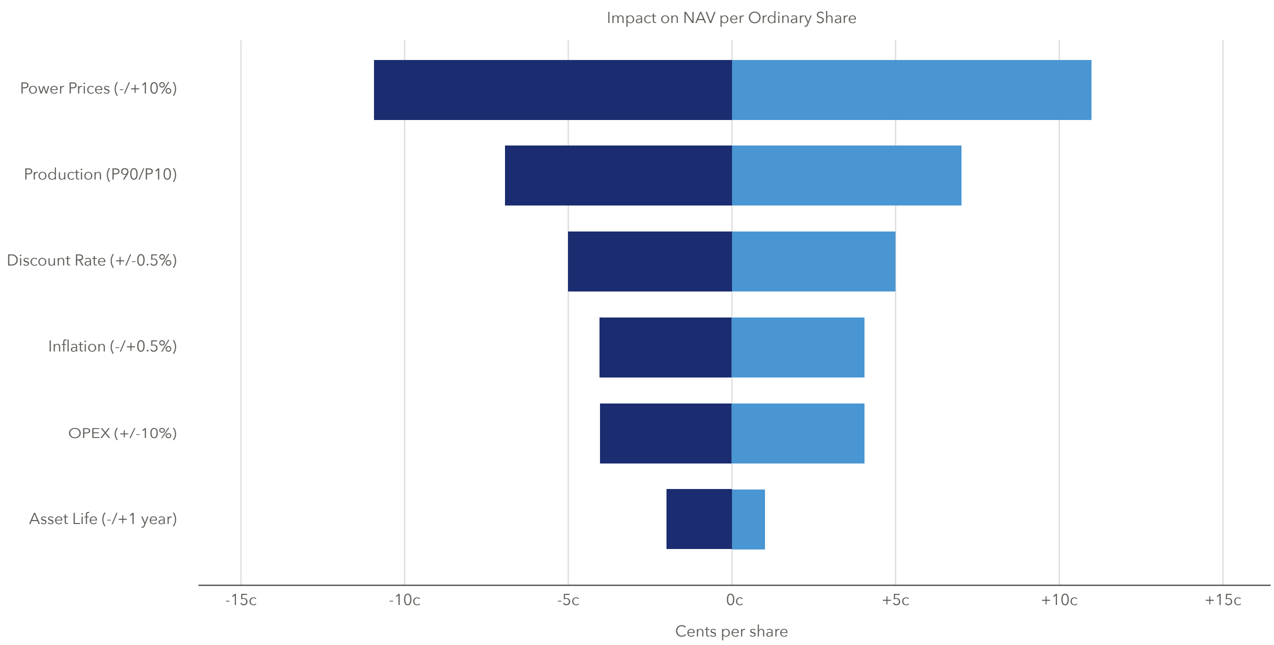
1. Remaining asset life based on net full load years. Includes Tesla, as at 30 June 2024.
2. Asset life assumption from date of commissioning. Includes Tesla, as at 30 June 2024.

Market Commentary and Outlook

Electricity Price Forecasts – All Assets (Weighted Average)[1]



Valuation Sensitivities



1. Data reflects pricing forecasts as at 30 June 2024. All power prices are in real terms as at 30 June 2024 and reflect the weighted average captured price. Weighting is based on production sold at the market price.

Market Commentary and Outlook continued

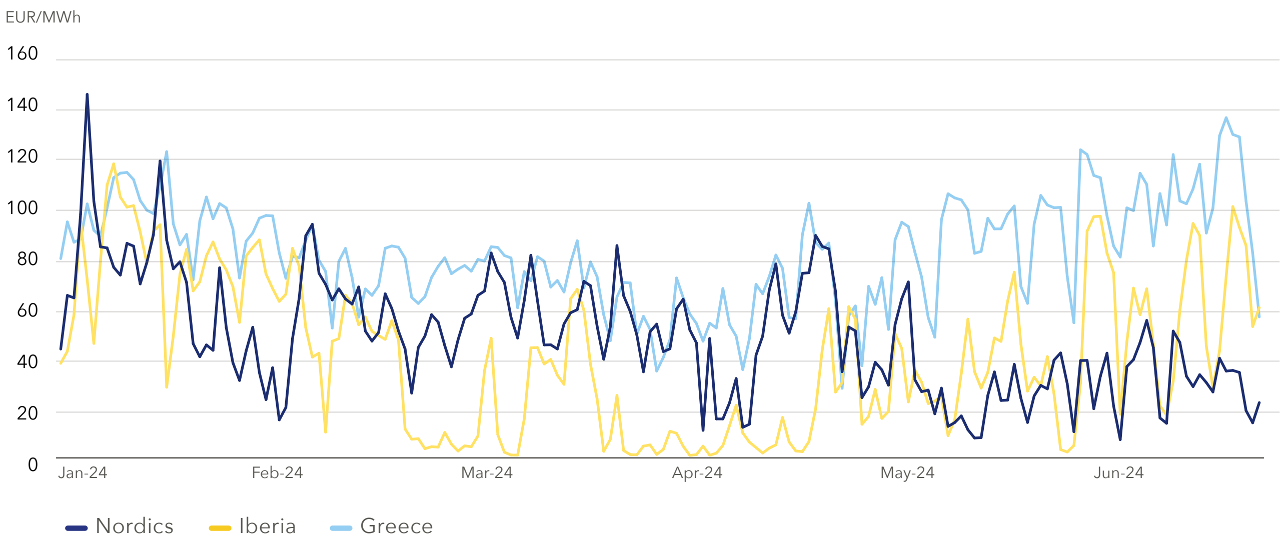
Market Prices

The first half of 2024 was marked by a decrease in short-term power price forecasts across the majority of the portfolio, reflecting lower commodity prices (notably gas and coal) relative to the same period last year, due in large part to the elevated filling levels of gas storage reservoirs. Gas prices have seen a recent uptick in light of the volatile geopolitical environment and increased competition with Asia for liquefied natural gas, despite still trading a markedly lower range than the record highs experienced in the past few years. 1H24 has seen some recovery in electricity demand at a transmission system level, with base demand up 2% across major markets relative to the first half of 2023, partially due to the introduction of demand reduction measures across several European jurisdictions in the first quarter of 2023. Elevated hydropower production has been a trend across the continent in 1H24, particularly in Iberia and the Nordics, with hydro reservoir levels remaining high heading into the second half of the year.

Nordics

Over the first six months of the year, power prices in the Nordics traded at an average of EUR 46.8 per MWh (1H23: EUR 70.5 per MWh). The decrease in power prices was driven mainly by the continued fall and normalisation of commodity prices in 2024, as well as high hydropower output in the region. Power demand in the Nordics has given signs of recovery in 2024. However, the greater interconnection levels of the region's southern price zones (SE4, NO1, NO2, DK1) with continental Europe meant that those zones were more affected by volatile price drops in the continent's commodity and power prices, as opposed to the less interconnected northern price zones (NO3 and NO4). As at 30 June 2024, AER has exposure to the NO2 and NO4 price zones in Norway via its interests in Tesla and The Rock, respectively.

1H24 Average Daily Power Price[1]



1. European Network of Transmission System Operators for Electricity ("ENTSO-E"), 'Nordics' reflects the Nord Pool system price.

Iberia

Power prices in Iberia traded at an average of EUR 39.1 per MWh in 1H24 (1H23: EUR 89.2 per MWh). The significant decrease in power prices was driven by i) lower commodity prices, ii) depressed demand, despite demand being above 2023 levels it was still below 2021 levels, iii) elevated hydropower output (up 47% year-on-year) due to heavy rainfall, and iv) higher solar output as a result of solar PV capacity growth. Both Spain and Portugal recorded their first negative prices, especially in the spring, due to a convergence of low demand and significant renewable output.

