



GREENCOAT RENEWABLES PLC

ANNUAL REPORT

FOR THE YEAR ENDED
31 DECEMBER 2019



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All capitalised terms are defined in the list of defined terms on pages 78 to 80 unless separately defined.

At a Glance

Summary

Greencoat Renewables PLC is a sector-focused listed renewable infrastructure company, investing in renewable electricity generation assets, with an initial focus on wind assets in Ireland. The Company's aim is to provide investors with an annual dividend that increases progressively whilst growing the capital value of its investment portfolio in the long term through reinvestment of excess cash flow and the prudent use of portfolio leverage.

Highlights

1,154 GWh

The Group's investments generated 1,154GWh of electricity, 4 per cent below budget owing to higher than expected curtailment.

€48.8m

Net cash generation (Group and wind farm SPVs) was €48.8 million (gross of SPV level debt prepayment).

462 MW

Further investment in Cloosh Valley and acquisition of 3 new wind farms increased the portfolio to 15 wind farm investments, net generating capacity to 462MW and GAV to €1,016.9 million as at 31 December 2019.

€273m

Issuance of 251 million new shares raising €273 million in the year.

6.03c

The Company has declared total dividends of 6.03 cent per share with respect to the year and is targeting a dividend of 6.06 cent per share for 2020.

36%

€366.9 million Aggregate Group Debt at 31 December 2019, equivalent to 36 per cent of GAV.

Key Metrics

	As at 31 December 2019	As at 31 December 2018
Market capitalisation	€747.3 million	€391.4 million
Share price	118.5 cent	103.0 cent
Dividends with respect to the year	€33.0 million	€19.5 million
Dividends with respect to the year per share	6.03 cent	6.00 cent
GAV	€1,017 million	€883.5 million
NAV	€650.0 million	€392.8 million
NAV per share	103.1 cent	103.4 cent
TSR	23.5 per cent	3.2 per cent

At a Glance

continued

Defining Characteristics

Greencoat Renewables PLC was designed for investors from first principles to be simple, transparent and low risk.

1. The Group is initially focused on investing solely in operating Irish wind assets.
2. Wind is the most mature and largest scale renewable technology.
3. Ireland has a long established regulatory regime, high wind resource and in excess of €8 billion of wind farms expected to be in operation in the short to medium term.
4. The Group is wholly independent and thus avoids conflicts of interests in its investment decisions.
5. The independent Board governs the Group, actively monitors the efficient operation of the assets and works in conjunction with an experienced investment management team.
6. The Group generally invests in wind farms that have an appropriate operational track record (or price adjustment mechanism).
7. Low leverage is important to ensure a high level of cash flow stability and higher tolerance to downside sensitivities.
8. The Group invests only in Euro assets and thus does not incur material currency risk.

Chairman's Statement



Rónán Murphy

I am pleased to present our Company's third annual report since listing in 2017. This has been another successful year with continued strong growth, and further improvement to operational performance. We have continued to consolidate our market-leading position in Ireland where we are now the second largest owner of operating wind farms.

Whilst we are exploring the considerable potential in Europe's secondary market, the Irish market remains our focus for growth, and across two successful equity placings we raised €273m in 2019, allowing us to increase GAV to over €1bn in value.

I would like to thank our shareholders for their continued confidence, as we work to deliver the stable premium returns that our assets provide.

Performance

Our portfolio of 15 wind farms generated 1,154GWh in the year, 4 per cent below budget, primarily due to higher than expected curtailment. There were no material unplanned outages or issues affecting any of the assets in the period. Since listing, our portfolio has grown by 2.5 times and this increased scale has provided the opportunity for both portfolio enhancements and efficiencies, and operational availability was on budget. The portfolio generated net operating cash flow of €48.8 million⁽¹⁾, providing dividend cover of 1.7x, ahead of our 1.4x target.

Dividends and Returns

The Company declared dividends for the year of 6.03 cent per share, with the final quarterly dividend of 1.5075 cent per share paid on 28 February 2020. Since listing, the Company has consistently delivered on its dividend policy, and has achieved TSR of 33.7 per cent at 31 December 2019.

NAV per share decreased in the year from 101.9 cent per share (ex dividend) on the 31st December 2018 to 101.6 cent per share (ex dividend) on 31 December 2019, representing a decrease of 0.3 per cent, primarily as a result of lower long-term power price projections.

Our unchanged dividend policy aims to increase our dividend between 0 and CPI each year. Given our continued strong cashflow and robust dividend cover, we are pleased to increase the dividend target for 2020 to 6.06 cent per share. This increase of 0.5 per cent represents approximately half of Irish CPI in 2019, which stood at 1.1 per cent.

¹ Net cash generation and dividend cover are gross of SPV level debt repayment and were €40.6m and 1.4x net of SPV level debt repayment.

Chairman's Statement

continued

Acquisitions

We are very pleased with the market-leading position we have developed in the Irish market since IPO with aggregate generating capacity now at 462MW. Our portfolio now comprises more than 10% of the country's existing fleet of operating wind assets, generating enough power to supply half of Dublin's homes.

In 2019, the Group acquired 3 new wind farms, Beam Hill, Gortahile, and Killala, and also increased its existing stake in Cloosh Valley wind farm from 50 per cent to 75 per cent.

Notably, Beam Hill represents our first merchant wind farm, and will allow the Group to explore different contracted power price structures, including the emerging corporate PPA market in Ireland, which is projected to see considerable growth over the next few years.

In February 2020, we also acquired Letteragh, a newly commissioned wind farm, which continues our strategy of consolidating the small/medium REFIT market in Ireland. The weighted average remaining REFIT life stands at 10.4 years across REFIT 1 and 2 assets.

We continue to see many value accretive opportunities for growth in the Irish secondary market, benefitting from our execution track record, relationships with developers and potential sellers, and ability to transact at any scale.

Equity Issuance

Our equity issuance strategy allows us to maintain acquisitional agility, whilst also maintaining gearing targets, and removing cash yield drag. In March 2019, we issued 140 million new shares at an issue price of 105.5 cent per share raising gross proceeds of €148 million, closing out our 250 million share issuance programme that launched in July 2018.

Given our pipeline strength, we launched a 350 million share issuance programme in November 2019, and issued 111 million new shares at an issue price of 113.0 cent per share in December 2019 raising gross proceeds of €125 million. Aggregate equity raising proceeds during the year were €273 million.

Both equity raisings were oversubscribed and NAV accretive. The Group has significant headroom to pursue opportunities in the secondary market as they arise.

Gearing

As at 31 December 2019, the Group had €367 million of debt outstanding, equating to 36 per cent of GAV with weighted average gearing during 2019 at 46 per cent, within our target range of 40 to 50 per cent.

Environmental, Social and Governance

Whilst the nature of our business ensures that we are working towards the benefit of society by reducing carbon emissions from renewable electricity generation, we also want our Group to be a good partner in all its interactions and day-to-day operations. 2019 saw us take a more sophisticated approach to ESG reporting, which will continue to develop over the coming years.

In particular, I am proud that we are able to benefit the local communities around our wind farms indirectly, by supporting employment and the economy, as well as directly via our community benefit schemes through which we committed over €675,000 in 2019.

Outlook

The Irish wind market remains an attractive jurisdiction with both a stable and supportive regulatory regime and broad public support. The country has over 4.0GW of installed capacity either in operation or construction under REFIT 1 and REFIT 2, and the Board continue to view Ireland as an attractive market for further investment.

In June 2019, the Irish Government announced its Climate Action Policy committing the country to generating 70 per cent of electricity from renewables by 2030 and is projected to create more than €12 billion of further investment opportunities. It is expected that the majority of this new capacity will be delivered under the new RESS, a competitive auction structure for CFD support, with such auctions expected to commence in 2020 and run until 2026. Given the expected CFD structure of RESS, as well as regular auctions planned until 2026, this should ensure Ireland remains a very attractive jurisdiction for further investment. In addition, Ireland is experiencing substantial growth in the demand for electricity, particularly from the development of a substantial number of data centres. We expect to see a growing number of large corporate entities seeking to enter into long term electricity contracts.

Chairman's Statement

continued

Outlook (continued)

The Group is now able to make acquisitions in Belgium, Finland, France, Germany and the Netherlands, in line with our existing investment policy. Continental Europe can provide further diversification of intra-year generation volumes and gives the Group access to a considerably larger pool of assets from which to seek best value. In addition to the above jurisdictions, the Group is assessing opportunities in the Nordic regions, currently outside of the investment policy. Special resolution 9 will be proposed at the forthcoming AGM to amend the investment policy to enable the Group to invest in Nordic countries in addition to the other relevant countries noted on page 18.

Many of the operational assets across the continent are owned by parties with whom the Investment Manager has strong existing relationships. The Group's position is further improved by the absence of currency risk when acquiring assets in Europe.

Board and Governance

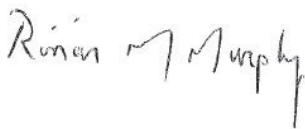
During 2019, we initiated an external search process with the assistance of search firm, Korn Ferry, and I am very pleased to welcome Marco Graziano to the Board. He has considerable expertise in the energy and renewables industry, and significant experience of developing and operating European renewable assets in an executive capacity. My fellow board members and I know he will make valuable contribution to our governance and growth.

Annual General Meeting

Our AGM will take place on 29 April 2020 at 2:00 pm at the offices of J&E Davy, Davy House, 49 Dawson Street, Dublin 2, Ireland. Details of the formal business of the meeting are set out in the Notice of AGM, which is sent to shareholders with the Annual Report. We look forward to meeting shareholders on that occasion.

Conclusion

I would like to thank my fellow directors who served during 2019, Emer Gilvarry and Kevin McNamara, for their stewardship and advice during the period. Finally, I would like to acknowledge the substantial efforts of the Investment Manager, which contributed significantly to our continued staged growth.



Rónán Murphy

Chairman
1 March 2020



Lisdowney

Investment Manager's Report

The Investment Manager

The Investment Manager's experience covers wind farm investment, ownership, finance and operation. All the skills and experience required to manage the Group's investments lie within a single investment manager. The Investment Manager is authorised and regulated by the FCA and is a full scope UK AIFM.

The team is led by Bertrand Gautier and Paul O'Donnell.

Bertrand has over 27 years of operational, financial and investment experience, of which the last 10 years focussed solely on renewables. He has been a Partner of Greencoat Capital since joining in 2010 and specialises in investments across the renewable energy space.

Bertrand joined from Terra Firma Capital Partners where he managed a variety of LBO and re-financing transactions and oversaw the management of portfolio businesses, focusing on asset-backed companies. Before joining Terra Firma in 2007, Bertrand spent five years at Merrill Lynch as part of the M&A Advisory Group in the Infrastructure and Industrials team. Prior to that, he gained extensive operational experience over eight years at Procter & Gamble in supply chain and purchasing management, as well as in several French engineering SMEs.

Bertrand holds an MSc in General Engineering from ICAM (France) and an MBA from Harvard Business School (USA).

Paul has over 17 years of renewables and investment experience, of which the last 13 have been focussed solely on renewables. He joined Greencoat Capital in 2009 and has specialised in managing investments in the wind and solar generation sectors, working across development, operations, technology, and financing. In that time, Paul oversaw Airvolution Energy, a UK based wind developer which has developed and constructed over 60MW of wind assets as well as Lumicity, a UK solar developer which developed over 60MW of solar assets.

Paul has been a Partner of Greencoat Capital since 2016 and has been based in Dublin since 2013.

Paul holds a BBS (Hons) in Finance from Trinity College Dublin.



Investment Manager's Report

continued

Overview

The Investment Manager is very pleased with the Group's achievements in 2019, which have continued to demonstrate strong growth and operational efficiency across the business. In the past twelve months, Greencoat Renewables has developed a market leading position in Ireland through acquiring value accretive assets in the secondary market, ensuring the portfolio has exceeded target availability, and raising further equity in two oversubscribed issuances.

The value accretive additions during the year have diversified the portfolio further and brought economies of scale to the business. Throughout the year we have continued to deliver strong cashflows from our existing portfolio, demonstrating the resilience of the dividend cover, despite below budget generation.

Investment Portfolio

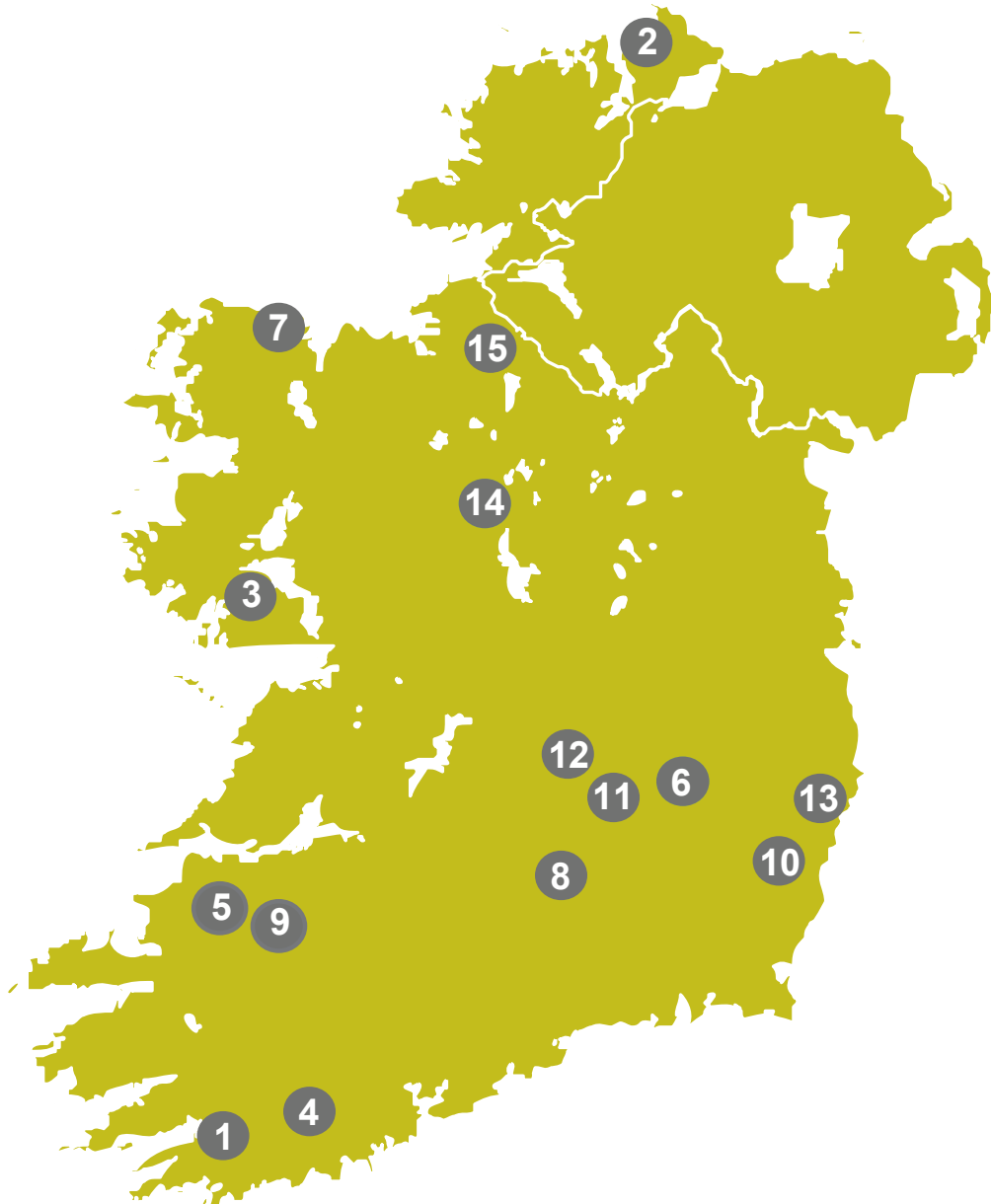
The Group's investment portfolio as at 31 December 2019 consisted of interests in SPVs which held the following underlying operating wind farms:

Wind Farm	Turbines	Operator	PPA	Total MW	Ownership Stake	Net MW
Ballybane	Enercon	MOS Group	Energia	48.3	100%	48.3
Beam Hill	Vestas	EnergyPro	Erova	14.0	100%	14.0
Cloosh Valley	Siemens	SSE	SSE	108.0	75%	81.0
Garranereagh	Enercon	Statkraft	Bord Gáis	9.2	100%	9.2
Glanaruddery	Vestas	EnergyPro	Supplier Lite	36.3	100%	36.3
Gortahile	Nordex	ABO Wind	Energia	20.0	100%	20.0
Killala	Siemens	EnergyPro	Electroroute	17.0	100%	17.0
Killhills	Enercon	SSE	Brookfield	36.8	100%	36.8
Knockacummer	Nordex	SSE	Brookfield	100.0	100%	100.0
Knocknalour	Enercon	Wind Prospect	Naturgy / Energia	9.2	100%	9.2
Lisdowney	Enercon	EnergyPro	Naturgy	9.2	100%	9.2
Monaincha	Nordex	Statkraft	Bord Gáis	36.0	100%	36.0
Raheenleagh	Siemens	ESB	ESB	35.2	50%	17.6
Sliabh Bawn	Siemens	Wind Prospect	Supplier Lite	64.0	25%	16.0
Tullynamoyle II	Enercon	Cabragh	Bord Gáis	11.5	100%	11.5
Total						462.1

Investment Manager's Report

continued

Investment Portfolio (continued)