Greece

Power prices in Greece were more elevated than other European countries due to the higher proportion of hours in which gas-fired generation sets the marginal price in the country's wholesale market. However, the downward trajectory in commodity prices still resulted in a substantial decrease in the average power price for 1H24 to 79.0 per MWh (1H23: EUR 131.6 per MWh).

Outlook

The challenging macro-economic environment is expected to improve in the second half of 2024 as the Company is set to benefit from a number of positive tailwinds, including the increasing likelihood of central banks cutting interest rates and the market consensus that inflation in the European Union should gradually recede towards the European Central Bank's inflation target of 2.0%. Nevertheless, inflation is expected to remain above the levels witnessed in the past decade due to a series of cyclical and secular trends such as high labour demand supporting wage growth, ageing demographics in the labour market, limited housing availability supporting real estate prices, de-globalisation, energy shortages, disrupted supply chains, and higher defence spending as a result of the continuing conflict in Ukraine. The prospect of an escalation of the conflict in the Middle East triggering supply disruptions and increased competition with Asia for liquefied natural gas has already seen European natural gas prices climb recently. In the short term, these factors are expected to raise the price floor for commodities and, consequently, electricity prices.

Overall, the Company remains optimistic on the long-term outlook for the listed renewable energy sector, driven by the urgent need to decarbonise the world's energy supply, a broadly favourable European regulatory environment incentivising energy security and the expectation of increasing power demand from a recovery in European industrial activity, the electrification of industry, heat and transport and the rising energy needs of data centres and generative AI.

Aquila Capital Investmentgesellschaft mbH
26 September 2024

1. Source: European Network of Transmission System Operators for Electricity ("ENTSO-E"), Nordics reflects the Nord Pool system price.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

1. Environmental

Aquila Group, the Investment Adviser of the Company, focuses on the investment in, and development of, essential assets. This includes clean energy (wind energy, solar PV, hydropower and battery storage), sustainable infrastructure and specialty asset classes, such as carbon forestry and energy efficiency. In 1H24, Aquila Group's clean energy portfolio supplied 1.3 million homes with renewable energy, which avoided 1.4 million tonnes of CO_2e.[1]

In 2022, Aquila Group formalised a mission to become one of the world's leading sustainable investment and development companies for essential assets by 2030. To show commitment to the mission, it set a Group-wide goal to avoid 1.5 billion tonnes of CO_2e by 2035 in its portfolio's lifetime, which is equivalent to 4.1% of CO_2e emissions worldwide in 2021.[2]

Using the appropriate tools, due-diligence procedures and experts, Aquila Group ensures it identifies, assesses and mitigates all material ESG factors to protect investors from potential financial downside, while considering their impact on society and the environment. In this context, Aquila Group, a regulated entity, manages all relevant ESG elements using dedicated subject-matter experts. Together, we are committed to the UN Sustainable Development Goals, particularly climate action (SDG #13), clean energy (SDG #7), industry innovation, and infrastructure (SDG #9).

UN Sustainable Development Goals for Europe

40.0%
At least a 40.0% decline below 1990 levels in greenhouse gas emissions

32.0%
A 32.0% share of renewables in the energy system

32.5%
A 32.5% improvement in energy efficiency

Angela Wiebeck
Chief Sustainability Officer at Aquila Capital

Tesla, Norway

1. Data as at 30 June 2024 for 1H24, based on current portfolio of the Aquila Group. For details on the methodology for avoided emissions, refer to: https://www.aquila-capital.de/fileadmin/user_upload/PDF_Files_Whitepaper-Insights/20231121_LAE_White_paper_EN.pdf. Please note that the actual grid emission factors for 2024 may be updated at a later stage to reflect more recent data sources, thus the figures reported are subject to change. Once reported, figures will not be restated.
2. Worldwide CO_2e emissions in 2021 were 40.8 billion tonnes according to the International Energy Association ("IEA"), available at: https://www.iea.org/reports/global-energy-review-co2-emissions-in-2021-2

1. Environmental continued

AER's Contribution to the UN Sustainable Development Goals

Goal	Overview	Contribution Towards UN Sustainable Development Goals
Ensure access to affordable, reliable, sustainable and modern energy for all	– AER's portfolio produces renewable energy which contributes towards Europe's electricity mix – Renewable energy is a cost-effective source of energy compared to other options – AER's investments in renewable assets help support and encourage further investment in the industry	7 AFFORDABLE AND CLEAN ENERGY
Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation	– AER targets renewable investments that are supported by high quality components and infrastructure to optimise the energy yield and subsequent return to investors – AER's investments help support the construction of shared infrastructure (e.g. substations) which enables the further expansion of renewable energy sources – AER's Investment Adviser is responsible for monitoring and optimising the Company's day-to-day asset performance. This process also involves actively exploring how new technologies and other forms of innovation can be utilised to enhance asset performance and sustainability (energy yield, O&M, asset life)	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
Take urgent action to combat climate change and its impacts	– The Company's 463.8 MW portfolio powered approximately 144.3 thousand households and avoided approximately 145.3 thousand tonnes of CO_2 emissions over the reporting period[1] – As a signatory to the UN Principles for Responsible Investments ("UN PRI"), the Company's Investment Adviser has integrated ESG criteria all along its investment process for real assets, which includes considerations of climate change	13 CLIMATE ACTION

1. Actual AER contributions as at 30 June 2024. The CO_2 equivalent avoidance, the average European households supplied and household emissions are approximations and do not necessarily reflect the exact impact of the renewable energy projects. The cited sources of information are believed to be reliable and accurate, however, the completeness, accuracy, validity and timeliness of the information provided cannot be guaranteed and Aquila Capital accepts no liability for any damages that may arise directly or indirectly from the use of this information.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE CONTINUED

Environmental Initiatives

The natural environment around some of the Company's solar PV parks is the Desierto de Tabernas National Park, situated in the south east of Spain and representing the only desert in the entire European continent. This constitutes a rich biodiversity of environmental resources that is of particular geological interest. Specialist advisers have been commissioned to implement environmental measures to mitigate the impact of the solar PV plants on the environment and create habitats for flora and fauna.

Several visits per month are made to implement the measures, monitor their evolution and make necessary adjustments. Below is a selection of closely monitored measures implemented across some of the Company's solar PV parks for local flora and fauna.

Flora

- Translocation of rain-fed olive trees
- Planting of broom and palmetto trees to promote landscape integration and the creation of biotopes appropriate for local species
- Clearing of vegetation through sheep grazing
- Regular maintenance measures and monitoring

Albeniz, Translocated olive trees

Fauna

- Drinking troughs, feeding troughs and perches were installed in order to suit the local fauna
- A hunting fence was installed to protect wildlife
- Bird nest boxes were installed, specifically for the nesting of the lesser kestrel, common kestrel, barn owl and little owl species
- A study commissioned to analyse the degree of adaptation of bird species to the presence of the solar PV parks, with special emphasis on the lesser kestrel and Montagu's harrier species
- Stands for wild rabbits built to help the breeding and survival of this species

Greco, European Owl

Albeniz, Short-toed Snake-eagle

2. Social

Renewable energy projects can have an inherent major positive impact on the environment with their ability to decarbonise the energy sector, aiding the Company in the transition to a low-carbon economy. In light of the European Green Deal boosting renewable energy projects, investment into clean-energy assets has accelerated over recent years. As renewable energy deployment increases, pressure on land is growing. The need to protect biodiversity may result in conflicts over agricultural and renewable energy land usage. Conflicts can arise when new renewable projects compete against other types of land usage, such as residential housing, recreational areas, agriculture and nature conservation, or when they cause landscape disruptions. Engagement with local communities is an integral part of the Company's investment philosophy. The assets continue to support communities by contracting local service providers, paying local taxes, and lease payments for use of the land.

3. Governance

Independent Board of Directors

The independent Board of Directors is responsible for AER's governance and sustainability policy and its implementation, with the daily operations being delegated to its independent AIFM, FundRock Management Company (Guernsey) Limited ("FundRock"). FundRock monitors environmental, social and governance risks, which are fully integrated across every single stage of its investment process. The Aquila Group publishes its own Sustainability Report, describing the Investment Adviser's approach to sustainability within the investment process. Aquila Capital regards integrity and diversity as key pillars in its governance and it has been vital for the growth and success of the Company. The Investment Adviser is fully regulated and supervised by the Federal Financial Supervisory Authority in Germany.

Board and Employee Diversity

The Board of Directors is appointed based on expertise and merit, being mindful of the benefits generated by diversity. The Board comprises members with different skills and experiences, while endeavouring to comply with the Listing Rules on diversity. The current Board comprises three men and two women, all non-executive Directors who have a significant number of years of experience in their relevant fields. Additionally, the Investment Adviser is also mindful of the benefits provided by diversification, both in culture (some 655 nationalities are represented among its employees), and in gender (its gender ratio is 62% male and 38% female).

AER Board:

Men	Women
3	2

Investment Adviser:

Men	Women
62%	38%

55
Different nationalities

5 GENDER EQUALITY

INTERIM MANAGEMENT REPORT AND RESPONSIBILITY STATEMENT

The Directors are required to provide an Interim Management Report in accordance with the Financial Conduct Authority ("FCA") Disclosure Guidance and Transparency Rules ("DTR"). The Chairman's Statement and the Investment Adviser's Report in this Half-Yearly Report provide details of the important events which have occurred during the period and their impact on the financial statements. The following statements on Related Party Transactions, Going Concern, the Statement of Directors' Responsibilities, the Chairman's Statement and Investment Adviser's Report, together constitute the Interim Management Report of the Company for the six months ended 30 June 2024. The outlook for the Company for the remaining six months of the year ending 31 December 2024 is discussed in the Chairman's Statement and the Investment Adviser's Report.

Principal Risks and Uncertainties

The principal risks and uncertainties facing the Company are detailed in the Company's most recent Annual Report for the year ended 31 December 2023, which can be found on the Company's website at www.aquila-european-renewables.com. These remain unchanged during the period under review. The key risks are summarised below:

- **Economic and Political Risk** – The revenue and value of the Company's investments may be affected by future changes in the economic and political situation;
- **Operational Risk** – The risk that the portfolio underperforms and, as a result, the target returns are not met over the longer term. The risk that service providers to the Company underperform, and as a result, impact the Company's performance, reporting or reputation;
- **Financial Risk** – The risk that the valuations and underlying assumptions used to value the investment portfolio are not a fair reflection of the market, resulting in the investment portfolio being over or under-valued;
- **Compliance, Tax and Legal Risk** – The failure to comply with relevant regulatory changes, tax rules and obligations may result in reputational damage or create a financial loss to the Company; and
- **Emerging Risk** – Climate-related threats and a potential financial crisis have been identified as emerging risks. As climate change continues to become a reality, the chance that one of the Company's sites is affected by a climate-related event, such as flooding or wildfires, becomes more likely. Furthermore, the Company is likely to be subject to newly introduced regulation in the fight against climate change.

Principal risks, including emerging risks, are mitigated and managed by the Board through policy setting and regular reviews of the Company's risk matrix by the Audit Committee to ensure that procedures are in place with the intention of minimising the impact of the above-mentioned risks. The Board relies on periodic reports provided by the Alternative Investment Fund Manager, Investment Adviser and Administrator regarding risks that the Company faces. When required, experts will be employed to gather information, including legal advisers and environmental advisers.

The Company's Annual Report for the period ending 31 December 2023 contains more detail on the Company's principal risks and uncertainties, including the Board's ongoing process to identify, and where possible mitigate, the risks.

The Board is of the opinion that these principal risks are equally applicable to the remaining six months of the financial year as they were to the six months being reported on.

Related Party Transactions

The Company's Investment Adviser, Aquila Capital Investmentgesellschaft mbH, and Directors are considered related parties under the Listing Rules. Details of the amounts paid to the Company's Investment Adviser and the Directors during the period are detailed in note 11 of this Half-Yearly Report which can be found on page 43.

Going Concern

The Directors have adopted the going concern basis in preparing the financial statements. The following is a summary of the Directors' assessment of the going concern status of the Company.

As discussed in the Chairman's Statement on pages 8 to 9, on 30 September 2024 shareholders will have a further opportunity to have their say as to the future of the Company and to adopt a revised investment policy providing for the orderly realisation of the Company's assets.

Despite the Company's uncertain future, it continues to meet its day-to-day liquidity needs through its cash resources and RCF. In concluding that the Company remains a going concern, the Directors have considered its cash position, income, expense flows, and compliance with the RCF covenants. The Company's net assets as at 30 June 2024 equated to EUR 335.5 million (31 December 2023: EUR 372.5 million). As at 30 June 2024, the Company and its wholly owned subsidiary held EUR 1.57 million (31 December 2023: EUR 1.53 million) in cash, which excludes any additional cash held within the Company's investments.

The Company and its subsidiaries have a modest level of debt, representing 36.3% of its Gross Asset Value as of 30 June 2024, comprised of an RCF (EUR 26.1 million drawn, excluding bank guarantees) and non-recourse debt at the asset level (EUR 164.8 million). In January 2024, the Company, via its wholly owned subsidiaries, entered into a bank debt financing at its Spanish solar PV portfolio for EUR 50.0 million, the proceeds of which were primarily used to repay the RCF, which is currently drawn to EUR 26.1 million as of the date of approval of this document (excluding bank guarantees), representing approximately 7.8% of its NAV as at 30 June 2024.

The Company is in compliance with its covenants related to the RCF. The Board and its advisers have analysed the covenants of the RCF, and significant headroom exists in relation to both the Interest Coverage Ratio ("ICR") and Loan to Value covenant versus actual ratios based on 30 June 2024. On 5 September 2024, the Company announced that it had entered into a sale and purchase agreement with Sunnhordland Kraftlag AS to sell its 25.9% interest in Tesla for consideration of approximately EUR 27.1 million. The majority of the sales proceeds will be used to fully repay the Company's RCF, excluding the bank guarantees of EUR 2.8 million.

Going Concern continued

The Company's RCF is due to expire in April 2025 and whilst an extension has not been agreed, the Company would expect to extend the facility with the existing lenders should the need arise, on the basis that:

- the Company and its Investment Adviser have a strong relationship with the RCF lenders;
- RCF lenders have put forward proposals in 2024 to extend the facility, subject to agreeing commercial terms and credit approval;
- the Company and its subsidiaries have a modest level of debt of approximately 36.3%; and
- the Company is in compliance with its RCF covenants and benefits from a significant buffer compared to the actual ratios observed as at 30 June 2024.

Outside of the RCF, the Company and its HoldCo have no other noteworthy liabilities.