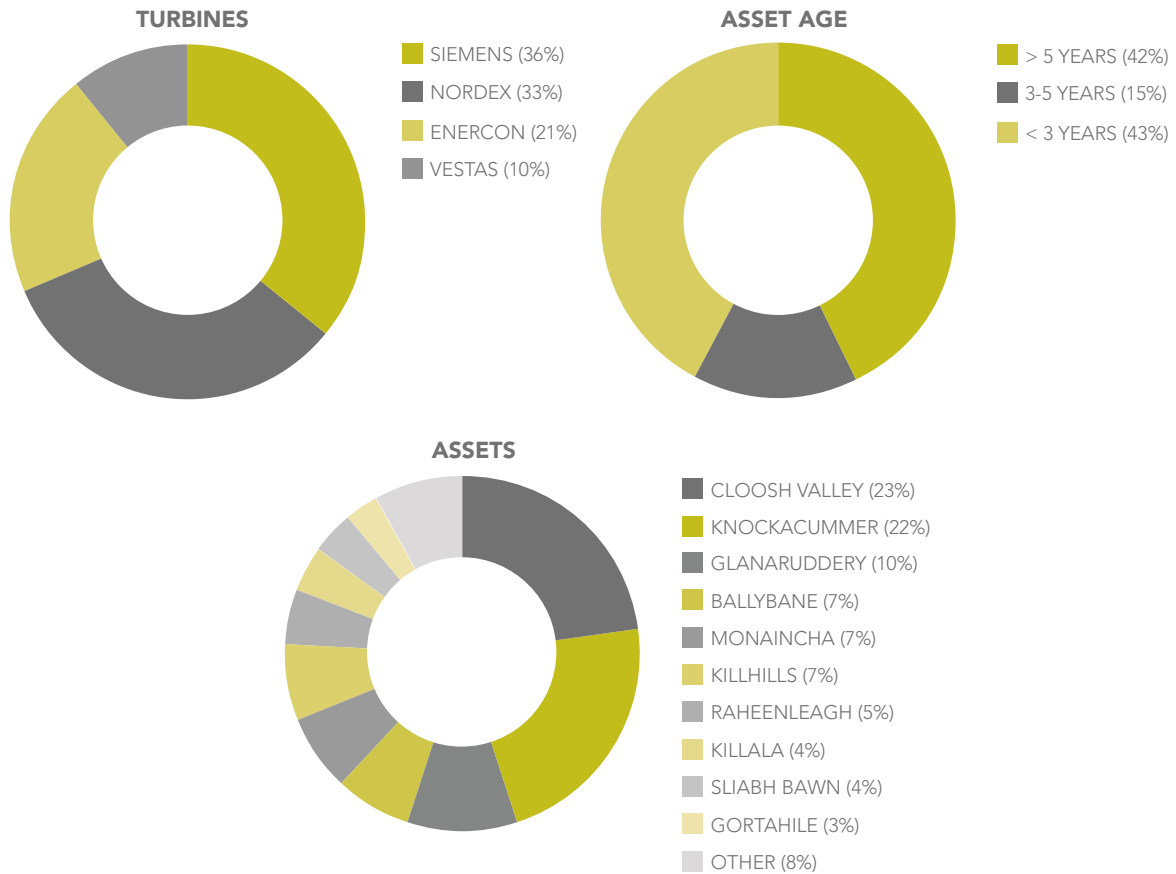
- 1 Ballybane
- 2 Beam Hill
- 3 Cloosh Valley
- 4 Garranereagh
- 5 Glanaruddery
- 6 Gortahile
- 7 Killala
- 8 Killhills
- 9 Knockacummer
- 10 Knocknalour
- 11 Lisdowney
- 12 Monaincha
- 13 Raheenleagh
- 14 Sliabh Bawn
- 15 Tullynamoyle II

Investment Manager's Report

continued

Investment Portfolio (continued)

Breakdown by value as at 31 December 2019:



Cloosh Valley

Investment Manager's Report

continued

Portfolio Performance

The Portfolio generated 1,154GWh in the year, 4 per cent below budget, primarily due to a higher than expected level of curtailment. Portfolio availability was on budget in the year.

Wind Farm	Ownership Stake	Period	2019 Budget (GWh)	2019 Actual (GWh)
Ballybane	100%	Jan-Dec	118.7	121.6
Beam Hill	100%	Dec	3.9	3.6
Cloosh Valley ⁽¹⁾	75%	Jan-Dec	244.7	229.5
Garranereagh	100%	Jan-Dec	24.3	26.1
Glanaruddery	100%	Jan-Dec	115.0	109.9
Gortahile	100%	Oct-Dec	18.3	18.7
Killala	100%	Dec	5.0	5.0
Killhills	100%	Jan-Dec	89.9	88.7
Knockacummer	100%	Jan-Dec	298.9	275.2
Knocknalour	100%	Jan-Dec	21.3	21.0
Lisdowney	100%	Jan-Dec	31.8	31.7
Monaincha	100%	Jan-Dec	100.4	96.7
Raheenleagh	50%	Jan-Dec	63.3	61.6
Sliabh Bawn	25%	Jan-Dec	43.9	42.3
Tullynamoyle II	100%	Jan-Dec	26.9	21.9
Total ⁽²⁾			1,206.2	1,153.7

(1) Ownership in Cloosh Valley was 50% until 31 March 2019 when the Group acquired an additional 25% of the SPV

(2) Numbers do not cast due to rounding

The failure of a 200kV to 400kV grid transformer at Moneypoint impeded electricity flows in the south west of Ireland and caused significant levels of curtailment across the portfolio. This failure was remedied in Q4 and the transformer returned to operations at the end of November 2019.

The Investment Manager is actively participating in a dispatch down working group within the Irish Wind Energy Association, which now represents over 90 per cent of wind generators in Ireland. The group are looking to collaboratively address the system-wide issue of curtailment across the industry in Ireland.

Health and Safety

There were no major incidents in the year to 31 December 2019 and health and safety audits were conducted across 11 sites by an independent consultant. No material areas of concern were identified.

2019 has seen significant improvements in health and safety reporting from operators and there have been numerous hazard observations during the year across the portfolio that have resulted in remedial action and improvements. No lost time incidents were reported in the year.

Environmental, Social and Governance

There has been a focus within the Group to recognise the fundamental importance of adequate management of ESG matters for all stakeholders and for the long-term sustainable success of the business. During the year the Group achieved the following:

- **Environmental** - significantly increased generation capacity, supporting Ireland's transition towards renewable energy and a carbon net zero economy;
- **Social** - expansion of best practice community benefit schemes and rigorous health and safety approaches that ensure the Group's wind farms are a valued part of the community. Winner of the Best Community Programme at the 2019 Chambers Ireland CSR Awards for The Galway Wind Park project (Cloosh Valley);

Investment Manager's Report

continued

Environmental, Social and Governance (continued)

- **Governance** - adoption of an ESG Policy which sets out the Group's ESG objectives and a plan to systematise the Investment Manager's approach to ESG management.

Further details of the Group's ESG initiatives can be found in the latest ESG report, available on the Company's website www.greencoat-renewables.com.

Acquisitions

2019 was another busy year in the Irish secondary wind sector and the opportunity for aggregation was clearly evidenced. We continued to see many opportunities for value-accretive acquisitions, and during the year priced and assessed 43 wind farms totalling 529MW in Ireland. Of the wind farms priced, 5 investments were made by the Group (pre and post year end), 11 were acquired by other buyers, 23 are no longer being pursued by the Group and 4 are subject to continuing discussions.

We were delighted to have successfully acquired 3 new wind farms in 2019 year from separate sellers in separate transactions, as well as the additional 25% investment in Cloosh Valley.

The following table lists investments in the year (including additional share of SPV-level debt and acquisition costs, excluding acquired cash):

	€m
Cloosh Valley (25%)	72.0
Gortahile	33.4
Killala	35.7
Beam Hill	10.5
Total	151.6

On 17 February 2020, the Group announced the acquisition of the 14.1MW Letteragh wind farm in County Clare for €35.4 million, bringing net generating capacity of the portfolio to 476MW.

Equity Issuance

In March 2019, the Company issued 140 million new shares at an issue price of 105.5 cent per share, raising gross proceeds of €148 million in an oversubscribed and NAV-accretive share placing. This issuance closed the Company's programme to issue 250 million new shares announced in July 2018.

In December 2019, the Company issued 111 million new shares at an issue price of 113.0 cent per share raising gross proceeds of €125 million in another oversubscribed and NAV-accretive share placing. This was the first tranche of the Company's programme to issue 350 million new shares announced in November 2019.

Both share placings during the year demonstrate the Company's continuing growth strategy.

Gearing

As at 31 December 2019, the Group and wind farm SPVs had €366.9 million outstanding debt, equating to 36 per cent of GAV (limit 60 per cent).

Debt outstanding as at 31 December 2019 comprised €206 million drawn under the Group's revolving credit facility and €160.9 million of the Group's proportionate share of long-term project finance debt (including the fair value of interest rate swaps) in Cloosh Valley, Raheenleagh and Sliabh Bawn.

On 17 February 2020, the Group drew down a further €34 million under its revolving credit facility to fund the €35.4 million acquisition of Letteragh wind farm, leaving amounts drawn under the facility at €240 million.

Financial Performance

Dividend cover for the year was 1.4x net of SPV level debt repayment or 1.7x gross of SPV level debt repayment.

Cash balances (Group and wind farm SPVs) decreased by €6.7 million from €41.2 million to €34.5 million over the year, demonstrating effective recycling of excess portfolio cashflow into wind farm acquisitions and debt repayment.

Investment Manager's Report

continued

Financial Performance (continued)

Group and wind farm SPV cashflows	For the year ended 31 December 2019	
	Net ⁽¹⁾ €'000	Gross ⁽¹⁾ €'000
Net cash generation	40,471	48,683
Dividends paid	(29,217)	(29,217)
SPV level Capex & PSO cashflow ⁽²⁾	(18,942)	(18,942)
SPV level debt repayment	–	(8,212)
Acquisitions ⁽³⁾	(105,595)	(105,595)
Acquisition costs	(5,398)	(5,398)
Equity issuance	272,700	272,700
Equity issuance costs	(4,390)	(4,390)
Net drawdown under debt facilities	(156,031)	(156,031)
Upfront finance costs	(327)	(327)
Movement in cash (Group and wind farm SPVs)	(6,728)	(6,728)
Opening cash balance (Group and wind farm SPVs)	41,275	41,275
Closing cash balance (Group and wind farm SPVs)	34,547	34,547
Net cash generation ⁽²⁾	40,471	48,683
Dividends	29,217	29,217
Dividend cover	1.4x	1.7x

(1) The dividend cover tables above are shown as 2 scenarios: the first reflects cash generation net of the Group's share of SPV level debt repayment at Cloosh Valley, Raheenleagh and Sliabh Bawn (€8,212k), and the second shows net cash generation gross of these SPV level debt repayments.

(2) Cashflows reflect residual capital expenditure from acquired SPVs (covered by the vendor of the SPVs) and REFIT working capital movements with the PSO relating to wind farm SPVs.

(3) Acquisition consideration is net of the acquired SPV cash (€7,200k).



Killhills

Investment Manager's Report

continued

Financial Performance (continued)

The following 2 tables provide further detail in relation to net cash generation figures of €48.8 million (gross) and €40.1 million (net):

Net Cash Generation – Breakdown	For the year ended 31 December 2019	
	Net €'000	Gross €'000
Revenue	92,878	92,878
Operating expenses	(26,305)	(26,305)
Tax / VAT	(46)	(46)
Wind farm operating cashflow	66,527	66,527
SPV level debt interest	(4,982)	(4,982)
SPV level debt repayment	(8,212)	-
Wind farm cashflow	53,333	61,545
Management fee	(4,689)	(4,689)
Operating expenses	(1,612)	(1,612)
Ongoing finance costs	(6,353)	(6,353)
VAT	(285)	(285)
Other	77	77
Group cashflow	(12,862)	(12,862)
Net cash generation	40,471	48,683

Net Cash Generation - Reconciliation to Net Cash Flows from Operating Activities	For the year ended 31 December 2019	
	Net €'000	Gross €'000
Net cash flows from operating activities ⁽¹⁾	15,269	15,269
Movement in cash balances of wind farm SPVs ⁽²⁾	(16,912)	(16,912)
SPV capex & PSO cashflow	18,942 ⁽³⁾	27,154 ⁽⁴⁾
Repayment of shareholder loan investment ⁽¹⁾	29,482	29,482
Finance costs ⁽¹⁾	(6,637)	(6,637)
Upfront finance costs (cash) ⁽⁵⁾	327	327
Net cash generation	40,471	48,683

(1) Consolidated Statement of Cash Flows.

(2) Note 9 to the Financial Statements (excludes acquired cash).

(3) €18,942k cashflows reflect residual capital expenditure from acquired SPVs and REFIT working capital movements with the PSO relating to wind farm SPVs.

(4) €18,942k cashflows reflect residual capital expenditure from acquired SPVs and REFIT working capital movements with the PSO relating to wind farm SPVs plus €8,212k repayment of SPV level debt (note 9 to the Financial Statements).

(5) €139k facility arrangement fees plus €36k professional fees (note 13 to the Financial Statements) plus €152k decrease in other finance costs payable (note 12 to the Financial Statements).

Investment Manager's Report

continued

Investment Performance



(1) Numbers do not cast due to rounding of €0.1 million

NAV at 31 December 2019 was €650 million (103.1 cent per share):

- NAV at 31 December 2018 was €392.8 million (103.4 cent per share);
- €151.6 million of investments were made in the year (including the Group's increased share of SPV level debt at Cloosh Valley following further investment in March 2019) offset by the €2.9 million receipt upon settlement of the Glanaruddery wind energy true-up;
- cash balances decreased by €6.7 million;
- other relevant assets/liabilities at Group level increased by €5.5 million from a €5.6 million net liability position at 31 December 2018 to a €0.1m net liability position at 31 December 2019; and
- Aggregate Group Debt decreased by €123.8 million, which includes the movement of Group's proportionate share of SPV level debt positions (including associated interest rate swap fair values of €9.1 million) at Cloosh Valley, Raheenleagh and Sliabh Bawn.

Total dividends of €29.2 million were paid in 2019. Total dividends of €33.0 million have been paid or declared with respect to 2019 (6.03 cent per share). The target dividend with respect to 2020 is 6.06 cent per share. The increase of 0.03 cent (0.5 per cent) is in line with the Company's stated dividend policy to increase the dividend on a progressive basis. Given that Irish CPI for 2019 was 1.1 per cent, we have decided to increase the dividend by approximately half of CPI.

Investment Manager's Report

continued

Investment Performance (continued)

	cent per share	per cent
NAV at 31 December 2018	103.4	
Less February 2019 dividend	(1.5)	
NAV at 31 December 2018 (ex dividend)	101.9	
NAV at 31 December 2019	103.1	
Less February 2020 dividend	(1.5)	
NAV at 31 December 2019 (ex dividend)	101.6	
Movement in NAV (ex dividend)	(0.3)	(0.3)
Dividends with respect to the year	6.0	5.9
Total return on NAV	5.7	5.6

Reconciliation of Statutory Net Assets to Reported NAV

	As at 31 December 2019 €'000	As at 31 December 2018 €'000
DCF valuation	982,411	856,933
Other relevant assets/(liabilities) (wind farm SPVs)	111	(9,109)
Cash (wind farm SPVs)	28,527	38,239
Fair value of investments⁽¹⁾	1,011,049	886,063
Cash (Group)	6,020	3,036
Other relevant liabilities	(127)	(5,621)
GAV	1,016,942	883,478
Aggregate Group Debt ⁽²⁾	(366,942)	(490,695)
NAV	650,000	392,783
Reconciling items ⁽³⁾	–	1,171
Statutory net assets	650,000	393,954
Shares in issue	630,619,463	380,000,000
NAV per share (cent)	103.1	103.4

(1) The fair value of investments are shown gross of €160.9 million debt and swap fair values held at wind farm SPV level that are not included in the equivalent figure in the Consolidated Statement of Financial Position.

(2) The debt and swap fair values held and wind farm SPV level are included within the definition of Aggregate Group Debt for NAV purposes, but are included in the fair value of investments through profit and loss in the Statement of Financial Position.

(3) The other reconciling item in 2018 item reflects a deferred tax asset in Holdco, which was written off during the year.

Investment Manager's Report

continued

NAV Sensitivities

NAV is equal to GAV less Aggregate Group Debt.

GAV is the sum of:

- DCF valuations of the Group's investments;
- cash (at Group and wind farm SPV level); and
- other relevant assets/liabilities of the Group and wind farm SPVs.

The DCF valuation of the Group's investments represents the largest component of GAV and the key sensitivities are considered to be the discount rate used in the DCF valuation and long-term assumptions in relation to energy yield, power prices, inflation, and asset life.

The base case discount rate is a blend of a lower discount rate for fixed cash flows and a higher discount rate for merchant cash flows. The blended discount rate reduced by 0.3 per cent from 31 December 2018 reflecting market valuations observed throughout 2019. The blended discount rate as at 31 December 2019 does remain within 6 per cent and 7 per cent, which is considered to be an appropriate base case for sensitivity analysis. A variance of +/- 0.25 per cent is considered to be a reasonable range of alternative assumptions for discount rate.

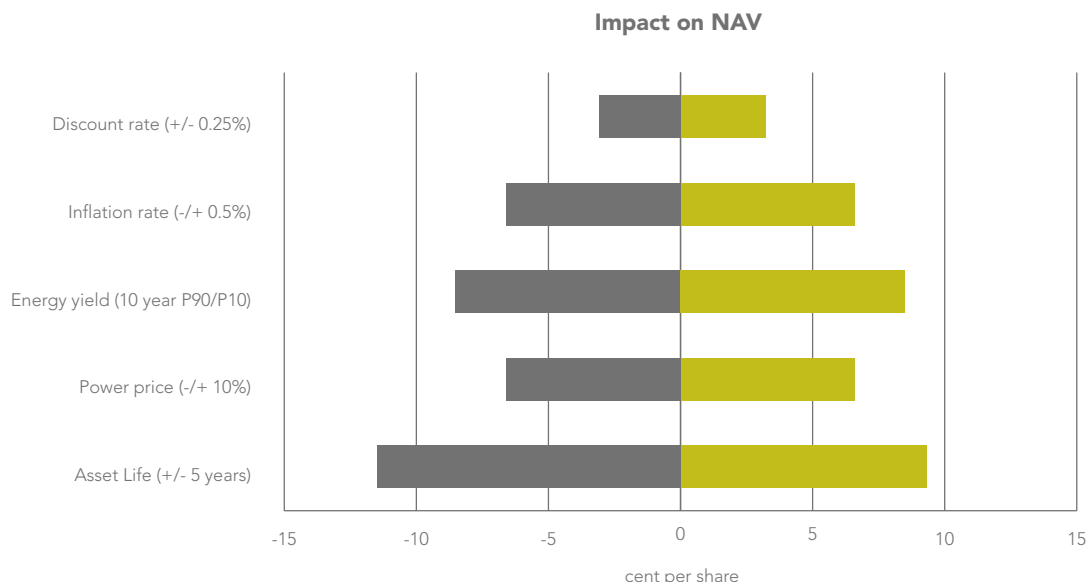
The base case long term CPI assumption is 2.0 per cent.

Base case energy yield assumptions are P50 (50 per cent probability of exceedance) forecasts produced by expert consultants based on long term wind data and operational history. The P90 (90 per cent probability of exceedance over a 10 year period) and P10 (10 per cent probability of exceedance over a 10 year period) sensitivities reflect the future variability of wind and the uncertainty associated with the long term data source being representative of the long term mean. Given their basis on long-term operating data, it is not anticipated that base case energy yield assumptions will be adjusted (other than any wind energy true-up arrangements with compensating purchase price adjustments).