The Company and its HoldCo's total expenses for the year ended 30 June 2024 were EUR 2.03 million, inclusive of RCF interest and fees (30 June 2024: EUR 2.15 million). At the date of approval of this document, based on the aggregate of investments and cash held, the Company has substantial operating expenses cover.

The Company also has access to a partially undrawn RCF (EUR 21.1 million available) and other sources of liquidity should the need arise. On 12 September 2024, The Company announced the publication of a circular to convene a General Meeting to be held on 30 September 2024 to allow shareholders to vote on the continuation and potential Managed Wind-Down of the Company and associated adoption of the New Investment Policy. The Board expect it will take at least 12 months to realise the Company's assets and that the Company will remain a going concern in the meantime.

Accordingly, while the Directors recognise that these conditions indicate the existence of material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern, based on the assessment and considerations above, the Directors have concluded that the financial statements of the Company should be prepared on a going concern basis. The financial statements do not include the adjustments that would result if the Company were unable to continue on a going concern basis.

Statement of Directors' Responsibilities

The DTR of the FCA require the Directors to confirm their responsibilities in relation to the preparation and publication of the Interim Management Report and Financial Statements. The Directors confirm to the best of their knowledge that:

- the condensed set of financial statements contained within the Half-Yearly Report has been prepared in accordance with the International Accounting Standard 34 – IAS 34 Interim Financial Reporting; and
- the Interim Management Report, together with the Chairman's Statement and Investment Manager's Report, includes a fair review of the information required by 4.2.7R and 4.2.8R of the FCA Disclosure Guidance and Transparency Rules.

The Half-Yearly Report has not been reviewed by the Company's Auditors. The Half-Yearly Report was approved by the Board on 26 September 2024 and the above Responsibility Statement was signed on its behalf by the Chairman.

Ian Nolan

Chairman

For and on behalf of the Board

26 September 2024

CONDENSED STATEMENT OF COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 30 JUNE 2024

		Six months ended 30 June 2024			Six months ended 30 June 2023		
	Notes	**Revenue (EUR '000)**	**(Unaudited) Capital (EUR '000)**	**Total (EUR '000)**	Revenue (EUR '000)	(Unaudited) Capital (EUR '000)	Total (EUR '000)
Unrealised losses on investments	3	**–**	**(31,796)**	**(31,796)**	–	(24,091)	(24,091)
Net foreign exchange losses		**–**	**(9)**	**(9)**	–	(12)	(12)
Interest income	4	**8,182**	**–**	**8,182**	8,656	–	8,656
Dividend income	4	**–**	**–**	**–**	–	–	–
Investment advisory fees	5	**(1,266)**	**–**	**(1,266)**	(1,496)	–	(1,496)
Other expenses		**(762)**	**–**	**(762)**	(649)	–	(649)
Profit/(Loss) on ordinary activities before finance costs and taxation		**6,154**	**(31,805)**	**(25,651)**	6,511	(24,103)	(17,592)
Finance costs		**–**	**–**	**–**	–	–	–
Profit/(Loss) on ordinary activities before taxation		**6,154**	**(31,805)**	**(25,651)**	6,511	(24,103)	(17,592)
Taxation	7	**–**	**–**	**–**	–	–	–
Profit/(Loss) on ordinary activities after taxation		**6,154**	**(31,805)**	**(25,651)**	6,511	(24,103)	(17,592)
Return per Ordinary Share – diluted & undiluted (cents)	6	**1.63**	**(8.41)**	**(6.78)**	1.64	(6.07)	(4.43)

The total column of the Condensed Statement of Comprehensive Income 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/(loss) for the period'

The notes are an integral part of these financial statements.

CONDENSED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2024

	Notes	As at 30 June 2024 (Unaudited) (EUR '000)	As at 31 December 2023 (Audited) (EUR '000)
Fixed assets			
Investments at fair value through profit or loss	3	**335,291**	372,403
Current assets			
Trade and other receivables		**62**	96
Cash and cash equivalents		**1,571**	1,532
		1,633	1,628
Creditors: amounts falling due within one year			
Trade and other creditors		**(1,415)**	(1,490)
		(1,415)	(1,490)
Net current assets		**218**	138
Net assets		**335,509**	372,541
Capital and reserves: equity			
Share capital	8	**4,082**	4,082
Share premium		**255,643**	255,643
Special reserve		**83,055**	87,717
Capital reserve		**(7,886)**	23,919
Revenue reserve		**615**	1,180
Total Shareholders' funds		**335,509**	372,541
Net assets per Ordinary Share (cents)	9	**88.73**	98.52

Approved by the Board of Directors and authorised for issue on 26 September 2024 and signed on its behalf by:

Ian Nolan
Chairman

Company number: 11932433

The notes are an integral part of these financial statements.

CONDENSED STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED 30 JUNE 2024

For the six months ended 30 June 2024 (Unaudited)	Notes	**Share capital (EUR '000)**	**Share premium (EUR '000)**	**Special reserve (EUR '000)**	**Capital reserve (EUR '000)**	**Revenue reserve (EUR '000)**	**Total (EUR '000)**
Opening equity as at 1 January 2024		**4,082**	**255,643**	**87,717**	**23,919**	**1,180**	**372,541**
Strategic review costs		**–**	**–**	**(691)**	**–**	**–**	**(691)**
Loss for the period		**–**	**–**	**–**	**(31,805)**	**6,154**	**(25,651)**
Dividend paid	10	**–**	**–**	**(3,971)**	**–**	**(6,719)**	**(10,690)**
Closing equity as at 30 June 2024		**4,082**	**255,643**	**83,055**	**(7,886)**	**615**	**335,509**

For the six months ended 30 June 2023 (Unaudited)	Notes	Share capital (EUR '000)	Share premium (EUR '000)	Special reserve (EUR '000)	Capital reserve (EUR '000)	Revenue reserve (EUR '000)	Total (EUR '000)
Opening equity as at 1 January 2023		4,082	255,643	125,082	65,618	1,225	451,650
Share buybacks	8	(208)	–	(19,883)	–	–	(20,091)
Loss for the period		–	–	–	(24,103)	6,511	(17,592)
Dividend paid	10	–	–	(3,643)	–	(7,068)	(10,711)
Closing equity as at 30 June 2023		3,874	255,643	101,556	41,515	668	403,256

The notes are an integral part of these financial statements.

CONDENSED STATEMENT OF CASH FLOWS

FOR THE SIX MONTHS ENDED 30 JUNE 2024

	Notes	**Six months ended 30 June 2024 (Unaudited) (EUR '000)**	Six months ended 30 June 2023 (Unaudited) (EUR '000)
Operating activities			
Loss on ordinary activities before finance costs and taxation		**(25,651)**	(17,592)
Adjustment for unrealised losses on investments		**31,796**	24,091
Decrease in trade and other receivables		**34**	5,592
Decrease in other creditors		**(413)**	(867)
Net cash from operating activities		**5,766**	11,224
Investing activities			
Repayments of investments	3	**5,316**	3,813
Net cash flow from investing activities		**5,316**	3,813
Financing activities			
Share buybacks	8	**–**	(20,091)
Strategic review costs		**(353)**	–
Dividend paid	10	**(10,690)**	(10,711)
Net cash used in financing activities		**(11,043)**	(30,802)
Increase/(Decrease) in cash and cash equivalents		**39**	(15,765)
Cash and cash equivalents at the start of the period		**1,532**	19,893
Cash and cash equivalents at the end of the period		**1,571**	4,128

The notes are an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 30 JUNE 2024

1. General Information

Aquila European Renewables Plc ("AER", '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 so 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 place of business of the Company is 6th Floor, 125 London Wall, London, EC2Y 5AS.