Long term power price forecasts are provided by a leading market consultant, updated quarterly and adjusted by the Investment Manager where more conservative assumptions are considered appropriate. The independent forecasts are never adjusted upwards. Base case real power prices increase from approximately €54/MWh (2030) to approximately €61/MWh (2040). The sensitivity below assumes a 10 per cent increase or decrease in power prices relative to the base case for every year of the asset life.

The base case asset life is 30 years. The sensitivity below assumes that asset life may be 5 years shorter or longer than the base case, which is impacted by commercial aspects of each investment, including the renewals of site leases, planning permission and grid connection agreements.

The following chart shows the impact of the key sensitivities on NAV:



Investment Manager's Report

continued

Outlook

The Group has successfully executed against all facets of its business plan to date and is well positioned for future growth. The outlook for the Group remains positive with a growing secondary wind market in Ireland, a stable policy backdrop for Irish wind assets underpinned by the REFIT contracts, and an opportunity for further growth into attractive jurisdictions in Europe.

Irish Wind Market

The Irish wind market remains an attractive jurisdiction with both a stable and supportive regulatory regime and broad public support. The country has over 4.0GW of installed capacity either in operation or construction under REFIT 1 and REFIT 2, representing a c.€8 billion market size.

RESS, a successor scheme to REFIT, has reinforced this further growth opportunity in the Irish renewables market from 2020 onwards. It is expected that over 13,500GWh per year of additional renewable generation will be contracted between 2020 and 2026, which would represent c.4GW of onshore wind capacity if all 13,500GWh was converted to onshore wind. It is expected that RESS will support a broader range of technology solutions, including offshore wind and solar.

In June 2019, the Irish Government announced its Climate Action Policy committing the country to generating 70 per cent of electricity from renewables by 2030 and is projected to create more than €12 billion of further investment opportunities. It is expected that the majority of this new capacity will be delivered under RESS.

Ireland is seeing a substantial growth in the demand for electricity, particularly from the development of a substantial number of data centres. The Company anticipates a growing number of large corporate entities seeking to enter into long term PPA arrangements to meet their energy obligations.

Market Entry into Continental Europe

In line with the Company's Investment Policy, the Group has the ability to make acquisitions in Belgium, Finland, France, Germany and the Netherlands. Many of the operational assets across the continent are owned by parties with whom the Investment Manager has strong existing relationships. The Group's position is further improved by the absence of currency risk when acquiring assets in Europe.

During the year, we have been exploring opportunities in Nordic countries, in particular Denmark, Norway and Sweden (in addition to Finland which the Group could already invest in from July 2019 under the Company's current Investment Policy). These additional jurisdictions provide the Group with the benefit of a larger pool of potential acquisition targets and facilitates the Group's diversification opportunities. The Nordics represented a euro denominated market with power sales into Nord Pool, one of the world's most liquid power markets. The fundamentals of the market are positive due to substantial plans for decarbonisation in each of the countries, increasing demand via electrification of key industries and new interconnectors to higher priced markets. Given that electricity in these markets are traded in euros, it is unlikely that there will be a material impact on currency risk should the Group invest in these jurisdictions.

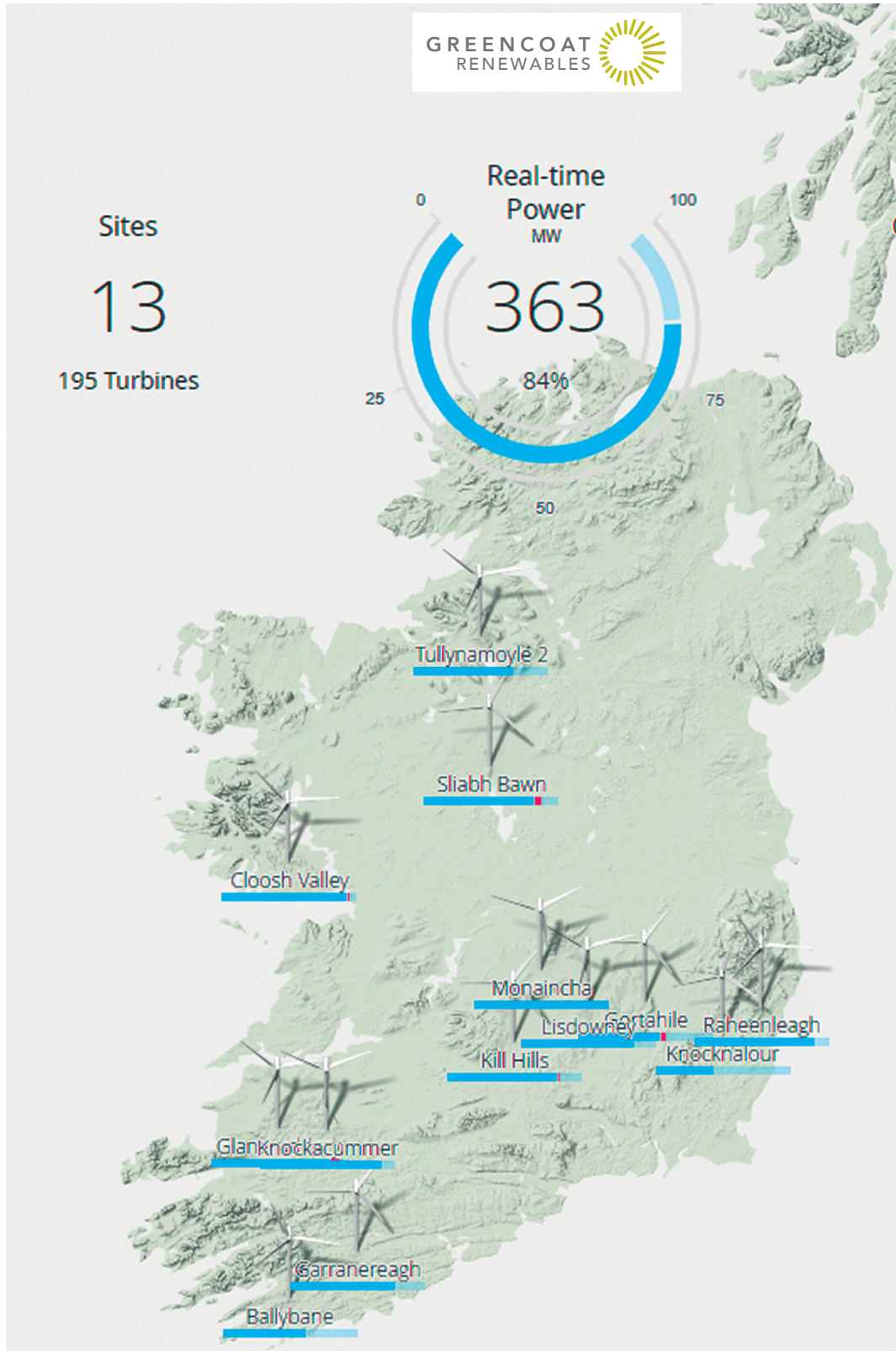
The outlook for the Group continues to remain very positive, with robust operational and financial performance from the existing portfolio with a healthy pipeline of further attractive investment opportunities.



Glanaruddery

Investment Manager's Report

continued



Portfolio generation snapshot

Board of Directors

The Directors are of the opinion that the Board, as a whole, comprises an appropriate balance of skills, experience and diversity. The Board is comprised of individuals from relevant and complementary backgrounds offering experience in investment, financial, and business skills, as well as in the energy sector, from both an investment and a commercial perspective.

Rónán Murphy, Chairman



Rónán Murphy, aged 62, was previously Senior Partner of PwC Ireland, a position he was elected to in 2007 and was re-elected to for a further 4 year term in July 2011. Rónán joined PwC in 1980, qualifying in 1982, and was admitted to the partnership in 1992. Rónán was a member of the PwC EMEA Leadership Board from 2010 to 2015. Rónán is also a non-executive director of Icon Plc and Davy.

Rónán holds a Bachelor of Commerce degree and Masters in Business Studies from University College Dublin and is a Fellow of the Institute of Chartered Accountants.

Kevin McNamara, Chairman of the Audit Committee



Kevin McNamara, aged 65, has more than 25 years' experience in the energy sector. Kevin enjoyed a long career with ESB International, including leading the investment division of ESB International Investments. More recently Kevin was CFO of Amarenco Solar, a solar business focused on the Irish and French markets and prior to this CEO of Airvolution Energy, a UK wind development business.

Kevin holds a Bachelor of Commerce degree from University College Dublin and is a Fellow of the Institute of Chartered Accountants.

Emer Gilvarry, Senior Independent Director



Emer Gilvarry, aged 62, is a consultant with Mason Hayes & Curran. Prior to taking up this position, Emer was the Managing Partner for two consecutive terms from 2008 to 2014. From 2014 until 2018, Emer took over the role of Chair of the firm. She is also a former Head of the firm's Litigation Group (2001 to 2008). Emer is a former Board member of Aer Lingus. She is currently a board member of The Economic and Social Research Institute and the Ireland Funds.

Emer holds a Bachelor of Law degree from University College Dublin (BCL).

Marco Graziano



Marco Graziano, aged 62, has more than 35 years of worldwide experience in the energy sector, with a demonstrated track record of driving growth and profitability managing large organisations. He served as both executive and non-executive director in a number of companies in Europe, Africa, Middle East and Latin America. After many years with the French multinationals Alstom and Areva, more recently he was President of South Europe, MENA and LATAM for Vestas Wind Systems.

Marco holds a doctorate degree in mechanical engineering from Genoa University.

Marco was appointed to the Board after year end on 30 January 2020.

Board of Directors

continued

Other Irish Public Company Directorships

In addition to their directorships of the Company, the below Directors currently hold the following Irish public company directorships:

Rónán Murphy Icon plc

The Directors have all offered themselves for re-election and resolutions concerning this will be proposed at the AGM.

Conflicts of Interest

The Directors have declared any conflicts or potential conflicts of interest to the Board of Directors which has the authority to approve such situations. The Company Secretary maintains the Register of Directors' Conflicts of Interests which is reviewed quarterly by the Board and when changes are notified. The Directors advise the Company Secretary and the Board as soon as they become aware of any conflicts of interest. Directors who have conflicts of interest do not take part in discussions which relate to any of their conflicts.

Directors' Report

The Directors present their Annual Report, together with the consolidated financial statements of Greencoat Renewables PLC for the year ended 31 December 2019.

Principal Activity and Business Review

A detailed discussion of the individual project performance and a review of the business in the period are covered in the Investment Manager's Report on pages 7 to 19.

Results for the Year

The consolidated financial statements for the financial year ended 31 December 2019 are set out in detail on pages 45 to 50 including the results for the year which are set out in the Consolidated Statement of Comprehensive Income on page 45.

Future Developments

The Group's outlook is discussed in the Investment Manager's Report on page 18.

Investment Objective

The Company's aim is to provide attractive risk-adjusted returns to shareholders through an annual dividend (6.03 cent per share for 2019) that increases progressively whilst growing the capital value of its investment portfolio. The Company is targeting an IRR of 7 to 8 per cent (net of expenses and fees) on the issue price of the ordinary shares to be achieved over the longer term via active management of the investment portfolio, reinvestment of excess cash flows and the prudent use of leverage. The Company intends to hold assets in its investment portfolio for the long term.

Investment Policy

The Group intends to increase its portfolio of renewable energy generation assets within the Eurozone with a focus on Ireland. Key investment criteria include:

- During the first 24 months from listing, the Group was invested in operational wind energy assets in Ireland.
- Thereafter, Ireland will remain a key country of focus for the Group as no less than 60 per cent of GAV will be invested in Ireland.
- The Group can also invest, in aggregate, up to 40 per cent of GAV in operational wind energy or solar assets in other relevant countries (being Belgium, Finland, France, Germany and the Netherlands).

The Group has used debt facilities to make additional investments in the year. This has enhanced the Group's attractiveness to sellers since execution risk is greatly diminished, with the Group effectively being a cash buyer. The Group will continue to use debt facilities to make further investments.

The Group will look to repay its drawn debt facilities by refinancing them in the equity markets at appropriate times in order to refresh its debt capacity. While debt

facilities are drawn, the Group benefits from an increase in investor returns because borrowing costs are below the underlying return on investments.

Group Structure and Share Capital

The Company is incorporated in the Republic of Ireland. The Group is wholly independent and is not tied to any particular utility or developer. All of the ordinary shares in the Company are quoted on the Euronext Growth Market of Euronext Dublin and on AIM of the London Stock Exchange. The Group comprises of the Company and Holdco. Holdco invests in the underlying portfolio companies. During the year, Holdco 2 was dissolved with a view to rationalising the Group.

The Company has one class of ordinary shares which carry no rights to fixed income. Shareholders are entitled to all dividends paid by the Company and, on a winding up, provided the Company has satisfied all of its liabilities, the Shareholders are entitled to all of the surplus assets of the Company.

All shareholders have the same voting rights in respect of the share capital of the Company. Shareholders are entitled to attend and vote at general meetings of the Company and, on a poll, to one vote for each ordinary share held.

The rights and obligations to the ordinary shares are set out in the Company's articles of association which are available on the Company's website: www.greencoat-renewables.com.

Authority to Purchase Own Shares

The current authority of the Company to make market purchases of up to 14.99 per cent of its issued share capital expires at the conclusion of every AGM. A special resolution will be proposed at the forthcoming AGM seeking renewal of such authority until the next AGM (or 30 June 2021, whichever is earlier). The purchases will only be made for cash at prices below the estimated prevailing NAV per share and where the Board believes such purchases will result in an increase of the NAV per share. Any shares repurchased under this authority will either be cancelled or held in treasury at the discretion of the Board for future resale in appropriate market conditions.

The Directors believe that the renewal of the Company's authority to purchase shares, as detailed above, is in the best interests of shareholders as a whole and therefore recommend shareholders to vote in favour of the special resolution.

Discount Control

As part of the Company's discount control policies, the Board intends to propose a continuation vote by shareholders if the share price trades at a significant discount to NAV. If in any financial year, the shares have traded on average, at a discount in excess of 10 per cent or more to the NAV per share in any financial year, the

Directors' Report

continued

Discount Control (continued)

Board will propose a special resolution at the Company's next annual general meeting that the Company cease to continue in its present form. Notwithstanding this, the Board could consider buying back its own shares in the market if the share price is trading at a material discount to NAV, providing it is in the interests of the shareholders to do so.

Major Interests in Shares

Significant shareholdings as at 31 December 2019 are detailed below.

Shareholder	Ordinary shares held %	
	31 December 2019	
Irish Strategic Investment Fund	12.05	
Newton Investment Management	8.64	
FIL Investment International	5.78	
M&G Investment Management	4.69	
Investec Wealth & Investment	4.56	
Cantor Fitzgerald	4.13	
Foresight Group	3.83	
Schroder Investment Management	3.76	
Brewin Dolphin Ireland	3.73	
Irish Life Investment Managers	3.56	
Baillie Gifford & Co.	3.15	

Companies Act 2014 Disclosures

The Directors disclose the following information:

- the Company's capital structure is detailed in note 15 of the consolidated financial statements and all shareholders have the same voting rights in respect of the share capital of the Company. There are no restrictions on voting rights that the Company is aware of, nor any agreement between holders of securities that result in restrictions on the transfer of securities or on voting rights;
- there exist no securities carrying special rights with regard to the control of the Company;
- the Company does not have an employees' share scheme;
- the rules concerning the appointment and replacement of Directors are contained in the Company's Articles of Association and the Companies Act 2014;
- there exist no agreements to which the Company is party that may affect its control following a takeover bid; and

- there exist no agreements between the Company and its Directors providing for compensation for loss of office that may occur because of a takeover bid.

Key Performance Indicators

The Board believes that the key metrics detailed within the summary on page 2, which are typical for renewables infrastructure investment funds, will provide shareholders with sufficient information to assess how effectively the Group is meeting its objectives.

Ongoing Charges

	31 December 2019		31 December 2018	
	€000	%	€ 000	%
Management fee	5,221	1.00%	3,035	1.00%
Directors' fees	200	0.04%	200	0.07%
Ongoing expenses ⁽¹⁾	1,176	0.21%	1,054	0.34%
Total	6,597	1.25%	4,289	1.41%
Weighted Average NAV	524,558		309,667	

(1) Ongoing expenses do not include €31k (2018: €244k) of broken deal costs.

Based on the 31 December 2019 NAV of €650 million, the ongoing total management fee is 1.00 per cent. of NAV. Assuming no change in NAV, the 2020 ongoing charges ratio is expected to be 1.24 per cent.

The Investment Manager is not paid any performance or acquisition fees.

Directors' Indemnity

Directors' and Officers' liability insurance cover is in place in respect of the Directors. The Company's Articles of Association provide, subject to the provisions of Ireland and UK legislation, an indemnity for Directors in respect of costs which they may incur relating to the defence of any proceedings brought against them arising out of their positions as Directors, in which they are acquitted or judgement is given in their favour by the Court.

Except for such indemnity provisions in the Company's Articles of Association and in the Directors' letters of appointment, there are no qualifying third party indemnity provisions in force.

Corporate and Social Responsibility

Environmental, Social and Governance Matters

The Group currently invests in wind farms and the environmental benefits of renewable energy are widely known.

Although the non-executive Board has overall responsibility for the activities of the Company and its investments, the day-to-day management of the business is delegated to the Investment Manager. This includes responsibility for

Directors' Report

continued

Corporate and Social Responsibility (continued)

Environmental, Social and Governance Matters (continued)
ESG matters. The Investment Manager assesses how ESG should be managed and the Company has developed its ESG policy in accordance with the Investment Manager's ESG Framework, and the approach has two streams: pre-investment and ongoing management. The full ESG policy of the Company and its ESG report are available on the Company's website: www.greencoat-renewables.com.

The Group relies on the Investment Manager to apply appropriate policies to the investments the Group makes. The policies in place at the Investment Manager outline the Group's approach to responsible investing, as well as the environmental standards which it aims to meet. Responsible investing principles have been applied to each of the investments made.

These policies require the Group to make reasonable endeavours to procure the ongoing compliance of its portfolio companies with its policies on responsible investment.

The Investment Manager monitors compliance at the investment phase and reports on an ongoing basis to the Board.



Killhills

Global Greenhouse Gas Emissions

As the Group has outsourced operations to third parties, there are no significant greenhouse gas emissions to report from the operations of the Group.

In relation to the Group's investee companies, the level of greenhouse gas emissions arising from the low volume of electricity imports and from operation and maintenance activity is not considered material for disclosure purposes. Further, as the assets are renewable energy generators, they reduce carbon dioxide emissions on a net basis (at a rate of approximately 0.4tn CO₂ per MWh).

Employees and Officers of the Company

The Company does not have any employees but instead engages experienced third parties to operate the assets that it owns, therefore employee policies are not required. The Directors of the Company are listed on page 20.

Diversity

The Group's policy on diversity is detailed in the Corporate Governance Report on pages 32 to 37.

Principal Risks and Risk Management

In the normal course of business, each investee company has a rigorous risk management framework with a comprehensive risk register that is reviewed and updated regularly and approved by its board. The key risks to the performance of the Group, identified by the Board, are detailed below.

The Board maintains a risk matrix considering the risks affecting both the Group and the investee companies. This risk matrix is reviewed and updated annually to ensure that procedures are in place to identify, mitigate and minimise the impact of risks should they crystallise and to identify emerging risks and to determine whether any actions are required. This enables the Board to carry out a robust assessment of the risks facing the Group, including those principal risks that would threaten its business model, future performance, solvency or liquidity.

The risk appetite of the Group is considered in the light of the principal risks and their alignment with the Company's Investment Objective. The Board considers the risk appetite of the Group and the Company's adherence to the Investment Policy in the context of the regulatory environment taking into account, inter alia, gearing and financing risk, wind resource risk, the level of exposure to power prices as well as environmental and health and safety risks.

As it is not possible to eliminate risks completely, the purpose of the Group's risk management policies and procedures is not to eliminate risks, but to reduce them to ensure that the Group is adequately prepared to respond to such risks and to minimise any impact if the risk develops.

Directors' Report

continued

Principal Risks and Risk Management (continued)

The spread of assets within the portfolio ensures that the portfolio benefits from a diversified wind resource and spreads the exposure to a number of potential technical risks associated with grid connections and with local distribution and national transmission networks. In addition, the portfolio includes 4 different turbine manufacturers, which diversifies technology and maintenance risks. Finally, each site contains a number of individual turbines, the performance of which is largely independent of other turbines.

Risks Affecting the Group

Investment Manager

The ability of the Group to achieve its investment objective depends heavily on the experience of the management team within the Investment Manager and more generally on the Investment Manager's ability to attract and retain suitable staff. The sustained growth of the Group depends upon the ability of the Investment Manager to identify, select and execute further investments which offer the potential for satisfactory returns.

The Investment Management Agreement includes key man provisions which would require the Investment Manager to employ alternative staff with similar experience relating to investment, ownership, financing and management of renewable energy projects should, for any reason, any key man cease to be employed by the Investment Manager. The Investment Management Agreement ensures that no investments are made following the loss of key men until suitable replacements are found and there are provisions for a reduction in the investment management fee during the loss period. It also outlines the process for their replacement with the Board's approval. The key men are also shareholders in the Company.

Regulatory and Brexit Risk

The Investment Manager is the UK authorised AIFM of the Company, an Irish AIF. The Company has put in place contingency planning to cover different Brexit scenarios. Following recent guidance from the CBI and legal advice, the Company believes the AIFM will be able to continue to manage the AIF as a non-EU AIFM, although the AIFM will no longer be able to avail of the marketing passport under AIFMD and will need to rely on national private placement regimes.

The Board regularly discusses regulatory risks and the Investment Manager reports to it on AIFMD compliance matters. The Investment Manager also consults with its own, and the Company's legal adviser as well as the Company's NOMAD in relation to its plans to ensure that the Company can continue to be AIFMD compliant after Brexit.

If at any point the international community, or the EU, were to withdraw, reduce or change its support for the increased use of energy from renewable sources, including

generation of electricity from wind, for whatever reason, this may have a material adverse effect on the legislative basis for the supports for the promotion of the use of energy from renewable sources. If this reduces the value of the green benefits that wind energy generators are entitled to, it would have a material adverse effect on the Group.

Financing Risk

The Group will finance further investments either by borrowing or by issuing further shares. The ability of the Group to deliver enhanced returns and consequently to realise expected NAV growth is dependent on access to debt facilities and equity capital markets. There can be no assurance that the Group will be able to borrow additional amounts or refinance on reasonable terms or that there will be a market for further shares.

Investment Returns Become Unattractive

A significantly strengthening economy may lead to higher future interest rates which could make the listed infrastructure asset class relatively less attractive to investors. A rise in real interest rates could have a material impact on the share price. As most of the revenues and costs of the investee companies are either indexed or correlated to CPI inflation, the Investment Manager believes this provides a degree of mitigation against a rise in interest rates due to inflation.

Risks Affecting Investee Companies

Regulation

As the renewable energy market has matured and costs of new capacity have reduced, member states have generally revised their supports for the sector to reduce the benefits available to new renewable power generation projects. However, in order to maintain investor confidence, Ireland (and other relevant countries) have to date largely ensured that benefits already granted to operating renewable energy generation projects (which the Group is invested in) are exempt from future regulatory change adversely affecting those benefits.

If these policies were to change, such that subsidy supports presently available to the renewable energy sector were to be reduced or discontinued, it could have a material adverse effect on the business, financial position, results of operations and future growth prospects of the Group, as well as returns to investors.

Electricity Prices

A number of factors could cause a decline in the market price of electricity which could adversely affect the portfolio companies' revenue and financial condition. Similarly, a decline in the costs of other sources of electricity generation, such as fossil fuels or nuclear power, could reduce the wholesale price of electricity and thus the price achieved for electricity generated by wind farms. At present, the Group does not hedge its sales of electricity generated.

Directors' Report

continued

Risks Affecting Investee Companies (continued)

Electricity Prices (continued)

Since 1995, Ireland has provided operating wind farms with a supportive regulatory framework (REFIT 1 and REFIT 2) offering an inflation-linked floor price up to 15 years, while allowing wind farms to capture prices above the floor. Under REFIT, wind farms are provided with pricing certainty and no downside exposure to electricity price as the REFIT price is c.€80/MWh whereas the 2019 Irish wholesale electricity price was c.€50/MWh.

When operating outside of REFIT (at the latest December 2027 for REFIT 1 or December 2030 for REFIT 2 contracted wind farms), the Group may trade in the relevant electricity market on a merchant basis and its financial performance would be therefore subject to the wholesale power price prevalent at the time. In general, independent forecasters expect Irish wholesale power prices to rise in real terms from current levels, driven by higher gas and carbon prices. A difference in the achieved wholesale price of electricity to that which is expected could have a material adverse effect on the business, financial position, results of operation and future growth prospects of the Group, as well as returns to investors.

Wind Resource

The investee companies' revenues are dependent upon wind conditions, which will vary across seasons and years within statistical parameters. The standard deviation of energy production is 10 per cent over a 12 month period (2 per cent over 25 years). Since long term variability is low, there is no significant diversification benefit to be gained from geographical diversification across weather systems.

The Group does not have any control over the wind resource and has designed its dividend policy such that it can withstand significant short-term variability in production relating to wind. Before investment, the Group carries out extensive due diligence and relevant historical wind data is available over a period of time. The other component of wind energy generation, a wind farm's ability to turn wind into energy, is mitigated by generally purchasing wind farms with a proven operating track record.

When acquiring wind farms that have only recently entered into operation, only limited operational data is available. In these instances, the acquisition agreements with the vendors of these wind farms may include a "wind energy true-up" which would apply once at least one year's operational data has become available or the acquisition price would be adjusted to reflect wind uncertainty. Under this true-up, the net load factor will be reforecast based on all available data and the purchase price will be adjusted, subject to de minimis thresholds and caps.

Asset Life

In the event that the wind turbines do not operate for the period of time assumed by the Group in its business model or require higher than expected maintenance expenditure

to do so, it could have a material adverse effect on investment returns.

The Group performs regular reviews and ensures that maintenance is performed on all turbines across the wind farm portfolio. Regular maintenance ensures the wind turbines are in good working order, consistent with their expected life-spans.

Market Structure Change (I-SEM)

The island of Ireland previously had a wholesale electricity market, the SEM, which was a gross mandatory pool market, centrally dispatched, where the licensed transmission system operators were responsible for forecasting wind and demand. As a consequence, wind generators were not "balance responsible". The regulatory authorities in Ireland and Northern Ireland have developed a new integrated single electricity market, I-SEM, which aligns SEM with electricity markets across Europe. This market went live in October 2018 with one of the material changes that it introduces "balance responsibility" for wind generators. The implication of being balanced responsible is that it introduces a potential cost to the wind operators. The Group has contracted a third party service provider with relevant experience to manage this risk.

It is not known what effect, if any, Brexit will have on the operation of I-SEM. An adverse effect on I-SEM or the way in which it might be developed as a result of Brexit could have a material adverse effect on the business, financial position, results of operations and future growth prospects of the Company, as well as returns to investors

Health and Safety and the Environment

The physical location, operation and maintenance of wind farms may, if inappropriately assessed and managed, pose health and safety risks to those involved. Wind farm operation and maintenance may result in physical injury or industrial accidents, particularly if an individual were to fall from height or be electrocuted. If an accident were to occur in relation to one or more of the Group's investments and if the Group were deemed to be at fault, the Group could be liable for damages or compensation to the extent such loss is not covered by insurance policies. In addition, adverse publicity or reputational damage could ensue.

The Board reviews health and safety at each of its scheduled Board meetings and Kevin McNamara serves as the appointed Health and Safety Director. The Group engages an independent health and safety consultant to ensure the ongoing appropriateness of its health and safety policies.

Wind farms have the potential to cause environmental hazards or nuisances to their local human populations, flora and fauna and the surrounding natural environment. Wind farms can receive complaints relating to specific environmental issues, or compliance with planning consents and other relevant permits. Separately, the planning

Directors' Report

continued

Risks Affecting Investee Companies (continued)

Health and Safety and the Environment (continued)

regulations in Ireland historically included a planning exemption for underground grid connections. There have been challenges to the basis on which this exemption has been determined and there is currently uncertainty around how the industry will resolve this challenge. The Group continues to monitor any development, taking legal advice where necessary, and addresses these as and when required.

Going Concern and Financial Risk

The Group's business activities, together with the factors likely to affect its future development, performance and position, are set out in the Investment Manager's Report. The Group faces a number of risks and uncertainties, as set out above. Details of the financial instruments used, along with the financial risk management objectives and policies of the Group, including exposure to price risk, interest rate risk, credit risk and liquidity risk are discussed in note 18 to the consolidated financial statements.

The Group continues to meet day-to-day liquidity needs through its cash resources.

As at 31 December 2019, the Group had net current liabilities of €200.1 million (2018: €1.4 million) and had cash balances of €6.0 million (2018: €3.0 million). This excludes cash balances within investee companies of €28.5 million (2018: €38.2 million), which are sufficient to meet current obligations as they fall due. The significant net current liabilities position of the Group at 31 December 2019 is due to the Group's revolving credit facility coming due for renewal in December 2020 (within 12 months of the year end) and therefore being classified as a current liability. The Group expects to refinance the revolving credit facility during 2020. The major cash outflows of the Group are payment of dividends and costs relating to the acquisition of new assets, both of which are discretionary.

The Group had €206.0 million (2018: €362.0 million) of amounts drawn under its revolving credit facility as at 31 December 2019. The Group has and is expected to continue to comply with the covenants of its banking facilities going forward.

The Directors have reviewed Group forecasts and projections which cover a period of not less than 12 months from the date of this report, taking into account foreseeable changes in investment and trading performance, which show that the Group has sufficient financial resources.

On the basis of this review, and after making due enquiries, the Directors have a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the consolidated financial statements.

Disclosure of Information to Independent Auditor

The Directors believe that they have taken all steps necessary to make themselves aware of any relevant audit information and have established that the Group's statutory Auditors are aware of that information. In so far as they are aware at the time that this report was approved, there is no relevant audit information of which the Group's statutory Auditors are unaware.

Independent Auditor

BDO, Statutory Audit Firm, have expressed their willingness to continue in office in accordance with Section 383 (2) of the Companies Act, 2014.

The Directors will propose the reappointment of BDO as the Company's Auditor and resolutions concerning this and the remuneration of the Company's Auditor will be proposed at the AGM.

Audit Committee

Pursuant to the Company's Articles of Association the Board had established an Audit Committee that in all material respects meets the requirements of Section 167 of the Companies Act 2014. The Audit Committee was fully constituted and active during the year ended 31 December 2019. For more information, see the Audit Committee Report on pages 38 to 41.

Annual Accounts

The Board is of the opinion that the Annual Report, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the performance, strategy and business model of the Company.

The Directors recommend that the Annual Report, the Directors' Report and the Independent Auditor's Report for the year ended 31 December 2019 are received and adopted by the shareholders and a resolution concerning this will be proposed at the AGM.

Accounting Records

The Directors believe they have complied with the requirements of Section 281 to Section 285 of the Companies Act, 2014 with regard to accounting records by employing accounting personnel with the appropriate expertise and by providing adequate resources to the financial function. The accounting records of the Company are maintained by Northern Trust International Fund Administration Services (Ireland) Limited at Georges Court, 54-62 Townsend Street, Dublin 2, Ireland.

Subsequent Events

Significant subsequent events have been disclosed in note 21 to the consolidated financial statements.

Corporate Governance

The Corporate Governance Report on pages 32 to 37 form part of this report.

Directors' Report

continued

Directors and Company Secretary

The following Directors held office as at 31 December 2019:

Directors

Rónán Murphy (non-executive Chairman)
Emer Gilvarry (non-executive Director)
Kevin McNamara (non-executive Director)

Company Secretary

Estera Administration (UK) Limited

The biographical details of the Directors are set out on page 20 of this Annual Report.

Changes in Directors during the year

There were no changes to directors during the year.

Directors' Interests in Shares in the Company

Directors' interests in Company shares as at 31 December 2019 are detailed below.

Shareholder	Ordinary shares of €0.01 each held as at 31 December 2019	Ordinary shares of €0.01 each held as at 31 December 2018
Rónán Murphy	170,571	124,752
Kevin McNamara	68,327	50,000
Emer Gilvarry	67,832	49,505

The Company does not have any share option schemes in place.

Dividend

The Board has recommended a total aggregate dividend of €9,506,589, equivalent to 1.5075 cent per share with respect to the 3 month period ended 31 December 2019.

Political Donations

No political donations were made during the year ended 31 December 2019.

Longer Term Viability

As further disclosed on page 32, the Company is a member of the AIC and complies with the AIC Code. In accordance with the AIC Code, the Directors are required to assess the prospects of the Group over a period longer than the 12 months associated with going concern. The Directors conducted this review for a period of 10 years, which it deemed appropriate, given the long-term nature of the Group's investments, which are modelled over 30 years, coupled with its long-term strategic planning horizon.

In considering the prospects of the Group, the Directors looked at the key risks facing both the Group and the investee companies as detailed on pages 24 to 27, focusing on the likelihood and impact of each risk as well as any key contracts, future events or timescales that may be assigned to each key risk.

As a sector-focused infrastructure fund, the Group aims to produce stable and progressive dividends while preserving the capital value of its investment portfolio on a real basis. The Directors believe that the Group is well placed to manage its business risks successfully over both the short and long term and accordingly, the Board has a reasonable expectation that the Group will be able to continue in operation and to meet its liabilities as they fall due for a period of at least 10 years.

While the Directors have no reason to believe that the Group will not be viable over a longer period, they are conscious that it would be difficult to foresee the economic viability of any company with any degree of certainty for a period of time greater than 10 years.

Directors' Compliance Statement

The Directors, in accordance with Section 225(2)(a) of the Companies Act 2014, acknowledge that they are responsible for securing the Company's compliance with its "relevant obligations". "Relevant obligations" in the context for the Company, are the Company's obligations under:

- The Companies Act 2014, where a breach of the obligations would be a category 1 or category 2 offence.
- The Companies Act 2014, where a breach of the obligations would be a serious Market Abuse or Prospectus offence.
- tax law.

Pursuant to Section 225(2)(b) of the Companies Act 2014, the Directors confirm that:

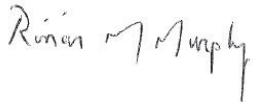
- a compliance policy statement has been drawn up by the Company in accordance with Section 225(3)(a) of the Companies Act 2014 setting out the Company's policies (that, in the directors' opinion, are appropriate to the Company) regarding compliance by the Company with its relevant obligations.
- appropriate arrangements and structures that in their opinion, are designed to secure material compliance with the Company's relevant obligations, have been put in place; and
- a review has been conducted, during the financial year, of the arrangements and structures referred to above.

Directors' Report

continued

Directors' Compliance Statement (continued)

By order of the Board



Rónán Murphy
Director

1 March 2020



Kevin McNamara
Director

1 March 2020



Knockacummer

Directors' Remuneration Report

This report has been prepared by the Directors in accordance with the requirements of the Companies Act 2014. A resolution to consider the Directors' Remuneration Report will be proposed at the AGM.

The Company's Auditor is required to give their opinion on the information provided on Directors' remuneration and this is explained further in its report to shareholders on pages 42 to 44. The remainder of this report is outside the scope of the external audit.

Annual Statement from the Chairman of the Board

The Board, which is profiled on page 20, consists solely of non-executive Directors and is considered to be entirely independent. The Board considers at least annually the level of the Board's fees, in accordance with the AIC Code.

Remuneration Policy

As at the date of this report, the Board comprised 4 Directors, all of whom are non-executive. The Company has established a Remuneration Committee which comprises all of the Directors and the Chair is Emer Gilvarry.

Each of the Directors was appointed to the Remuneration Committee with effect to the date of their appointment. The Committee shall meet at such times as the Committee Chairman shall require.

Each Director receives a fixed fee per annum based on their roles and responsibility within the Company and the time commitment required. It is not considered appropriate that Directors' remuneration should be performance related and none of the Directors are eligible for pension benefits, share options, long-term incentive schemes or other benefits in respect of their services as non-executive Directors of the Company. The total remuneration of non-executive Directors has not exceeded the limit set out in the Articles of Association of the Company.

The Company's Articles of Association empower the Board to award a discretionary bonus where any Director has been engaged in exceptional work on a time spent basis to compensate for the additional time spent over their expected time commitment.

The Articles of Association provide that Directors retire and offer themselves for re-election at the first AGM after their appointment and at least every 3 years thereafter. In accordance with corporate governance best practice, all of the Directors have opted to offer themselves for re-election on an annual basis.

All of the Directors have been provided with letters of appointment which stipulate that their initial term shall be for 3 years, subject to re-election.