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.

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

FundRock Management Company (Guernsey) Limited (formerly Sanne Fund Management (Guernsey) Limited) acts as the Company's Alternative Investment Fund Manager for the purposes of Directive 2011/61/EU of the Alternative Investment Fund Managers Directive.

Apex Listed Companies Services (UK) Limited 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 condensed financial statements included in this Half-Yearly Report have been prepared in accordance with IAS 34 Interim Financial Reporting. The accounting policies, critical accounting judgements, estimates and assumptions are consistent and should be read in conjunction with the Company's latest annual audited financial statements for the period ended 31 December 2023. The financial statements for the year ended 31 December 2023 have been prepared in accordance with the UK-adopted International Accounting Standards in conformity with the requirements of the Companies Act 2006, as applicable to companies reporting under those standards. The financial statements have been prepared on the historical cost basis, except for the measurement of certain financial instruments at fair value through profit or loss.

The interim 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 July 2022.

These condensed financial statements do not include all information and disclosures required in the annual financial statements and should be read in conjunction with the Company's annual financial statements of 31 December 2023. The audited annual accounts for the year ended 31 December 2023 have been delivered to Companies House. The audit report thereon was unmodified.

The functional currency of the Company is euros (EUR), 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.

Accounting for Subsidiary

The Company owns 100.0% of its subsidiary Tesseract Holdings Limited ("THL" or "HoldCo"), whose registered office and principal place of business is Leaf B, 20th Floor, Tower 42, Old Broad Street, London, England, EC2N 1HQ. 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" or "SHL") 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 an investment entity, and as described under IFRS 10, values its SPV investments at fair value through profit or loss. SPV investments are investments held at Holdco. Further details of the HoldCo and SPV structure and investment can be found in note 14.

Going Concern

The Directors have adopted the going concern basis in preparing the 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 impact of risks and uncertainties, including the Company's continuation vote are provided in the Interim Management Report which can be found on page 30.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 30 JUNE 2024

Segmental Reporting
The chief operating decision-maker ("CODM"), 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 while preserving capital. The financial information used by the CODM to manage the Company presents the business as a single segment.

Critical Accounting Judgements, Estimates and Assumptions
The preparation of the financial statements requires management to make judgements, estimates and assumptions in certain circumstances that affect reported amounts. These are judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities.

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 IFRS 10.

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

3. Investments at Fair Value through Profit and Loss

	As at 30 June 2024 (Unaudited) (EUR '000)	As at 31 December 2023 (Audited) (EUR '000)
(a) Summary of valuation		
Analysis of closing balance:		
Investments held at fair value through profit or loss	**335,291**	372,403
Total investments	**335,291**	372,403
(b) Movements during the period		
Opening balance, at cost	**348,415**	362,978
Purchases, at cost	**–**	–
Repayments, at cost	**(5,316)**	(14,563)
Cost of investments	**343,099**	348,415
Revaluation of investments to fair value:		
Unrealised (losses)/gains on fair value of investments	**(7,808)**	23,988
Balance of capital reserve – investments held	**(7,808)**	23,988
Fair value of investments	**335,291**	372,403
(c) Losses on investments in the period		
Movement on unrealised valuation of investments held	**(31,796)**	(41,675)
Losses on investments	**(31,796)**	(41,675)

3. Investments at Fair Value through Profit and Loss continued

The fair value of the Company's equity and the Shareholder loans investment in HoldCo are determined by the underlying fair values of the SPV investments, which are not traded and contain unobservable inputs. As explained in Note 2, the Company has made a judgement to fair value of both the equity and shareholder loan investments together. As such, the Company's equity and the Shareholder loans investments in HoldCo have been classified as Level 3 in the fair value hierarchy.

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 significant to the fair value measurement. Financial assets and financial liabilities are classified in their entirety into only one of the following three 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 that 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 30 June 2024 (Unaudited)			
	Level 1 (EUR '000)	**Level 2 (EUR '000)**	**Level 3 (EUR '000)**	**Total (EUR '000)**
Investments at fair value through profit and loss	**–**	**–**	**335,291**	**335,291**
	–	**–**	**335,291**	**335,291**

	As at 31 December 2023 (Audited)			
	Level 1 (EUR '000)	Level 2 (EUR '000)	Level 3 (EUR '000)	Total (EUR '000)
Investments at fair value through profit and loss	–	–	372,403	372,403
	–	–	372,403	372,403

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 30 June 2024 (31 December 2023: none)

NOTES TO THE FINANCIAL STATEMENTS CONTINUED
FOR THE SIX MONTHS ENDED 30 JUNE 2024

Fair Value Measurements continued

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

	As at 30 June 2024 (Unaudited) (EUR '000)	As at 31 December 2023 (Audited) (EUR '000)
Opening balance	**372,403**	428,641
Additions during the period	**–**	–
Repayments during the period	**(5,316)**	(14,563)
Unrealised losses on investments	**(31,796)**	(41,675)
Closing balance	**335,291**	372,403

Valuation Methodology

The Investment Adviser has carried out fair market valuations of the SPV investments as at 30 June 2024 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 key assumptions that have a significant impact on the carrying value of the Company's underlying investments in SPVs are the discount rates, useful life of the assets, the rate of inflation, the price at which the power and associated benefits can be sold, the amount of electricity the assets are expected to produce and operating costs of the SPVs.

The discount factors applied to the cash flows are reviewed annually by the Investment Adviser to ensure they are at the appropriate level. The weighted average valuation discount rate applied to calculate the SPV valuation is 7.5% as at 30 June 2024 (31 December 2023: 7.2%).

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 generally used for the useful life of the wind farms is 25 to 30 years and solar PV is 40 years. The actual useful life may be a shorter or longer period depending on the actual operating conditions experienced by the asset. The operating lives of hydropower assets are estimated in accordance with their expected concession terms.

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. Long-term power price forecasts are provided by leading marker consultants, updated quarterly.

Specifically commissioned external reports are used to estimate the expected electrical output from the wind and hydropower farm and solar PV 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.

The P50 level of output is the estimated annual amount of electricity generation (in MW) 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 underachieved.

Climate risks can also affect the carrying value of the Company's underlying investments. The Company relies (via the HoldCo or relevant SPVs) on third-party technical advisers to consider the impact of climate risks when assessing P50 production forecasts.

The operating costs of the SPV companies are frequently partly or wholly subject to inflation and an assumption is made that inflation will increase at a long-term rate. The SPV's valuation assumes long-term inflation of 2.0% (31 December 2023: 2.0%). The impact of physical and transition risks associated with climate change is assessed on a project-by-project basis and factored into the underlying cash flows as appropriate.