A Director's appointment may at any time be terminated by and at the discretion of either party upon 6 months' written notice. A Director's appointment will automatically

end without any right to compensation whatsoever if they are not re-elected by the Shareholders. A Director's appointment may also be terminated with immediate effect and without compensation in certain other circumstances.

The terms and conditions of appointment of non-executive Directors are available for inspection from the Company's registered office.

The Directors do not envisage any changes to the remuneration policy in the next accounting period.

Annual Report on Remuneration

The table below (audited information) shows all remuneration earned by each individual Director during the year:

	Date of Appointment	Directors' fees per annum	Paid in year ended 31 December 2019	Paid in year ended 31 December 2018
Rónán Murphy (chairman)	16 June 2017	€100,000	€100,000	€100,000
Kevin McNamara	16 June 2017	€50,000	€50,000	€50,000
Emer Gilvarry	16 June 2017	€50,000	€50,000	€50,000
Total			€200,000	€200,000

None of the Directors received any other remuneration or additional discretionary payments during the year from the Company.

On behalf of the Board,



Emer Gilvarry

Chair of the Remuneration Committee

1 March 2020

Statement of Directors' Responsibilities

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

Irish company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors are required to prepare the Group financial statements and have elected to prepare the Company financial statements in accordance with IFRS as adopted by the EU. Under company law the Directors must not approve the consolidated financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Company and of the profit or loss of the Group for that period.

In preparing these consolidated financial statements, the Directors are required to:

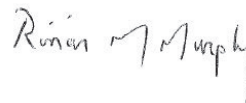
- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with IFRS as adopted by the EU, subject to any material departures disclosed and explained in the consolidated financial statements;
- prepare the consolidated financial statements on the going concern basis unless it is inappropriate to presume that the Company and the Group will continue in business;

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the consolidated financial statements comply with the Companies Act 2014 and, as regards the Group financial statements, Article 4 of the IAS Regulation. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The Directors are responsible for ensuring that the Annual Report, taken as a whole, is fair, balanced, and understandable and provides the information necessary for shareholders to assess the Group's performance, business model and strategy.

Website Publication

The Directors are responsible for ensuring the Annual Report and the consolidated financial statements are made available on a website. Financial statements are published on the Company's website in accordance with legislation in Ireland and the UK governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Company's website is the responsibility of the Directors. The Directors' responsibilities also extend to the ongoing integrity of the consolidated financial statements contained therein.

On behalf of the Board,



Rónán Murphy
Director

1 March 2020



Kevin McNamara
Director

1 March 2020

Corporate Governance Report

This Corporate Governance Report forms part of the Report of the Directors as further disclosed on pages 22 to 29.

Corporate Governance Framework

The Company is committed to high standards of corporate governance and the Board is responsible for ensuring those high standards are achieved. Companies admitted to trading on AIM or Euronext Growth Market are not required to comply with the UK Code or Irish Annex, however they are required to disclose the corporate governance code which they have decided to apply. For the year ended 31 December 2019, the Company was a member of the AIC and adopted the AIC Code. The AIC Code provides boards with a framework of best practice in respect of the governance of investment companies. While the Company is not an "investment company" under the Companies Act, the Company shares key important characteristics with such companies e.g. it has no employees and the tasks of portfolio management and risk management are delegated to the Investment Manager. The FRC has confirmed that investment companies who report against the AIC Code and follow its requirements will also be meeting their obligations under the UK Code and the Irish Annex. The Board considers that reporting against the principles and recommendations of the AIC Code, by reference to the AIC Guide, provides better information to Shareholders. A summary of the Company's compliance with the AIC code is provided on the Company's website.

The text of the AIC Code and the AIC Guide are available on the AIC's website, www.theaic.co.uk. The UK Code is available on the FRC's website, www.frc.org.uk.

Statement of Compliance

The Board confirms that the Company has complied with the AIC Code during the year ended 31 December 2019.

Purpose, Culture and Values

The Company's purpose remains clear; to provide shareholders with an annual dividend that increases progressively whilst growing the capital value of its investment portfolio in the long term on a real basis through reinvestment of excess cash flow and the prudent use of leverage.

During the year, the Board discussed the Company's culture and values. As an investment trust with no employees, it was agreed that the culture and values of the Board should be aligned with those of the Investment Manager and centred on long term relationships with the Company's key stakeholders and sustainable investment as follows.

- **integrity** is at the heart of every activity, with the importance of being transparent, trustworthy and dependable being well understood.
- the **trust** of stakeholders is key to maintaining the Company's high reputation, in particular with regard

to execution certainty for asset sellers and delivery of investment promises to investors.

- **respect** for differing opinions is to be shown across all conversation and communication.
- individual **empowerment** is sought with growth in responsibility and autonomy being actively encouraged.
- **collaboration** and effectively utilising the collective skills of all participants is important to ensure ideas and information are best shared.

The Board

As at the date of this report, the Board comprises of 4 non-executive Directors, all of whom, are considered to be independent of the Investment Manager and free from any business or other relationship that could materially interfere with the exercise of their independent judgement.

The Board appointed Marco Graziano as Director of the Company with effect from 30 January 2020. Mr Graziano was introduced to the Company by the independent search firm, Korn Ferry. The Board felt it was beneficial to the growth and development of the Company to enhance the Board's breadth of experience and skillset, particularly in advance of the Group looking to invest in European jurisdictions, as well as enhance the diversity of the Board.

Directors' details are detailed on page 20, which sets out the range of investment, financial and business skills and experience represented.

Director Re-election and Appointment

The Articles of Association provide that Directors shall retire and offer themselves for re-election at the first AGM after their appointment and at least every 3 years thereafter. Any Director, who has held office with the Company for three consecutive 3 year terms shall retire from office. This will allow for phased Board appointments and retirements and enable the Board to consider whether there is any risk that such Director might reasonably be deemed to have lost independence through such long service.

However, all of the Directors, in accordance with best practice, have opted to offer themselves for re-election on an annual basis. Having considered their effectiveness, demonstration of commitment to the role, attendance at meetings and contribution to the Board's deliberations, the Board approves the nomination for re-election of all Directors.

The terms and conditions of appointment of non-executive Directors are available for inspection from the Company's registered office.

Corporate Governance Report

continued

The Chairman

The Chairman's primary responsibility is to lead the Board and to ensure its effectiveness both collectively and individually. The Chairman of the Board is Rónán Murphy. In considering the independence of the Chairman, the Board took note of the provisions of the AIC Code relating to independence and has determined that Mr. Murphy is an Independent Director. The Company has no employees and therefore there is no requirement for a chief executive.

Senior Independent Director

During the year, Emer Gilvarry was appointed as Senior Independent Director, which involves working closely with the Chairman and providing support where required, holding annual meetings with the other non-executive directors to appraise the performance of the Chairman and be available to shareholders if they have any reason for concern.

Diversity Policy and Independence

The Board has a policy to base appointments on merit and against objective criteria, with due regard for the benefits of diversity, including gender diversity. Its objective is to attract and maintain a Board that, as a whole, comprises an appropriate balance of skills and experience.

The Board consists of individuals from relevant and complementary backgrounds offering experience on boards of listed companies, in financial and legal services as well as in the energy sector. As at the date of this report, the Board comprised 3 men and 1 woman, all non-executive Directors who are considered to be independent of the Investment Manager and free from any business or other relationship that could materially interfere with the exercise of their independent judgement.

During the year, the Nominations Committee engaged search firm Korn Ferry to assist the Board in the appointment of a new non-executive Director. This process resulted in the appointment of Marco Graziano with effect from 30 January 2020.

The Investment Manager operates an equal opportunities policy and its partners and employees comprised 36 men and 14 women.

Board Responsibilities

The Board will meet, on average, 4 times in each calendar year for scheduled quarterly Board meetings and on an ad hoc basis where necessary. At each meeting, the Board follows a formal agenda that will cover the business to be discussed including, but not limited to, strategy, performance and the framework of internal controls, as well as review of its own performance and composition. Between meetings there is regular contact with the Investment Manager. The Board requires to be supplied, in a timely manner, with information by the Investment Manager, the Administrator, the Depositary and other

advisers in a form and of a quality appropriate to enable it to discharge its duties.

The Board is responsible for the determination of the Company's Investment Objective and Policy and has overall responsibility for the Company's activities. The Company has entered into the Investment Management Agreement with the Investment Manager pursuant to which the Investment Manager is responsible for the day-to-day management of the Company.

The Board also has responsibility for ensuring that the Company keeps proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and which enable it to ensure that the financial statements comply with applicable regulation. It is the Board's responsibility to present a fair, balanced and understandable Annual Report, which provides the information necessary for shareholders to assess the performance, strategy and business model of the Company. This responsibility extends to the interim and other price-sensitive public reports.

The Board has established procedures which provide a reasonable basis for the Directors to make proper judgement on an ongoing basis as to the financial position and prospects of the Company.

The Investment Manager will at all times act within the parameters set out in the Investment Policy. The Investment Manager reports to the Board and keeps the Board apprised of material developments on an ongoing basis.

The Investment Manager is responsible for, among other things:

- management of the Portfolio and further investments;
- identifying, evaluating and executing possible further investments;
- risk management;
- reporting to the Board;
- calculating and publishing NAV, with the assistance of the Administrator;
- assisting the Company in complying with its ongoing obligations as a company whose shares are admitted to trading on AIM and Euronext Growth Market; and
- directing, managing, supervising and co-ordinating the Company's third-party service providers, including the Depositary and the Administrator, in accordance with industry best practice.

The Board has the ability to specify from time to time specific matters that require prior Board approval ("Reserved Matters") or specific matters that it believes ought to be

Corporate Governance Report

continued

Board Responsibilities (continued)

brought to the Board's attention as part of the general reporting process between the Investment Manager and the Board. The initial list of Reserved Matters specified by the Board includes entry into markets other than those located in the Republic of Ireland, entry into transactions other than those involving operational onshore wind assets, entry into any acquisitions increasing GAV by more than 50% and entry into material new financing facilities.

The Investment Manager shall, once every calendar quarter, submit to the Board a report of activities, investments and performance of the Company, including progress of all investments, details of the pipeline of acquisitions and any disposals and, in addition, shall promptly report to the Board any other information which could reasonably be considered to be material.

Committees of the Board

The Company's Audit Committee is chaired by Kevin McNamara and consists of a minimum of 2 members. Emer Gilvarry and Marco Graziano are the other members of the Audit Committee as the date of this report. In accordance with best practice, the Company's Chairman is not a member of the Audit Committee, however he does attend Audit Committee meetings as and when deemed appropriate. The Audit Committee Report which is on pages 38 to 41 of this report describes the work of the Audit Committee.

The Company has established a Management Engagement Committee, which comprises all the Directors and the Chair is Rónán Murphy. The Management Engagement Committee's main function is to keep under review the performance of the Investment Manager and review and make recommendations on any proposed amendment to the Investment Management Agreement. The Management Engagement Committee will also perform a review of the performance of other key service providers to the Group. The Management Engagement Committee will meet at least once a year.

In accordance with the AIC Code, the Company has also set up Remuneration and Nomination Committees. The Remuneration Committee comprises of all the Directors and the Chair is Emer Gilvarry. The Remuneration Committee's main functions are to determine and agree the Board policy for the remuneration of the Directors and review and consider any additional ad hoc payments in relation to duties undertaken over and above normal business. The Remuneration Committee will meet at least once a year.

The Nomination Committee comprises all of the Directors and the Chair is Rónán Murphy. The Nomination Committee's main function is to review the structure, size and composition of the Board regularly and to consider succession planning for Directors. The Nomination

Committee will meet at least once a year. The committee worked closely with the search firm Korn Ferry to identify candidates who displayed the relevant skills and experience, while also seeking to increase diversity on the Board. This process resulted in the appointment of Marco Graziano to the Board.

Terms of reference for the Management Engagement, Nominations and Remuneration Committees have been approved by the Board and are available on the Company's website.

Board Meetings, Committee Meetings and Directors' Attendance

A schedule of Board and Audit Committee meetings is circulated to the Board one year ahead including the key agenda items for each meeting. Other Committees meetings are arranged as and when required. The number of meetings of the full Board of the Company attended in the year to 31 December 2019 by each Director is set out below:

2019	Scheduled Board Meetings (Total of 6)	Additional Board Meetings (Total of 10)
Rónán Murphy	6	9
Emer Gilvarry	6	10
Kevin McNamara	6	10
Marco Graziano ⁽¹⁾	n/a	n/a

⁽¹⁾ Appointed with effect from 30 January 2020.

During the year, there were also 10 meetings of sub-committees of the Board. The number of meetings of the Committees attended in the year by each Committee member is set out below.

2019	Audit Committee Meetings (Total of 4)	Management Engagement Committee Meetings (Total of 2)	Nomination Committee Meetings (Total of 3)	Remuneration Committee Meetings (Total of 1)
Rónán Murphy	4	2	3	1
Emer Gilvarry	4	2	3	1
Kevin McNamara	4	2	3	1
Marco Graziano ⁽¹⁾	n/a	n/a	n/a	n/a

⁽¹⁾ Appointed with effect from 30 January 2020.

Corporate Governance Report

continued

Board Performance and Evaluation

Regarding performance and evaluation pursuant to Provision 26 of the AIC Code, the Board undertakes a formal and rigorous evaluation of its performance each financial year.

Each individual Directors' training and development needs are reviewed annually. All new Directors receive an induction, including being provided with information about the Company and their responsibilities and meetings with the Investment Manager. In addition, each Director will visit operational sites and specific Board training days are arranged involving presentations on relevant topics.

Directors' Indemnity

Directors' and Officers' liability insurance cover is in place in respect of the Directors. The Company's articles of association provide, subject to the provisions of Ireland and UK legislation, an indemnity for Directors in respect of costs which they may incur relating to the defence of any proceedings brought against them arising out of their positions as Directors, in which they are acquitted or judgement is given in their favour by the Court.

Except for such indemnity provisions in the Company's articles of association and in the Directors' letters of appointment, there are no qualifying third party indemnity provisions in force.

The Investment Manager

The Board has entered into the Investment Management Agreement with the Investment Manager under which the Investment Manager is responsible for developing strategy and the day-to-day management of the Group's investment portfolio, in accordance with the Group's investment objective and policy, subject to the overall supervision of the Board. A summary of the fees paid to the Investment Manager are given in note 3 to the financial statements.

The Investment Manager's appointment is for an initial term of 5 years from the admission date (25 July 2017). The Investment Management Agreement may be terminated by either party on the conclusion of the initial term provided the party purporting to terminate provides not less than 12 months prior written notice of its intention to terminate the agreement. The Investment Management Agreement may be terminated with immediate effect and without compensation, by either the Investment Manager or the Company if the other party has gone into liquidation, administration or receivership or has committed a material breach of the Investment Management Agreement.

Risk Management and Internal Control

The Board is responsible for the Company's system of internal control and for reviewing its effectiveness. The Board confirms that it has an ongoing process for identifying, evaluating and managing the significant risks

faced by the Company. This process has been in place throughout the year and has continued since the year end.

The Company's principal risks and uncertainties are detailed on pages 24 to 27 of this report. As further explained in the Audit Committee Report, the risks of the Company are outlined in a risk matrix which was reviewed and updated during the year. The Board continually reviews its policy setting and updates the risk matrix annually to ensure that procedures are in place with the intention of identifying, mitigating and minimising the impact of risks should they crystallise. The Board relies on reports periodically provided by the Investment Manager, the Depositary and the Administrator regarding risks that the Company faces. When required, experts are employed to gather information, including tax and legal advisers. The Board also regularly monitors the investment environment and the management of the Company's portfolio, and applies the principles detailed in the internal control guidance issued by the FRC. The principal features of the internal control systems which the Investment Manager and the Administrator have in place in respect of the Group's financial reporting include:

- internal reviews of all financial reports;
- review by the Board of financial information prior to its publication; and
- authorisation limits over expenditure incurred by the Group;

Information and Support

The Board can seek independent professional advice on a matter, at the Company's expense, where they judge it necessary to discharge their responsibilities as Directors. The Committees of the Board are provided with sufficient resources to undertake their duties. The Directors have access to the services of the Company Secretary who is responsible for ensuring that Board procedures are followed.

Whistleblowing

The Board has considered the arrangements by which staff of the Investment Manager or Administrator may, in confidence, raise concerns within their respective organisations about possible improprieties in matters of financial reporting or other matters. It has concluded that adequate arrangements are in place for the proportionate and independent investigation of such matters and, where necessary, for appropriate follow-up action to be taken within their organisation.

Amendment of Articles of Association

The Company's Articles of Association may be amended by the members of the Company by special resolution (requiring a majority of at least 75 per cent of the persons voting on the relevant resolution).

Corporate Governance Report

continued

General Meetings

The Company shall hold in each year a general meeting as its annual general meeting in addition to any other meeting in that year and shall specify the meeting as such in the notice calling it. All general meetings other than annual general meetings shall be called extraordinary general meetings. The Directors may convene general meetings. Extraordinary general meetings may also be convened on such requisition, or in default, may be convened by such requisitionists as provided by the Companies Act 2014.

All business shall be deemed special that is transacted at an extraordinary general meeting. All business that is transacted at an annual general meeting shall also be deemed special, with the exception of the consideration of the Company's statutory financial statements and reports of the Directors and Auditors, the review by the members of the Company's affairs, the appointment of Directors in the place of those retiring (whether by rotation or otherwise), the appointment and re-appointment of the Auditors and the fixing of the remuneration of the Auditors.

Every member entitled to attend and vote at a general meeting may appoint a proxy to attend, speak and vote on his or her behalf provided, however, that a member may appoint more than one proxy provided that each proxy is appointed to exercise the rights attached to shares held in different securities accounts. The holders of ordinary shares have the right to receive notice of and attend and vote at all general meetings of the Company and they are entitled, on a poll or a show of hands, to one vote for every ordinary share they hold.

Votes may be given either personally or by proxy. Subject to any rights or restrictions for the time being attached to any class or classes of shares and subject to any suspension or abrogation of rights pursuant to the Articles, on a show of hands every member present in person and every proxy shall have one vote, so, however, that no individual shall have more than one vote, and on a poll every member shall have one vote for every share carrying rights of which he is the holder. On a poll a member entitled to more than one vote need not cast all his votes or cast all the votes he uses in the same way.

Engagement with Stakeholders

The Directors are responsible for acting in a way that they consider, in good faith, is the most likely to promote the success of the Company for the benefit of its members. In doing so, they should have regard for the needs of stakeholders and the wider society. The Company's objective is to provide investors with an annual dividend that increases progressively while preserving the capital value of its investment portfolio in the long term through reinvestment of excess cashflow and the prudent use of portfolio leverage.

Key decisions are those that are either material to the Company or are significant to any of the Company's key stakeholders. The below key decisions were made during the year, with the overall aim of promoting the success of the Company while considering the impact on its members and wider stakeholders.

Dividends

The Board has approved total dividends of 6.03 cent per share with the respect to the year. The Board are confident that with the Company's continuing strong cashflow and robust dividend cover, the Company can target a dividend of 6.06 cent per share for 2020, which the Board expect to contribute to the Company's target return to investors of an IRR in excess of 7 per cent, net of fees and expenses.

Acquisitions

During the year, the Company acquired 3 new wind farms, and invested in an increased interest in an existing wind farm in the Portfolio. The Board and the Investment Manager considered each investment in the context of the Company's Investment Policy, availability of financing and the potential returns to investors.

Share Issues

During the year, the Company issued 251 million further shares, raising €273 million, through 2 oversubscribed share placings. The Investment Manager engaged with analysts and investors throughout each share issuance process.

The Company is committed to maintaining good communications and building positive relationships with all stakeholders, including shareholders, debt providers, analysts, potential investors, suppliers and the wider communities in which the Group and its investee companies operate. This includes regular engagement with the Company's shareholders and other stakeholders by the Board, the Investment Manager and the Administrator. Regular feedback is provided to the Board to ensure they understand the views of stakeholders.

Relations with Shareholders

The Company welcomes the views of shareholders and places great importance on communication with its shareholders. The Investment Manager is available at all reasonable times to meet with principal shareholders and key sector analysts. The Chairman, the Senior Independent Director and other Directors are also available to meet with shareholders if required.

All shareholders have the opportunity to put questions to the Company at the registered address. The AGM of the Company will provide a forum for shareholders to meet and discuss issues with the Directors and Investment Manager.

Corporate Governance Report

continued

Relations with Shareholders (continued)

The Board receives comprehensive shareholder reports at all quarterly Board meetings and regularly monitors the views of shareholders and the shareholder profile of the Company. The Board is also kept fully informed of all relevant market commentary on the Company by the Investment Manager.

Relations with Other Stakeholders

The Company values its relationships with its debt providers. The Investment Manager ensures the Company continues to meet its debt covenants and reporting requirements.

The Investment Manager conducts presentations with analysts and investors to coincide with the announcement of the Company's annual and interim results, providing an opportunity for discussions and queries on the Company's activities, performance and key metrics. In addition to these semi-annual presentations, the Investment Manager meets regularly with analysts and investors to provide further updates with how the Company and the investment portfolio are performing.

The Directors and Investment Manager receive informal feedback from analysts and investors, which is presented to the Board by the Company's Euronext Growth Advisor, NOMAD and Broker. The Company Secretary also receives informal feedback via queries submitted through the Company's website and these are addressed by the Board, the Investment Manager or the Company Secretary, where applicable.

The Company recognises that relationships with suppliers are enhanced by prompt payment and the Company's Administrator ensures all payments are processed within the contractual terms agreed with the individual suppliers.

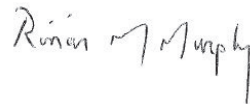
The Company, via its Investment Manager, has long-term important relationships with its operational site managers and turbine operations and maintenance managers and reviews performance, including health and safety, on a monthly basis. Representatives of the site manager and SPV Board directors, from the Investment Manager, visit all operational sites on a regular basis and carry out safety walks at least once a year on each site.

Similarly, environmental protection issues are reported on every month by the site managers and annual habitat management plans are agreed by each SPV board for all sites to ensure that the environment in and surrounding each wind farm is carefully protected.

The Directors recognise that the long-term success of the Company is linked to the success of the communities in which the Group, and its investee companies, operate. During the year, a number of community projects were supported by the Company's investment portfolio companies, further details of which can be found in the latest ESG report, available on the Company's website: www.greencoat-renewables.com.

Shareholders may also find Company information or contact the Company through its website.

On behalf of the Board,



Rónán Murphy
Director

1 March 2020



Lisdowney

Audit Committee Report

At the date of this report, the Audit Committee comprised of Kevin McNamara (Chairman), Emer Gilvarry, and Marco Graziano (with effect from 30 January 2020). The AIC Code has a requirement that at least one member of the Audit Committee should have recent and relevant financial experience and the Audit Committee as a whole shall have competence relevant to the sector. The Board is satisfied that the Audit Committee is properly constituted in these respects. The qualifications and experience of all Audit Committee members are disclosed on page 20 of this report.

The Audit Committee operates within clearly defined terms of reference which were reviewed during the financial year. The revised terms have been approved by the Board, and include all matters indicated by the AIC Code and are available for inspection on the Company's website: www.greencoat-renewables.com.

Audit Committee meetings are scheduled at appropriate times in the reporting and auditing cycle. The Chairman, other Directors and third parties may be invited to attend meetings as and when deemed appropriate.

Meetings

The Audit Committee met 4 times up to 31 December 2019. A breakdown of Director attendance is set out in the Corporate Governance Report on page 34. BDO attended 2 of the 4 formal Audit Committee meetings held during the year ended 31 December 2019.

Summary of the Role and Responsibilities of the Audit Committee

The duties of the Audit Committee include reviewing the Interim Report, Annual Report and financial statements and any formal announcements relating to the Company's financial performance.

The Audit Committee is the forum through which the external Auditor reports to the Board and is responsible for reviewing the terms of appointment of the Auditor, together with their remuneration. On an ongoing basis, the Audit Committee is responsible for reviewing the objectivity of the Auditor along with the effectiveness of the audit and the terms under which the Auditor is engaged to perform non-audit services (restricted to the limited scope review of the Interim Report). The Audit Committee is also responsible for reviewing the Company's corporate governance framework, system of internal controls and risk management, ensuring they are suitable for an investment company.

The Audit Committee reports its findings to the Board, identifying any matters on which it considers that action or improvement is needed, and make recommendations on the steps to be taken.

Overview

During the year, the Audit Committee's discussions have been broad ranging. In addition to the 4 formally convened Audit Committee meetings, during the year, the Audit Committee has had regular contact and meetings with the Investment Manager, and the Administrator. These meetings and discussions focused on, but were not limited to:

- reviewing the updated risk matrix of the Company;
- reviewing the Company's corporate governance framework;
- reviewing the internal controls framework for the Company, the Administrator and the Investment Manager, considering the need for a separate internal audit function;
- considering potential incidents of fraud and the Company's response thereto;
- considering the ongoing assessment of the Company as a going concern;
- considering the principal risks and period of assessment for the longer term viability of the Company;
- monitoring the ongoing appropriateness of the Company's status as an investment entity under IFRS 10, in particular following an acquisition;
- monitoring compliance with AIFMD, the AIC code and other regulatory and governance frameworks;
- reviewing and approving the audit plan in relation to the audit of the Company's Annual Report and financial statements;
- monitoring compliance with the Company's policy on the provision of non-audit services by the Auditor; and
- reviewing the effectiveness, resources, qualifications and independence of the Auditor.

Financial Reporting

The primary role of the Audit Committee in relation to financial reporting is to review, with the Investment Manager, the Administrator and the Auditor, the appropriateness of the Interim Report and Annual Report and financial statements, concentrating on, amongst other matters:

- the quality and acceptability of accounting policies and practices;
- the clarity of the disclosures and compliance with financial reporting standards and relevant financial and governance reporting requirements;
- amendments to legislation and corporate governance reporting requirements and accounting treatment of new transactions in the period;

Audit Committee Report

continued

Financial Reporting (continued)

- the impact of new and amended accounting standards on the Company's financial statements;
- whether the Audit Committee believes that proper and appropriate processes and procedures have been followed in the preparation of the Interim and Annual Report and financial statements;
- consideration and recommending to the Board for approval of the contents of the annual financial statements and reviewing the Auditors' report thereon including consideration of whether the consolidated financial statements are overall fair, balanced and understandable;
- material areas in which significant judgements have been applied or there has been discussion with the Auditor; and
- any correspondence from regulators in relation to the Company's financial reporting.

BDO attended 2 of the 4 formal Audit Committee meetings held during the year and have presented their audit findings to the Audit Committee. Matters typically discussed include the Auditor's assessment of the transparency and openness of interactions with the Investment Manager and the Administrator, confirmation that there has been no restriction in scope placed on them, the independence of their audit and how they have exercised professional scepticism.

Significant Issues

The Audit Committee discussed the planning, conduct and conclusions of the external audit as it proceeded. At the Audit Committee meeting in advance of the year end, the Audit Committee discussed and approved the Auditor's audit plan. The Audit Committee identified the fair value of investments as a key area of risk of misstatement in the Company's financial statements.

Assessment of the Fair Value of Investments

The Group's accounting policy is to designate investments at fair value through profit or loss. Therefore, the most significant risk in the Group's accounts is whether its investments are fairly valued due to the uncertainty involved in determining the investment valuations. There is also an inherent risk of management override as the Investment Manager's fee is calculated based on NAV as disclosed in note 3 to the consolidated financial statements. The Investment Manager is responsible for calculating the NAV with the assistance of the Administrator, in accordance with its valuation policy and is subject to the approval of its independent valuation committee.

On a quarterly basis, the Investment Manager provides a detailed analysis of the NAV highlighting any movements and assumption changes from the previous quarter's NAV. The Audit Committee considers and challenges this analysis and the rationale of any changes made. The Committee

has satisfied itself that the key estimates and assumptions used in the valuation model, which are disclosed in note 2 to the consolidated financial statements, are appropriate and that the investments have been fairly valued.

The key estimates and assumptions include the useful life of the assets, the discount factors, the level of wind resource, the rate of inflation, the price at which the power and associated benefits can be sold and the amount of electricity the assets are expected to produce.

Internal Control

The Audit Committee has established a set of ongoing processes designed to meet the particular needs of the Company in managing the risks to which it is exposed.

The process is one whereby the Investment Manager has identified the key risks to which the Company is exposed, and recorded them on a risk matrix together with the controls employed to mitigate these risks and has a process in place to identify emerging risks and to determine whether any actions are required. A residual risk rating has been applied to each risk. The Audit Committee is responsible for reviewing the risk matrix and associated controls before recommending to the Board for consideration and approval, challenging the Investment Manager's assumptions to ensure a robust internal risk management process.

The Audit Committee considers risk and strategy regularly, and formally reviewed the updated risk matrix in Q1 2020 and will continue to do so at least annually. By their nature, these procedures provide a reasonable, but not absolute, assurance against material misstatement or loss. Regular reports will be provided to the Audit Committee highlighting material changes to risk ratings.

The Audit Committee reviewed the Group's principal risks and uncertainties as at 30 June 2019, to determine that these were unchanged from those disclosed in the Company's 2018 Annual Report and remained the most likely to affect the Group in the second half of the year.

During the year, the Audit Committee also discussed and reviewed the internal controls framework in place at the Investment Manager and the Administrator in depth. Discussions focused on 3 lines of defence: assurances at operational level; internal oversight; and independent objective assurance.

The Audit Committee concluded that these frameworks were appropriate for the identification, assessment, management and monitoring of financial and regulatory risks, with particular regard to the protection of the interests of the Company's shareholders.

Audit Committee Report

continued

Internal Audit

The Audit Committee continues to review the need for an internal audit function and has decided that the systems, processes and procedures employed by the Company, Investment Manager and Administrator, including their own internal controls and procedures, provide sufficient assurance that an appropriate level of risk management and internal control is maintained. In addition to this, the Company's external Depositary provides cash monitoring, asset verification and oversight services to the Company. The Investment Manager is full scope AIFM, regulated by the FCA in the UK and has a robust framework of internal controls and an independent compliance function.

The Audit Committee has therefore concluded that Shareholders' investments and the Company's assets are adequately safeguarded and an internal audit function specific to the Company is considered unnecessary.

The Audit Committee shall meet investors in relation to the Company's financial reporting and internal controls, should it be deemed appropriate.

External Auditor

Effectiveness of the Audit Process

The Audit Committee assessed the effectiveness of the audit process by considering BDO's fulfilment of the agreed audit plan through the reporting presented to the Audit Committee by BDO and the discussions at the Audit Committee meeting, which highlighted the major issues that arose during the course of the audit. In addition, the Audit Committee also sought feedback from the Investment Manager and the Administrator on the effectiveness of the audit process. For this financial year, the Audit Committee was satisfied that there had been appropriate focus and challenge on the primary areas of audit risk and assessed the quality of the audit process to be good.

Non-Audit Services

Details of fees paid to BDO during the year are disclosed in note 5 to the consolidated financial statements. The Audit Committee approved these fees after a review of the level and nature of work to be performed and are satisfied that they are appropriate for the scope of the work required. The Audit Committee seeks to ensure that any non-audit services provided by the external Auditor do not conflict with their statutory and regulatory responsibilities, as well as their independence, before giving written approval prior to their engagement. The Audit Committee was satisfied that BDO had adequate safeguards in place and that provision of these non-audit services did not provide threats to the Auditor's independence.

The Audit Committee has a policy regarding the provision of non-audit services by the external Auditor which precludes the external Auditor from providing any of the prohibited non-audit services as listed in Article 5 of the EU Directive Regulation (EU) No 537/2014. The Audit

Committee monitors the Group's expenditure on non-audit services provided by the Company's Auditor who should only be engaged for non-audit services where they are deemed to be the most commercially viable supplier and prior approval of the Audit Committee has been sought.

Independence

The Audit Committee is required to consider the independence of the external Auditor. In fulfilling this requirement, the Audit Committee has considered a report from BDO describing its arrangements to identify, report and manage any conflict of interest and the extent of non-audit services provided by them.

The Audit Committee has concluded that it considers BDO to be independent of the Company and that the provision of the non-audit services described above is not a threat to the objectivity and independence of the conduct of the audit.

Re-appointment

BDO has been the Company's Auditor from its incorporation on 15 February 2017. The Auditor proposes to rotate the audit partner responsible for the Group audit every 5 years. Therefore, the lead partner may rotate after the completion of the 2022 year end audit.

The external audit contract is intended to be put to tender at least every 10 years. The Audit Committee shall give advance notice of any retendering plans within the Annual Report. The Audit Committee has considered the re-appointment of the Auditor and decided not to put the provision of the external audit out to tender at this time. As described above, the Audit Committee reviewed the effectiveness and independence of the Auditor and remain satisfied that the Auditor provides effective independent challenge to the Board, the Investment Manager and the Administrator. The Audit Committee will continue to monitor the performance of the Auditor on an annual basis and will consider their independence and objectivity, taking account of appropriate guidelines.

The Audit Committee has therefore recommended to the Board that BDO be proposed for re-appointment as the Company's Auditor at the 2020 AGM of the Company.

Audit Committee Report

continued

Annual General Meeting

The Chairman of the Audit Committee will be present at the Company's AGM to answer questions on the Audit Committee's activity and matters within the scope of the Audit Committee's responsibilities.



Kevin McNamara
Director

1 March 2020



Cloosh Valley

Independent Auditor's Report

To the members of Greencoat Renewables PLC

Opinion

We have audited the financial statements of Greencoat Renewables PLC ("Company") and its subsidiaries ("Group") for the financial year ended 31 December 2019, which comprise the Consolidated Statement of Comprehensive Income, Consolidated and Company Statement of Financial Position, Consolidated and Company Statement of Changes in Equity, Consolidated and Company Statement of Cash Flows, and the related notes including the summary of significant accounting policies set out in note 1. The financial reporting framework that has been applied in their preparation is Irish Law and International Financial Reporting Standards ("IFRS") as adopted by the European Union and, as regards the Company financial statements, as applied in accordance with the provisions of the Companies Act 2014.

In our opinion:

- the Group financial statements give a true and fair view of the assets, liabilities and financial position of the Group as at 31 December 2019 and of its profit for the financial year then ended;
- the Company Statement of Financial Position gives a true and fair view of the assets, liabilities and financial position of the Company as at 31 December 2019;
- the Group financial statements have been properly prepared in accordance with IFRS as adopted by the European Union;
- the Company financial statements have been properly prepared in accordance with IFRS as adopted by the European Union as applied in accordance with the provisions of the Companies Act 2014; and
- the Group financial statements and Company financial statements have been properly prepared in accordance with the requirements of the Companies Act 2014 and, as regards the Group financial statements, Article 4 of the IAS Regulation.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) ("ISAs (Ireland)") and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group and Company in accordance with ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard as applied to public interest entities issued by the Irish Auditing and Accounting Supervisory Authority ("IAASA"), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current financial year and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Related Disclosures

Refer to:

- Note 1 – Significant accounting policies;
- Note 2 – critical accounting judgments, estimates and assumptions;
- Note 4 – return on investments; and
- Note 9 – investments at fair value through profit or loss; of the accompanying financial statements.

Key Audit Matter

The valuation of investments is a subjective accounting estimate where there is an inherent risk of management override arising from the investment valuations being prepared by the Investment Manager, who is remunerated based on the Net Asset Value ("NAV") of the Company.

The entire investment portfolio is represented by unquoted equity and loan investments and all investments are individually material to the financial statements.

Related Disclosures

Refer to:

- Note 1 – Significant accounting policies;
- Note 2 - critical accounting judgments, estimates and assumptions;
- Note 4 – return on investments; and
- Note 9 – investments at fair value through profit or loss; of the accompanying financial statements.

Independent Auditor's Report

continued

Audit Response

For investments valued using a discounted cash flow model we performed the following procedures:

- Challenged the appropriateness of the selection and application of key assumptions in the discounted cash flow model including discount rate, energy yield, power price, inflation rate and asset life by benchmarking to available industry data and consulting with our internal valuation specialists;
- Agreed energy yield, power price, inflation rate and asset life used in the model to independent reports;
- For new investments we obtained and reviewed all key agreements and contracts and considered if they were accurately reflected in the valuation model;
- For existing investments we analysed changes in significant assumptions compared with assumptions audited in previous periods and vouched these to independent evidence including available industry data;
- Used spreadsheet analysis tools to assess the integrity of the valuation models and track changes to inputs or structure;
- Agreed cash and other net assets to bank statements and investee company management accounts;
- Considered the accuracy of forecasting by comparing previous forecasts to actual results;
- We critically evaluated and challenged management's assessment as to the recoverability of the loan investments;
- We vouched to loan agreements and verified the terms of the loan; and
- We have reviewed the performance of the loan investments during the financial year under review.