3. Investments at Fair Value through Profit and Loss continued

The following assumptions were used in the valuations:

Metric		As at 30 June 2024 (Unaudited)	As at 31 December 2023 (Audited)
Discount rate	Weighted average	**7.5%**	7.2%
Long-term inflation	Weighted average	**2.0%**	2.0%
Remaining asset life (weighted average)[1]	Wind energy	**22 years**	22 years
	Solar PV	**35 years**	36 years
	Hydropower	**9 years**	9 years

4. Income

	Six months ended 30 June 2024 (Unaudited) (EUR '000)	Six months ended 30 June 2023 (Unaudited) (EUR '000)
Interest income from Shareholder loans	**8,164**	8,624
Bank interest income	**18**	32
Dividend income	**–**	–
Total income	**8,182**	8,656

1. Remaining asset life based on net full load years. Includes Tesla, as at 30 June 2024.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED
FOR THE SIX MONTHS ENDED 30 JUNE 2024

5. Investment Advisory Fees

	Six months ended 30 June 2024 (Unaudited)			Six months ended 30 June 2023 (Unaudited)		
	Revenue (EUR '000)	**Capital (EUR '000)**	**Total (EUR '000)**	Revenue (EUR '000)	Capital (EUR '000)	Total (EUR '000)
Investment advisory fees	**1,266**	**–**	**1,266**	1,496	–	1,496

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

a) 0.75% per annum of NAV (plus VAT) of the Company up to EUR 300.0 million;

b) 0.65% per annum of NAV (plus VAT) of the Company between EUR 300.0 million and EUR 500.0 million; and

c) 0.55% per annum of NAV (plus VAT) of the Company above EUR 500.0 million.

Share-based Payments

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, the Company's 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 current Investment Adviser fee arrangement with Aquila Capital Investmentgesellschaft mbH was extended whereby the Investment Adviser fee is fully paid in the shares of the Company for an additional two years until 30 June 2023.

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 or travel expenses.

The Company settled investment advisory fees by issuing Ordinary Shares and purchasing Ordinary Shares in the market during the period to 30 June 2023. No share-based payments occurred for the period to 30 June 2024. The Company has issued and purchased the following shares to settle investment advisory fees for the period under review:

In respect of the period to 30 June 2024 (Unaudited)	**Investment advisory fees (EUR)**	**Fair value of issue price (EUR cents)**	**Number of shares**	**Date of transaction**	**Issued/ Purchased**
31 March 2024			**n/a**		
30 June 2024			**n/a**		

In respect of the period to 30 June 2023 (Unaudited)	Investment advisory fees (EUR)	Fair value of issue price (EUR cents)	Number of shares	Date of transaction	Issued/ Purchased
31 March 2023	767,841	98.86	771,695	18 May 2023	Purchased
30 June 2023	728,290	87.00	831,701	7 August 2023	Purchased

6. Return Per Ordinary Share

Return per ordinary share is based on the loss for the period of EUR 25,651,000 (30 June 2023: loss of EUR 17,592,000) attributable to the diluted and undiluted weighted average number of Ordinary Shares in issue of 378,122,130 (30 June 2023: 397,096,237) in the period to 30 June 2024. Revenue profit and capital loss are EUR 6,154,000 (30 June 2023: EUR 6,511,000) and EUR 31,805,000 (30 June 2023: EUR 24,103,000) respectively.

	No of ordinary shares	
Weighted Average Number of Shares Used as the Denominator	**As at 30 June 2024 (Unaudited)**	As at 30 June 2023 (Unaudited)
Weighted average number of Ordinary Shares used as the denominator in calculating undiluted earnings per share	**378,122,130**	397,096,237
The effect of settled investment advisory fees by issuing Ordinary Shares (Note 5)	**–**	–
Weighted average number of Ordinary Shares and potential Ordinary Shares used as the denominator in calculating diluted earnings per share	**378,122,130**	397,096,237

7. Taxation

	Six months ended 30 June 2024 (Unaudited)			Six months ended 30 June 2023 (Unaudited)		
	Revenue (EUR '000)	**Capital (EUR '000)**	**Total (EUR '000)**	Revenue (EUR '000)	Capital (EUR '000)	Total (EUR '000)
Corporation tax	**–**	**–**	**–**	–	–	–
Total tax charge for the period	**–**	**–**	**–**	–	–	–

Investment companies that have been approved by 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.

8. Share Capital

	As at 30 June 2024 (Unaudited)		As at 31 December 2023 (Audited)	
	No of shares	**(EUR '000)**	No of shares	(EUR '000)
Allotted, issued and fully paid Ordinary Shares of 1 cent each ("Ordinary Shares")	**378,122,130**	**4,082**	378,122,130	4,082
Total	**378,122,130**	**4,082**	378,122,130	4,082

The Ordinary Shares shall carry the right to receive the profits of the Company available for distribution and determined to be distributed by way of interim or final dividends at such times as the Directors may determine in accordance with the Articles of the Company. The holders of Ordinary Shares have the right to receive notice of, and to attend and vote at, General Meetings of the Company.

There were no shares issued during the six month period to 30 June 2024.

There were no shares purchased for treasury during the period to 30 June 2024. During the period to 31 December 2023, the Company purchased for treasury a total of 30,103,575 Ordinary Shares at an aggregate cost of EUR 27,964,000 (including stamp duty and other fees).

NOTES TO THE FINANCIAL STATEMENTS CONTINUED
FOR THE SIX MONTHS ENDED 30 JUNE 2024

9. Net Assets Per Ordinary Share

Net assets per ordinary share as at 30 June 2024 is based on EUR 335,509,000 (31 December 2023: EUR 372,541,000) of net assets of the Company attributable to the 378,122,130 (31 December 2023: 378,122,130) Ordinary Shares in issue as at 30 June 2024.

10. Dividend Paid

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

	Six months ended 30 June 2024 (Unaudited)		Six months ended 30 June 2023 (Unaudited)	
	Cents per Ordinary Share	**Total (EUR '000)**	Cents per Ordinary Share	Total (EUR '000)
31 December 2023 interim – paid 18 March 2024 (2023: 17 March 2023)	**1.3775c**	**5,211**	1.3125c	5,335
31 March 2024 interim – paid 14 June 2024 (2023: 23 June 2023)	**1.4475c**	**5,479**	1.3775c	5,376
Total	**2.8250c**	**10,690**	2.6900c	10,711

The dividend relating to the period ended 30 June 2024, which is the basis on which the requirements of section 1159 of the Corporation Tax Act 2010 are considered, is detailed below:

	Six months ended 30 June 2024 (Unaudited)		Six months ended 30 June 2023 (Unaudited)	
Total dividends paid in the period	**Cents per Ordinary Share**	**Total (EUR '000)**	Cents per Ordinary Share	Total (EUR '000)
31 March 2024 interim – paid 14 June 2024 (2023: 23 June 2023)	**1.4475c**	**5,479**	1.3775c	5,376
30 June 2024 interim – paid 3 September 2024 (2023: 8 September 2023)	**1.4475c**	**5,473**	1.3775c	5,308
Total	**2.8950c**	**10,952**	2.7550c	10,684

11. Transactions with the Investment Adviser and Related Party Transactions

Fees payable to the Investment Adviser are shown in the Income Statement. As at 30 June 2024, the fee outstanding to the Investment Adviser was EUR 618,503 (30 June 2023: EUR 728,282).

AIFM fees for the period ended 30 June 2024 amount to EUR 60,330 (30 June 2023: EUR 58,778). As at 30 June 2024, the fee outstanding to the AIFM was EUR 18,949 (30 June 2023: EUR 23,552). The Company Secretary and Administrator fees for the period ended 30 June 2024 amount to EUR 88,911 (30 June 2023: EUR 123,774).

Fees are payable to the Directors in respect of the year to 31 December 2024 at an annual rate of EUR 75,000 to the Chairman, EUR 52,500 to the Chair of the Audit and Risk Committee and EUR 45,150 to the other Directors. Directors' fees paid during the six month period to 30 June 2024 was EUR 97,000.

During the period, the Company received repayments of its Shareholder loans to HoldCo of EUR 5,316,000 (30 June 2023: nil). The accrued interest and the Shareholder loans outstanding at the period end were EUR 228,572,000 (30 June 2023: EUR 244,638,000).