Our application of materiality

We define materiality as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality both in planning the scope of our audit work and in evaluating the results of our work.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

- For the purpose of our audit we used overall materiality of €13m, which represents approximately 2% of the Group and Company's NAV.
- We applied this threshold, together with qualitative considerations, to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements on the

Financial Statements as a whole.

- We chose NAV as the benchmark because of the Group and Company's asset based structure. We selected 2% based on our professional judgment, noting that it is also within the range of commonly accepted asset-related benchmarks.
- In addition, we used a specific materiality for the purpose of testing transactions and balances which impact on the Group's realised return. Specific materiality of €1.7m represents approximately 10% of the profit for the year.

We agreed with the Audit Committee that we would report to the Audit Committee all audit differences in excess of €0.65m, as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which ISAs (Ireland) require us to report to you where;

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Group and the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Independent Auditor's Report

Opinions on Other Matters Prescribed by the Companies Act 2014

Based solely on the work undertaken in the course of the audit, we report that:

- in our opinion, the information given in the Directors' report is consistent with the financial statements; and
- in our opinion, the Directors' report has been prepared in accordance with the Companies Act 2014.

We have obtained all the information and explanations which we consider necessary for the purposes of our audit.

In our opinion, the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited and the Company Statement of Financial Position is in agreement with the accounting records.

Matters on which we are required to report by exception

Based on the knowledge and understanding of the Group and the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report.

We are also required to review:

- the Directors' statement in relation to going concern and longer-term viability;
- the part of the Corporate Governance Statement relating to the Company's compliance with the provisions of the AIC Code specified for our review; and
- certain elements of disclosures in the report to shareholders by the Board of Directors' remuneration committee.

In addition, the Companies Act 2014 requires us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions required by sections 305 to 312 of the Act are not made.

We have nothing to report in this regard.

Respective Responsibilities

Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Group and Company's ability to continue as going concerns, disclosing, as applicable,

matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the IAASA's website at: http://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf

This description forms part of our Auditor's report.

The purpose of our audit work and to whom we owe our responsibilities

Our report is made solely to the Company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Brian Hughes

For and on behalf of BDO,
Dublin,
Ireland
Statutory Audit Firm
AI223876

1 March 2020

Consolidated Statement of Comprehensive Income

For the year ended 31 December 2019

	Note	For the year ended 31 December 2019 €'000	For the year ended 31 December 2018 €'000
Return on investments	4	29,475	56,429
Other income	19	3,015	2,004
Total income and gains		32,490	58,433
Operating expenses	5	(6,734)	(4,533)
Investment acquisition costs		(1,397)	(6,170)
Operating profit		24,359	47,730
Finance expense	13	(6,025)	(4,166)
Profit for the year before tax		18,334	43,564
Taxation	6	(1,237)	–
Profit for the year after tax		17,097	43,564
Profit and total comprehensive income attributable to:			
Equity holders of the Company		17,097	43,564
Earnings per share			
Basic and diluted earnings from continuing operations in the year (cent)	7	3.46	13.81

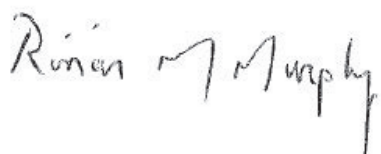
The accompanying notes on pages 51 to 75 form an integral part of the consolidated financial statements.

Consolidated Statement of Financial Position

As at 31 December 2019

	Note	31 December 2019 €'000	31 December 2018 €'000
Non current assets			
Investments at fair value through profit or loss	9	850,107	757,399
		850,107	757,399
Current assets			
Receivables	11	3,343	3,486
Cash and cash equivalents		6,020	3,036
		9,363	6,522
Current liabilities			
Loans and borrowings	13	(206,000)	–
Payables	12	(3,470)	(7,936)
Net current liabilities		(200,107)	(1,414)
Non current liabilities			
Loans and borrowings	13	–	(362,031)
Net assets		650,000	393,954
Capital and reserves			
Called up share capital	15	6,306	3,800
Share premium account	15	385,669	120,009
Other distributable reserves		199,936	229,153
Retained earnings		58,089	40,992
Total shareholders' funds		650,000	393,954
Net assets per share (cent)	16	103.1	103.7

Authorised for issue by the Board on 1 March 2020 and signed on its behalf by:



Rónán Murphy
Chairman



Kevin McNamara
Director

The accompanying notes on pages 51 to 75 form an integral part of the consolidated financial statements.

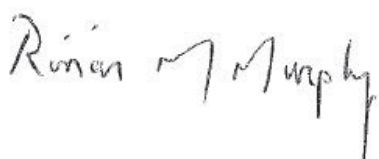
Company Statement of Financial Position

As at 31 December 2019

	Note	31 December 2019 €'000	31 December 2018 €'000
Non current assets			
Investments at fair value through profit or loss	9	648,797	392,534
		648,797	392,534
Current assets			
Receivables	11	3,015	2,025
Cash and cash equivalents		188	759
		3,203	2,784
Current liabilities			
Payables	12	(2,000)	(1,364)
Net current assets		1,203	1,420
Net assets		650,000	393,954
Capital and reserves			
Called up share capital	15	6,306	3,800
Share premium account	15	385,669	120,009
Other distributable reserves		199,936	229,153
Retained earnings		58,089	40,992
Total shareholders' funds		650,000	393,954
Net assets per share (cent)	16	103.1	103.7

The Company has taken advantage of the exemption under section 304 of the Companies Act 2014 and accordingly has not presented a Statement of Comprehensive Income for the Company alone. The profit after tax of the Company for the year was €17,097,394 (2018: €43,563,872).

Authorised for issue by the Board on 1 March 2020 and signed on its behalf by:



Rónán Murphy
Chairman



Kevin McNamara
Director

The accompanying notes on pages 51 to 75 form an integral part of the consolidated financial statements.

Consolidated and Company Statement of Changes in Equity

For the year ended 31 December 2019

	Note	Share capital €'000	Share premium €'000	Other Distributable Reserves €'000	Retained earnings €'000	Total €'000
Opening net assets attributable to shareholders (1 January 2019)		3,800	120,009	229,153	40,992	393,954
Issue of share capital	15	2,506	–	–	–	2,506
Issue of share premium	15	–	270,194	–	–	270,194
Share issue costs	15	–	(4,534)	–	–	(4,534)
Dividends	8	–	–	(29,217)	–	(29,217)
Profit and total comprehensive income for the year		–	–	–	17,097	17,097
Closing net assets attributable to shareholders		6,306	385,669	199,936	58,089	650,000

After taking account of cumulative unrealised gains of €68,074,313, the total reserves distributable by way of a dividend as at 31 December 2019 were €189,950,913.

For the year ended 31 December 2018

	Note	Share capital €000	Share premium €000	Other Distributable Reserves €'000	Retained earnings €'000	Total €'000
Opening net assets attributable to shareholders (1 January 2018)		2,700	11,958	250,000	(2,572)	262,086
Issue of share capital	15	1,100	–	–	–	1,100
Issue of share premium	15	–	110,000	–	–	110,000
Share issue costs	15	–	(1,949)	–	–	(1,949)
Dividends	8	–	–	(20,847)	–	(20,847)
Profit and total comprehensive income for the year		–	–	–	43,564	43,564
Closing net assets attributable to shareholders		3,800	120,009	229,153	40,992	393,954

After taking account of cumulative unrealised gains of €54,465,313, the total reserves distributable by way of a dividend as at 31 December 2018 were €215,679,690.

The accompanying notes on pages 51 to 75 form an integral part of the consolidated financial statements.

Consolidated Statement of Cash Flows

For the year ended 31 December 2019

	Note	For the year ended 31 December 2019 €'000	For the year ended 31 December 2018 €'000
Net cash flows from operating activities	17	15,269	3,298
Cash flows from investing activities			
Acquisition of investments		(112,794)	(411,312)
Investment acquisition costs		(5,398)	(1,933)
Repayment of shareholder loan investments	9	29,482	22,624
Net cash flows from investing activities		(88,710)	(390,621)
Cash flows from financing activities			
Issue of share capital	15	272,700	111,100
Payment of issue costs		(4,390)	(2,051)
Dividends paid	8	(29,217)	(20,847)
Amounts drawn down on loan facilities	13	80,900	400,292
Amounts repaid on loan facilities	13	(236,931)	(109,430)
Finance costs		(6,637)	(3,499)
Net cash flows from financing activities		76,425	375,565
Net increase/(decrease) in cash and cash equivalents during the year		2,984	(11,758)
Cash and cash equivalents at the beginning of the year		3,036	14,794
Cash and cash equivalents at the end of the year		6,020	3,036

The accompanying notes on pages 51 to 75 form an integral part of the consolidated financial statements.

Company Statement of Cash Flows

For the year ended 31 December 2019

	Note	For the year ended 31 December 2019 €'000	For the year ended 31 December 2018 €'000
Net cash flows from operating activities	17	(3,886)	1,460
Cash flows from investing activities			
Loans advanced to Group companies	9	(268,447)	(109,384)
Repayment of loans advanced to Group companies	9	29,450	6,700
Repayment of shareholder loan investments	9	3,294	–
Investment acquisition costs		–	(324)
Net cash flows from investing activities		(235,703)	(103,008)
Cash flows from financing activities			
Issue of share capital	15	272,700	111,100
Payment of issue costs		(4,390)	(2,051)
Dividends paid	8	(29,217)	(20,847)
Finance costs		(75)	(409)
Net cash flows from financing activities		239,018	87,793
Net decrease in cash and cash equivalents during the year		(571)	(13,755)
Cash and cash equivalents at the beginning of the year		759	14,514
Cash and cash equivalents at the end of the year		188	759

The accompanying notes on pages 51 to 75 form an integral part of the consolidated financial statements.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2019

1. Significant accounting policies

Basis of accounting

The consolidated financial statements have been prepared in accordance with IFRS to the extent that they have been adopted by the EU and with those parts of the Companies Act 2014 applicable to companies reporting under IFRS.

These consolidated financial statements are presented in Euro ("€") which is the currency of the primary economic environment in which the Group operates and are rounded to the nearest thousand, unless otherwise stated.

The consolidated financial statements have been prepared on the historical cost basis, as modified for the measurement of certain financial instruments at fair value through profit or loss. The financial statements have been prepared on the going concern basis. The principal accounting policies are set out below.

New and amended standards and interpretations applied

There were no new standards or interpretations effective for the first time for periods beginning on or after 1 January 2019 that had a significant effect on the Group or Company's financial statements. Furthermore, none of the amendments to standards that are effective from that date had a significant effect on the financial statements.

IFRS 16 "Leases" sets out the principles for the recognition, measurement, presentation and disclosure of leases on or after 1 January 2019. As the Group's investments are held at fair value through profit or loss and leases are held at SPV level, the introduction of IFRS 16 has not had a material impact on the reported results and financial position of the Group.

As tax legislation can be difficult and judgemental to apply, uncertainties over tax are common. In the absence of specific guidance, there has been diversity in how companies account for uncertainties over income tax treatments. A new interpretation, IFRIC 23 "Uncertainty over Income Tax Treatments", clarifies the requirements and is likely to result in changes for some companies for periods beginning on or after 1 January 2019. The introduction of IFRIC 23 has had no impact on the reported results and financial position of the Group.

New and amended standards and interpretations not applied

Other accounting standards and interpretations have been published and will be mandatory for the Company's accounting periods beginning on or after 1 January 2020 or later periods. The impact of these standards is not expected to be material to the reported results and financial position of the Group.

Accounting for subsidiaries

The Directors have concluded that the Group has all the elements of control as prescribed by IFRS 10 "Consolidated Financial Statements" in relation to all its subsidiaries and that the Company satisfies the criteria to be regarded as an investment entity as defined in IFRS 10, IFRS 12 "Disclosure of Interests in Other Entities" and IAS 27 "Consolidated and Separate Financial Statements". The three essential criteria are such that the entity must:

1. Obtain funds from one or more investors for the purpose of providing these investors with professional investment management services;
2. Commit to its investors that its business purpose is to invest its funds solely for returns from capital appreciation, investment income or both; and
3. Measure and evaluate the performance of substantially all of its investments on a fair value basis.

In satisfying the second essential criteria, the notion of an investment time frame is critical. An investment entity should not hold its investments indefinitely but should have an exit strategy for their realisation. Although the Company has invested in equity interests in wind farms that have an indefinite life, the underlying wind farm assets that it invests in have an expected life of 30 years. The Company intends to hold these wind farms for the remainder of their useful life to preserve the capital value of the portfolio. However, as the wind farms are expected to have no residual value after their 30 year life, the Directors consider that this demonstrates a clear exit strategy from these investments.

Notwithstanding this, IFRS 10 requires subsidiaries that provide services that relate to the investment entity's investment activities but are not themselves investment entities to be consolidated. Accordingly, the annual financial statements include the consolidated financial statements of the Company and Holdco. In respect of these entities, intra-Group balances and any unrealised gains arising from intra-Group transactions are eliminated in preparing the consolidated financial statements. Unrealised losses are eliminated unless the costs cannot be recovered. The consolidated financial statements of subsidiaries that are included in the consolidated financial statements are included from the date that control commences until the dates that control ceases.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2019 (continued)

1. Significant accounting policies (continued)

Accounting for subsidiaries (continued)

Subsidiaries are therefore measured at fair value through profit or loss, in accordance with IFRS 13 “Fair Value Measurement” and IFRS 9 as permitted by IAS 27. The financial support provided by the Group to its unconsolidated subsidiaries is disclosed in note 9.

Consolidation

Subsidiaries are all entities (including structured entities) over which the Company has control. The Company controls an entity when the Company has power over the entity, is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Company. They are derecognised from the date that control ceases.

The Company applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary (for accounting purposes) is the fair value of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Company. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

The Company recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest’s proportionate share of the recognised amounts of the acquiree’s identifiable net assets.

The following table outlines the consolidated entities.

Investment	Date of Control	Registered Office	Ownership %	Country of Incorporation	Place of Business
GR Wind Farms 1 Limited	9 March 2017	Riverside One, Sir John Rogerson’s Quay, Dublin 2	100%	Ireland	Ireland

Based on control, the results of Holdco are consolidated into the Consolidated Financial Statements. Holdco 2 was dissolved in the year and is no longer consolidated into the Consolidated Financial Statements.

Acquisition-related costs are expensed as incurred.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated. When necessary, amounts reported by subsidiaries have been adjusted to conform to the Company’s accounting policies. During the year, no such adjustments have been made, given all subsidiaries have uniform accounting policies.

Acquisition method

The acquisition method is used for all business combinations.

Steps in applying the acquisition method are:

- Identification of the acquirer.
- Determination of the acquisition date.
- Recognition and measurement of the identifiable assets acquired, the liabilities assumed and any non-controlling interest (NCI, formerly called minority interest) in the acquiree.
- Recognition and measurement of goodwill or a gain from a bargain purchase.

The guidance in IFRS 10 “Consolidated Financial Statements” is used to identify an acquirer in a business combination, i.e. the entity that obtains control of the acquiree. An acquirer considers all pertinent facts and circumstances when determining the acquisition date, i.e. the date on which it obtains control of the acquiree. The acquisition date may be a date that is earlier or later than the closing date.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2019 (continued)

1. Significant accounting policies (continued)

Financial instruments

Financial assets and financial liabilities are recognised in the Group's Statement of Financial Position when the Group becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are only offset and the net amount reported in the Consolidated Statement of Financial Position when there is a currently enforceable legal right to offset the recognised amounts and the Group intends to settle on a net basis or realise the asset and liability simultaneously.

At 31 December 2019 and 2018, the carrying amounts of cash and cash equivalents, receivables, payables and borrowings reflected in the financial statements are reasonable estimates of fair value in view of the nature of these instruments or the relatively short period of time between the original instruments and their expected realisation. The fair value of advances and other balances with related parties which are short-term or repayable on demand is equivalent to their carrying amount.

Financial assets

The classification of financial assets at initial recognition depends on the purpose for which the financial asset was acquired and its characteristics.

All financial assets are initially recognised at fair value. All purchases of financial assets are recorded at the date on which the Group and the Company became party to the contractual requirements of the financial asset.

Loans and receivables

These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They principally comprise cash and trade and other receivables and they are initially recognised at fair value and subsequently carried at amortised cost using the effective interest rate method, less provision for impairment. Transaction costs are recognised in the Consolidated Statement of Comprehensive Income as incurred. The Group and Company assesses whether there is any objective evidence that financial assets are impaired at the end of each reporting period. If any such evidence exists, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The amount of any impairment is recognised in the Consolidated Statement of Comprehensive Income. Impairment provisions for loans and receivables are recognised based on a forward looking expected credit loss model. All financial assets assessed under this model are immaterial to the financial statements.

Investments at Fair Value Through Profit or Loss

Investments are designated upon initial recognition as held at fair value through profit or loss. Movements in fair value are recognised in the Consolidated Statement of Comprehensive Income during the reporting period. As shareholder loan investments form part of a managed portfolio of assets whose performance is evaluated on a fair value basis, loan investments are designated at fair value in line with equity investments.

The Company's loan and equity investments in Holdco are held at fair value through profit or loss. Gains or losses resulting from the movement in fair value are recognised in the Company's Statement of Comprehensive Income at each valuation point.

Investments are initially recognised at cost, being the fair value of consideration given. Transaction costs are recognised in the Consolidated Statement of Comprehensive Income as incurred.

Financial assets are recognised/derecognised at the date of the purchase/disposal.

Fair value is defined as the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction. Fair value is calculated on an unlevered, discounted cash flow basis in accordance with IFRS 13 and IFRS 9. Gains or losses resulting from the revaluation of investments are recognised in the Consolidated Statement of Comprehensive Income.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2019 (continued)

1. Significant accounting policies (continued)

De-recognition of financial assets

A financial asset (in whole or in part) is derecognised either:

- When the Group has transferred substantially all the risks and rewards of ownership; or
- When it has neither transferred or retained substantially all the risks and rewards and when it no longer has control over the assets or a portion of the asset; or
- When the contractual right to receive cash flow has expired.

Financial liabilities

Financial liabilities are classified according to the substance of the contractual agreements entered into.

All financial liabilities are initially recognised at fair value net of transaction costs incurred. All financial liabilities are recorded on the date on which the Group becomes party to the contractual requirements of the financial liability.

All loans and borrowings are initially recognised at cost, being fair value of the consideration received, less issue costs where applicable. After initial recognition, all interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method. Loan balances as at the year end have not been discounted to reflect amortised cost, as the amounts are not materially different from the outstanding balances.