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

	Ordinary shares as at 30 June 2024 (Unaudited)	Ordinary shares as at 31 December 2023 (Audited)
Ian Nolan	**150,000**	150,000
David MacLellan	**125,000**	125,000
Kenneth MacRitchie	**50,000**	50,000
Patricia Rodrigues	**50,000**	50,000
Myrtle Dawes	**nil**	nil

12. Commitments and Contingencies

The Company did not have any new investments or capital commitments during the first six months of 2024 and continues to maintain investment discipline when assessing new investment opportunities.

13. Distributable Reserves

The Company's distributable reserves consist of the special reserve and revenue reserve. Capital reserve represents unrealised investments and as such is not distributable.

The revenue reserve is distributable. The amount of the revenue reserve that is distributable is not necessarily the full amount of the reserve as disclosed within these financial statements of EUR 615,000 as at 30 June 2024 (31 December 2023: EUR 1,225,000).

14. Unconsolidated Subsidiaries, Joint Venture and Associates

The following table shows subsidiaries of the Company. As the Company is regarded as an investment entity as referred to in note 2, these subsidiaries have not been consolidated in the preparation of the financial statements.

Subsidiary entity name and registered address	Effective ownership %	Investment	Country of incorporation	**Profit/(Loss) for the period ended 30 June 2024 (EUR million, unless otherwise stated)**	Profit/(Loss) for the year ended 31 December 2023 (EUR million, unless otherwise stated)	**Total assets balances as at 30 June 2024 (EUR million, unless otherwise stated)**	Total assets balances as at 31 December 2023 (EUR million, unless otherwise stated)
Tesseract Holdings Limited Leaf B, 20th Floor, Tower 42 Old Broad Street London EC2N 1HQ	100.0	HoldCo Subsidiary entity, owns underlying SPV investments	United Kingdom	**(31.8)**	(41.7)	**335.6**	447.6

The following table shows the investments held via SPVs which are held by Tesseract Holdings Limited, the Company's wholly owned subsidiary.

Subsidiary entities name and registered address	Effective ownership %	Activity	Country of incorporation	**Profit/(Loss) for the period ended 30 June 2024 (EUR million, unless otherwise stated)**	Profit/(Loss) for the year ended 31 December 2023 (EUR million, unless otherwise stated)	**Total assets balances as at 30 June 2024 (EUR million, unless otherwise stated)**	Total assets balances as at 31 December 2023 (EUR million, unless otherwise stated)
Holmen II Wind Park ApS Københavnsvej 81 4000 Roskilde Denmark	100.0	Subsidiary entity, owns investment in Holmen II	Denmark	**9.6 DKK**	1.5	**163.2 DKK**	23.6
Aalto Wind No 2 Ltd. Oy c/o Intertrust (Finland) Oy Bulevardi 1, 6th floor FI-00100 Helsinki, Finland	100.0	Subsidiary entity, owns investment in Olhava	Finland	**1.5**	(0.0)	**44.5**	45.4
Prettysource Lda Avenida Fontes Pereira de Melo, n.º 14 11.º floor, 1050 121 Lisbon	100.0	Subsidiary entity, owns investment in Benfica III	Portugal	**(0.1)**	0.0	**4.2**	4.1
Astros Irreverentes Unipessoal Lda Avenida Fontes Pereira de Melo, n.º 14 11.º floor, 1050 121 Lisbon	100.0	Subsidiary entity, owns investment in Benfica III	Portugal	**(0.1)**	0.0	**4.2**	4.1
Contrate o Sol Unipessoal Lda Rua Filipe Folque no. 10J, 2 Dto, 1050-113 Lisbon	100.0	Subsidiary entity, owns investment in Benfica III	Portugal	**(0.1)**	0.0	**2.0**	2.1

NOTES TO THE FINANCIAL STATEMENTS CONTINUED
FOR THE SIX MONTHS ENDED 30 JUNE 2024

Subsidiary entities name and registered address	Effective ownership %	Activity	Country of incorporation	**Profit/(Loss) for the period ended 30 June 2024 (EUR million, unless otherwise stated)**	Profit/(Loss) for the year ended 31 December 2023 (EUR million, unless otherwise stated)	**Total assets balances as at 30 June 2024 (EUR million, unless otherwise stated)**	Total assets balances as at 31 December 2023 (EUR million, unless otherwise stated)
Argeo Solar S.L. Paseo de la Castellana 259D, 14S-15, Madrid, Spain	100.0	Subsidiary entity, owns investment in Albeniz	Spain	**(1.2)**	(2.2)	**37.2**	37.2
Vector Aioliki Desfinas S.A. Salaminos Str. 20 15124 Maroussi Attica, Greece	89.0	Subsidiary entity, owns investment in Desfina	Greece	**0.7**	2.5	**51.8**	53.3
Ega Suria S.L. Paseo de la Castellana 259D Floors 14 and 15 28046 Madrid	100.0	Subsidiary entity, owns investment in Tiza	Spain	**0.4**	(0.6)	**34.8**	33.1
Azalent Investment S.L. Paseo de la Castellana 259D Floors 14 and 15 28046 Madrid	100.0	Subsidiary entity, owns investment in Greco	Spain	**0.2**	0.6	**71.0**	97.4
Svindbaek Vindkraft HoldCo ApS Gyngemose Parkvej 50 2860 Søborg	100.0	Subsidiary entity, owns investment in Svindbaek	Denmark	**0.4**	(1.4)	**31.6**	35.9

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

Joint venture and associate entities name and registered address	Effective ownership %	Activity	Country of incorporation	**Profit/(Loss) for the period ended 30 June 2024 (EUR million, unless otherwise stated)**	Profit/(Loss) for the year ended 31 December 2023 (EUR million, unless otherwise stated)	**Total assets balances as at 30 June 2024 (EUR million, unless otherwise stated)**	Total assets balances as at 31 December 2023 (EUR million, unless otherwise stated)
Palea Solar Farm Ourique S.A Avenida Fontes Pereira de Melo, no. 14, 11. Andar 1050-121 Lisbon Portugal	50.0	Associate entity, owns equity investment in Ourique	Portugal	**(0.2)**	(0.0)	**42.1**	42.8
Midtfjellet Vindkraft AS Sandvikvågvegen 45 N-5419 Fitjar, Norway	25.9	Associate entity, owns equity investment in Tesla	Norway	**(1.2) NOK**	(35.0) NOK	**839.1 NOK**	905.9 NOK

As disclosed in note 3, the Company finances the HoldCo through a mix of Shareholder loan and equity. A Master Shareholder Loan was agreed in 2023 between the Company and its subsidiary with an initial interest rate of 7.0%.

HoldCo finances its SPV investments through a mix of shareholder loans and equity. The shareholder loans accrue at an interest rate range of 2.5% to 9.75%.

There are no restrictions on the ability of the Company's subsidiaries, joint venture and associate's entities to transfer funds in the form of interest and dividends.

15. Post Balance Sheet Events

Tesla Sale

In September 2024, the Investment Adviser announced the sale of AER's 25.9% stake in the Norwegian wind farm Tesla at an attractive premium to its net asset value.

Vote on the Continuation and Potential Wind-Down of the Company

On 12 September 2024, The Company announced the publication of a circular to convene a General Meeting to be held on 30 September 2024 to allow shareholders to vote on the continuation and potential Managed Wind-Down of the Company and associated adoption of the New Investment Policy.

16. Status of this Report

These half-yearly financial statements are not the Company's statutory accounts for the purposes of section 434 of the Companies Act 2006. They are unaudited. The unaudited Interim Financial Report will be made available to the public at the Company's registered office. The report will also be available in electronic format on the Company's website, www.aquila-european-renewables.com.

The information for the year ended 31 December 2023 has been extracted from the last published audited financial statements, unless otherwise stated. The audited financial statements have been delivered to the Registrar of Companies. PricewaterhouseCoopers LLP reported on those accounts and their report was unqualified, did not draw attention to any matters by way of emphasis and did not contain a statement under sections 498(2) or 498(3) of the Companies Act 2006.

The Interim Financial Report was approved by the Board on 26 September 2024.

ALTERNATIVE PERFORMANCE MEASURES

In reporting financial information, the Company presents alternative performance measures ("APMs"), which are not defined or specified under the requirements of IFRS. The Company believes that these APMs, which are not considered to be a substitute for or superior to IFRS measures, provide stakeholders with additional helpful information on the performance of the Company. The APMs presented in this report are shown below:

Discount

The amount, expressed as a percentage, by which the share price is less than the net asset value per Ordinary Share.

As at 30 June 2024		
NAV per Ordinary Share (cents)	a	88.73
Share price (cents)	b	64.90
Discount	(b÷a)-1	(26.86%)

Ongoing Charges

A measure, expressed as a percentage of average net assets (quarterly net assets averaged over the year), of the regular, recurring annual costs of running an investment company.

As at 30 June 2024		
Average NAV (EUR '000)	a	362,787
Annualised expenses (EUR '000)	b	3,837
Ongoing charges	(b÷a)	1.06%

Total Return

A measure of performance that includes both income and capital returns. This takes into account capital gains and reinvestment of dividends paid out by the Company into the Ordinary Shares of the Company on the ex-dividend date.

As at 30 June 2024		Share price	NAV
Opening at 1 January 2024 (cents)	a	78.50	98.50
Dividend adjustment	b	2.8	2.8
Closing at 30 June 2024 (cents)	c	64.90	88.73
Total return	((b+c)÷a)-1	(13.7%)	(7.1%)

Dividend Cover

Dividend cover ratio calculation based on net results generated at the SPVs adjusted for the Company level expenses during the period:

		Period ended 30 June 2024	Period ended 30 June 2023
Net result generated at the SPVs (EUR '000)	a	**9,740**	12,806
Dividend paid (EUR '000)	b	**10,690**	10,711
Dividend cover ratio	a÷b	**0.9x**	1.4x

ALTERNATIVE PERFORMANCE MEASURES CONTINUED

Dividend cover ratio calculation based on the consolidated cash flow of the Company and its HoldCo:

		Period ended 30 June 2024	Period ended 30 June 2023
Adjusted net cash flow from operating activities (EUR '000)	a	**8,512**	11,690
Dividend paid (EUR '000)	b	**10,690**	10,711
Dividend cover ratio	a÷b	**0.8x**	1.1x

Gross Asset Value

The Company's gross assets comprise the net asset values of the Company's Ordinary Shares and the debt at the underlying SPV level, with the breakdown as follows:

		Period ended 30 June 2024	Period ended 30 June 2023	Year ended 31 December 2023
Net Asset Value (EUR '000)	a	**335,509**	403,256	372,541
Debt at the SPV level (EUR '000)	b	**164,782**	126,291	120,126
RCF drawn (EUR '000)	c	**26,085**	69,349	74,716
Gross Asset Value (EUR '000)	a+b+c	**526,375**	598,896	567,383

Gearing

The Company's gearing is calculated as total debt as a percentage of Gross Asset Value.

		Period ended 30 June 2024	Period ended 30 June 2023	Year ended 31 December 2023
Gross Asset Value (EUR '000)	a	**526,375**	598,896	567,383
Debt at the SPV level (EUR '000)	b	**164,782**	126,291	120,126
RCF drawn (EUR '000)	c	**26,085**	69,349	74,716
Gearing ratio	(b+c)÷a	**36.3%**	32.7%	34.3%

GLOSSARY

AIC
Association of Investment Companies.

Alternative Investment Fund or AIF
An investment vehicle under AIFMD. Under AIFMD (see below) Aquila European Renewables Income Fund Plc is classified as an AIF.

Alternative Investment Fund Managers Directive or AIFMD
A European Union directive which came into force on 22 July 2013 and has been implemented in the UK.

Annual General Meeting or "AGM"
A meeting held once a year which Shareholders can attend and where they can vote on resolutions to be put forward at the meeting and ask Directors questions about the company in which they are invested.

the Company
Aquila European Renewables Income Fund Plc

Dividend
Income receivable from an investment in shares.

EPC
Engineering, procurement and construction ("EPC") is an agreement that provides end-to-end services for designing the system, procuring the components and installing the project.

EU
European Union.

Ex-dividend Date
The date on or after which a security is traded excluding a recently declared dividend, set one business day prior to the relevant record date. If you purchased shares on or after this date you will not receive the dividend to which the ex-dividend date relates.

Financial Conduct Authority or "FCA"
The independent body that regulates the financial services industry in the UK.

Gearing
See 'leverage' below.

GWh
Gigawatt hour.

The HoldCo
Tesseract Holdings Limited, the wholly owned Subsidiary of the Company.

Index
A basket of stocks which is considered to replicate a particular stock market or sector.

Investment Company
A company formed to invest in a diversified portfolio of assets.

IPO
Initial Public Offering.

Investment Trust
An investment company which is based in the UK and which meets certain tax conditions which enables it to be exempt from UK corporation tax on its capital gains. The Company is an investment trust.

Leverage
An alternative word for 'Gearing'.

Under AIFMD, leverage is any method by which the exposure of an AIF is increased through borrowing of cash or securities or leverage embedded in derivative positions.

Under AIFMD, leverage is broadly similar to gearing, but is expressed as a ratio between the assets (excluding borrowings) and the net assets (after taking account of borrowing). Under the gross method, exposure represents the sum of a company's positions after deduction of cash balances, without taking account of any hedging or netting arrangements. Under the commitment method, exposure is calculated without the deduction of cash balances and after certain hedging and netting positions are offset against each other.

GLOSSARY CONTINUED

MWh
Megawatt hour.

Net Assets or Net Asset Value ("NAV")
An investment company's assets less its liabilities.

NAV per Ordinary Share
Net assets divided by the number of Ordinary Shares in issue (excluding any shares held in treasury).

O & M
Operation and Maintenance.

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

Ordinary Shares
The Company's Ordinary Shares in issue.

Portfolio
A collection of different investments held in order to deliver returns to Shareholders and to spread risk.

PPAs
Power Purchase Agreements.

Premium
The amount, expressed as a percentage, by which the share price is more than the net asset value per share.

PV
Photovoltaic.

Record date
The cut-off date established by a company in order to determine which shareholders are eligible to receive a dividend or distribution. If you owned shares in the Company up to and including this date you will receive the dividend through which the record date relates. If you owned shares after this date you will not receive the dividend.

Share Buyback
A purchase of a company's own shares. Shares can either be bought back for cancellation or held in treasury.

Share Price
The price of a share as determined by a relevant stock market.

SPV
A Special Purpose Vehicle.

Total Return
A measure of performance that takes into account both income and capital returns. This may take into account capital gains, dividends, interests and other realised variables over a given period of time.

COMPANY INFORMATION

Directors (all non-executive)

Ian Nolan (Chairman)
Myrtle Dawes
David MacLellan
Kenneth MacRitchie
Patricia Rodrigues

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AQUILA CAPITAL

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Read more about our commitment to sustainability at **www.aquila-capital.com/esg/**

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