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

A financial liability (in whole or in part) is derecognised when the Group has extinguished its contractual obligations, it expires or is cancelled. Any gain or loss on de-recognition is taken to the Consolidated Statement of Comprehensive Income.

Finance expenses

Borrowing costs are recognised in the Consolidated Statement of Comprehensive Income in the period to which they relate on an accruals basis using the effective interest rate method.

Share capital

Financial instruments issued by the Company are treated as equity if the holder has only a residual interest in the assets of the Company after the deduction of all liabilities. The Company's ordinary shares are classified as equity instruments.

Share issue costs of the Company directly attributable to the issue and listing of shares are charged to the share premium account. Share issue costs include those incurred in connection with the placing and admission which include fees payable under a placing agreement, legal costs and any other applicable expenses.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances, deposits held on call with banks and other short-term highly liquid deposits with original maturities of 3 months or less, that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Foreign currencies

Transactions in foreign currencies are translated at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the Consolidated Statement of Comprehensive Income.

Dividends

Dividends payable are recognised as distributions in the consolidated financial statements when the Company's obligation to make payment has been established.

Income recognition

Interest income on shareholder loan investments is recognised when the Group's entitlement to receive payment is established.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2019 (continued)

1. Significant accounting policies (continued)

Income recognition (continued)

Other income is accounted for on an accruals basis.

Gains or losses resulting from the movement in fair value of the Group's and Company's investments held at fair value through profit and loss are recognised in the Consolidated Statement of Comprehensive Income at each valuation point.

Expenses

Expenses are accounted for on an accruals basis.

Taxation

Under the current system of taxation in Ireland, the Company is liable to taxation on its operations in Ireland.

Current tax is the expected tax payable on the taxable income for the period, using tax rates that have been enacted or substantively enacted at the date of the Consolidated Statement of Financial Position.

Deferred tax is the tax expected to be payable or recoverable on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

Deferred tax assets and liabilities are not recognised if the temporary differences arise from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit. Deferred tax liabilities are recognised for taxable temporary differences arising on investments, except where the Company is able to control the timing of the reversal of the difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited to the Consolidated Statement of Comprehensive Income except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off tax assets against tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis. Deferred tax assets and liabilities are not discounted.

Segmental reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors, as a whole.

The key measure of performance used by the Board to assess the Group's performance and to allocate resources is the total return on the Group's net assets, as calculated under IFRS, and therefore no reconciliation is required between the measure of profit or loss used by the Board and that contained in the consolidated financial statements.

For management purposes, the Group is organised into one main operating segment, which invests in wind farm assets.

All of the Group's income is generated within Ireland. All of the Group's non-current assets are located in Ireland.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2019 (continued)

2. Critical accounting judgements, estimates and assumptions

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

Classification of an investment entity

One area of judgement relates to the Company's classification as an investment entity as defined in IFRS 10, IFRS 12 and IAS 27. IFRS 10 requires that a Company has to fulfil 3 criteria to be an investment entity:

- Obtains funds from one or more investors for the purpose of providing those investor(s) with investment management services;
- Commits to its investor(s) that its business purpose is to invest funds solely for returns from capital appreciation, investment income, or both; and
- Measures and evaluates the performance of substantially all of its investments on a fair value basis.

IFRS 10 also determines that an investment entity would have the following typical characteristics:

- It has more than one investment;
- It has more than one investor;
- It has investors that are not related parties; and
- It has ownership interest in the form of equity or similar interests.

An entity that does not display all of the above characteristics could, nevertheless, meet the definition of an investment entity.

The Directors have concluded that the Company meets the definition of an investment entity.

Fair value of investments

The key assumptions that have a significant impact on the carrying value of investments that are valued by reference to the discounted value of future cash flows are the useful life of the assets, the discount factors, the level of wind resource, the rate of inflation, the price at which the power and associated benefits can be sold and the amount of electricity the assets are expected to produce. A sensitivity analysis of these assumptions is included in note 9.

Useful lives are based on the Investment Manager's estimates of the period over which the assets will generate revenue which are periodically reviewed for continued appropriateness. The standard assumption used for the useful life of a wind farm is 30 years, which is commonly used by similar investment companies that invest in operating wind farms. Other factors for consideration are the lengths of site leases and planning permission of the wind farms, which the Investment Manager monitors closely. The weighted average lease length across the portfolio is 29 years with many leases having options to extend and planning permission across the portfolio is between 20 and 25 years from commissioning. The Investment Manager fully expects to be able to renew leases and planning.

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

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

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

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

Notes to the Consolidated Financial Statements

For the year ended 31 December 2019 (continued)

2. Critical accounting judgements, estimates and assumptions (continued)

Going concern

After making enquiries and noting the Group is in a net current liabilities position of €200.1 million as at 31 December 2019, the Directors have a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future. The Directors expect the Group's loan facilities to be renewed before its final maturity date. Accordingly, they continue to adopt the going concern basis of accounting in preparing the Consolidated Financial Statements.

3. Investment management fees

Under the terms of the Investment Management Agreement, the Investment Manager is entitled to a management fee from the Company, which is calculated quarterly in arrears in accordance with the Investment Management Agreement.

The Fee shall be calculated in respect of each quarter and in each case based upon the NAV:

- on that part of the NAV up to and including €1 billion, an amount equal to 0.25 per cent of such part of the NAV; and
- on that part of the NAV in excess of €1 billion, an amount equal to 0.2 per cent of such part of the NAV.

Investment management fees paid or accrued in the years ended 31 December 2019 and 31 December 2018 were as follows:

	For the year ended 31 December 2019 €'000	For the year ended 31 December 2018 €'000
Investment management fees	5,221	3,035
	5,221	3,035

As at 31 December 2019, €1,409,550 was payable in relation to investment management fees (2018: €928,073).

4. Return on investments

	For the year ended 31 December 2019 €'000	For the year ended 31 December 2018 €'000
Interest on shareholder loan investment (note 19)	11,917	9,665
Dividends received (note 19)	3,950	–
Unrealised movement in fair value of investments (note 9)	10,685	46,764
Gain on adjustment to purchase price of investments (note 9)	2,923	–
	29,475	56,429

Notes to the Consolidated Financial Statements

For the year ended 31 December 2019 (continued)

5. Operating expenses

	For the year ended 31 December 2019 €'000	For the year ended 31 December 2018 €'000
Investment management fees (note 3)	5,221	3,035
Other expenses	928	1,035
Group and SPV administration fees	327	194
Non-executive Directors' remuneration	200	200
Fees to the Company's Auditor:		
for audit of the statutory financial statements	55	66
for other services	3	3
	6,734	4,533

The fees to the Company's Auditor include €3,000 (2018: €3,000) payable in relation to a limited review of the Interim Report during the year.

6. Taxation

	For the year ended 31 December 2019 €'000	For the year ended 31 December 2018 €'000
Taxation	1,237	–

The tax reconciliation is explained below.

	For the year ended 31 December 2019 €'000	For the year ended 31 December 2018 €'000
Profit for the year before taxation	18,334	43,564
Profit for the year multiplied by the standard rate of corporation tax of 12.5 per cent	2,292	5,446
Movement in deferred tax asset	1,237	–
Fair value movements (not subject to taxation)	(1,701)	(5,846)
Dividends received (not subject to taxation)	(494)	–
Expenditure not deductible for tax purposes	230	812
Receipt of tax losses from unconsolidated subsidiaries	(327)	(412)
	1,237	–

Notes to the Consolidated Financial Statements

For the year ended 31 December 2019 (continued)

7. Earnings per share

	For the year ended 31 December 2019	For the year ended 31 December 2018
Profit attributable to equity holders of the Company – €'000	17,097	43,564
Weighted average number of ordinary shares in issue	493,861,074	315,506,849
Basic and diluted earnings from continuing operations in the year (cent)	3.46	13.81

8. Dividends declared with respect to the year

Interim dividends paid during the year ended 31 December 2019	Dividend per Share cent	Total Dividend
With respect to the quarter ended 31 December 2018	1.5000	5,700
With respect to the quarter ended 31 March 2019	1.5075	7,839
With respect to the quarter ended 30 June 2019	1.5075	7,839
With respect to the quarter ended 30 September 2019	1.5075	7,839
	6.0225	29,217

Interim dividends declared after 31 December 2019 and not accrued in the year	Dividend per Share cent	Total Dividend
With respect to the quarter ended 31 December 2019	1.5075	9,507
	1.5075	9,507

On 30 January 2020, the Company announced a dividend of 1.5075 cent per share with respect to the quarter ended 31 December 2019, bringing the total dividend declared with respect to the year to 31 December 2019 to 6.03 cent per share. The record date for the dividend was 7 February 2020 and the payment date was 28 February 2020.

The following table shows dividends paid in the prior year.

Interim dividends paid during the year ended 31 December 2018	Dividend per Share cent	Total Dividend
With respect to the period from IPO to 31 December 2017	2.61	7,047
With respect to the quarter ended 31 March 2018	1.50	4,050
With respect to the quarter ended 30 June 2018	1.50	4,050
With respect to the quarter ended 30 September 2018	1.50	5,700
	7.11	20,847

Notes to the Consolidated Financial Statements

For the year ended 31 December 2019 (continued)

9. Investments at fair value through profit or loss

	Loans €'000	Equity interest €'000	Total €'000
Group as at 31 December 2019			
Opening balance	419,016	338,383	757,399
Additions	49,704	65,703	115,407
Repayment of shareholder loan investments (note 19)	(29,482)	–	(29,482)
Adjustment to purchase price of investments (note 14)	–	(2,923)	(2,923)
Gain on adjustment to purchase price of investment (note 14)	–	2,923	2,923
Unrealised movement in fair value of investments (note 4)	(3,902)	10,685	6,783
	435,336	414,771	850,107

	Loans €'000	Equity interest €'000	Total €'000
Group as at 31 December 2018			
Opening balance	171,651	145,145	316,796
Additions	265,997	146,474	412,471
Repayment of shareholder loan investments	(22,624)	–	(22,624)
Unrealised movement in fair value of investments (note 4)	3,992	46,764	50,756
	419,016	338,383	757,399

The unrealised movement in fair value of investments of the Group during the year were made up as follows:

	For the year ended 31 December 2019 €'000	For the year ended 31 December 2018 €'000
(Decrease)/increase in valuation of investments	(14,008)	29,633
Movement in swap fair values within SPVs	(1,627)	(6,918)
Repayment of debt at SPV level	8,212	–
Repayment of shareholder loan investments	29,482	22,624
Movement in cash balances of SPVs	(16,912)	(753)
Investment acquisition costs ⁽¹⁾	1,636	6,170
	6,783	50,756

(1) €239k of acquisition costs were not related to investments acquired in the current year.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2019 (continued)

9. Investments at fair value through profit or loss (continued)

	Loans €'000	Equity interest €'000	Total €'000
Company as at 31 December 2019			
Opening balance	316,265	76,269	392,534
Loans advanced to Holdco (note 19)	268,447	–	268,447
Loans repaid by Holdco (note 19)	(29,450)	–	(29,450)
Loans repaid by Wind Farm SPVs (note 19)	(3,294)	–	(3,294)
Unrealised movement in fair value of investments	–	20,560	20,560
	551,968	96,829	648,797
Company as at 31 December 2018			
Opening balance	213,581	29,743	243,324
Loans advanced to Holdco (note 19)	109,384	–	109,384
Loans repaid by to Holdco (note 19)	(6,700)	–	(6,700)
Unrealised movement in fair value of investments	–	46,526	46,526
	316,265	76,269	392,534

Fair value measurements

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

- Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 – inputs other than quoted prices included within Level 1 that are observable for the assets or liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 – inputs for assets or liabilities that are not based on observable market data (unobservable inputs).

The determination of what constitutes 'observable' requires significant judgement by the Group. The Group considers observable data to be market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

The only financial instruments held at fair value are the investments held by the Group in the SPVs, which are fair valued at each reporting date. The Group's investments have been classified within level 3 as the investments are not traded and contain unobservable inputs. The Company's investments are all considered to be level 3 assets. As the fair value of the Company's equity and loan investments in Holdco is ultimately determined by the underlying fair values of the SPV investments, the Company's sensitivity analysis of reasonably possible alternative input assumptions is the same as for the Group.

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 year ended 31 December 2019.

Any transfers between the levels would be accounted for on the last day of each financial period.

The Investment Manager carries out the asset valuations, which form part of the NAV calculation. These asset valuations are based on discounted cash flow methodology in line with IPEV Valuation Guidelines and adjusted where appropriate, given the special nature of wind farm investments.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2019 (continued)

9. Investments at fair value through profit or loss (continued)

Fair value measurements (continued)

Valuations are derived using a discounted cashflow methodology in line with IPEV Valuation Guidelines and take into account, inter alia, the following:

- due diligence findings where relevant;
- the terms of any material contracts including PPAs;
- asset performance;
- power price forecast from a leading market consultant; and
- the economic, taxation or regulatory environment.

The DCF valuation of the Group's investments represents the largest component of GAV and the key sensitivities are considered to be the discount rate used in the DCF valuation and long-term assumptions in relation to inflation, energy yield, power prices, and asset life.

The DCF valuation is produced by discounting the individual wind farm cashflows on an unlevered basis. The equivalent levered discount rate would be approximately 2 per cent higher than the blended portfolio discount rate.

The base case discount rate is a blend of a lower discount rate for fixed cash flows and a higher discount rate for merchant cash flows. The blended discount rate reduced by 0.3 per cent from 31 December 2018 reflecting market valuations observed throughout 2019. The blended discount rates as at 31 December 2019 does remain between 6 per cent and 7 per cent, which is considered to be an appropriate base case for sensitivity analysis.

A variance of +/- 0.25 per cent is considered to be a reasonable range of alternative assumptions for discount rate.

The base case long-term CPI assumption is 2.00 per cent.

Base case energy yield assumptions are P50 (50 per cent probability of exceedance over a 10 year period) forecasts produced by expert consultants based on long-term wind data and operational history. The P90 (90 per cent probability of exceedance over a 10 year period) and P10 (10 per cent probability of exceedance over a 10 year period) sensitivities reflect the future variability of wind and the uncertainty associated with the long-term data source being representative of the long-term mean. Given their basis on long-term operating data, it is not anticipated that base case energy yield assumptions will be adjusted (other than any wind energy true-ups with compensating purchase price adjustments).

Long-term power price forecasts are provided by a leading market consultant, updated quarterly and adjusted by the Investment Manager where more conservative assumptions are considered appropriate. Base case real power prices increase from approximately €54/MWh (2030) to approximately €61/MWh (2040). The sensitivity analysis assumes a 10 per cent increase or decrease in power prices relative to the base case for every year of the asset life'

The base case asset life is 30 years. The sensitivity below assumes the asset life may be 5 years shorter or longer than the base case, which is impacted by commercial aspects of each investment, the renewals of site leases, planning permission and grid connection agreements.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2019 (continued)

9. Investments at fair value through profit or loss (continued)

Sensitivity analysis

The fair value of the Group's investments is €850,106,884 (2018: €757,398,839). The following analysis is provided to illustrate the sensitivity of the fair value of investments to a change in an individual input, while all other variables remain constant. The Board considers these changes in inputs to be within reasonable expected ranges. This is not intended to imply the likelihood of change or that possible changes in value would be restricted to this range.

Input	Base case	Change in input	Change in fair value of investments €'000	Change in NAV per share cent
Discount rate	6 – 7 per cent	+ 0.25 per cent	(19,356)	(3.1)
		- 0.25 per cent	20,027	3.2
Energy yield	P50	10 year P90	(53,738)	(8.5)
		10 year P10	53,457	8.5
Power price	Forecast by leading consultant	- 10 per cent	(41,640)	(6.6)
		+ 10 per cent	41,655	6.6
Inflation rate	2.00 per cent	- 0.5 per cent	(30,950)	(4.9)
		+ 0.5 per cent	33,031	5.2
Asset Life	30 years	- 5 years	(72,517)	(11.5)
		+ 5 years	58,339	9.3

The sensitivities above are assumed to be independent of each other. Combined sensitivities are not presented.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2019 (continued)

10. Unconsolidated subsidiaries, associates and joint ventures

The following table shows subsidiaries of the Group. As the Company is regarded as an Investment Entity as referred to in note 1, these subsidiaries have not been consolidated in the preparation of the consolidated financial statements:

Investment	Place of Business	Registered Office	Ownership Interest as at 31 December 2019
Ballybane Windfarms Limited	Ireland	Riverside One, Sir John Rogerson's Quay, Dublin 2	100%
Beam Wind Limited	Ireland	Riverside One, Sir John Rogerson's Quay, Dublin 2	100%
Cloosh Valley Wind Farm Holdings DAC	Ireland	6th Floor, South Bank House, Barrow Street, Dublin 4	75%
Gortahile Windfarm Limited	Ireland	Riverside One, Sir John Rogerson's Quay, Dublin 2	100%
Killala Community Wind Farm DAC	Ireland	Riverside One, Sir John Rogerson's Quay, Dublin 2	100%
Killhills Windfarm Limited	Ireland	Riverside One, Sir John Rogerson's Quay, Dublin 2	100%
Lisdowney Wind Farms Limited	Ireland	Riverside One, Sir John Rogerson's Quay, Dublin 2	100%
Knockacummer Wind Farm Limited	Ireland	Riverside One, Sir John Rogerson's Quay, Dublin 2	100%
Knocknalour Wind Farm Holdings Limited	Ireland	Riverside One, Sir John Rogerson's Quay, Dublin 2	100%
Kostroma Holdings Limited ⁽¹⁾	Ireland	Riverside One, Sir John Rogerson's Quay, Dublin 2	100%
Monaincha Sigatoka Wind Holdings DAC ⁽²⁾	Ireland	Riverside One, Sir John Rogerson's Quay, Dublin 2	100%
Raheenleagh Power DAC	Ireland	Two Gateway, East Wall Road, Dublin 3	50%
Sliabh Bawn Wind Holdings DAC	Ireland	Dublin Road, Newtownmountkennedy, Co. Wicklow	25%
Tullynamoyle Wind Farm II Limited	Ireland	Riverside One, Sir John Rogerson's Quay, Dublin 2	100%

(1) The Group's investment in Glanaruddery is held through Kostroma Holdings Limited

(2) The Group's investments in Monaincha and Garrenereagh are held through Monaincha Sigatoka Wind Holdings DAC

Notes to the Consolidated Financial Statements

For the year ended 31 December 2019 (continued)

10. Unconsolidated subsidiaries, associates and joint ventures (continued)

Security deposits and guarantees provided by the Group on behalf of its investments are as follows:

Provider of security	Investment	Beneficiary	Nature	Purpose	Amount €'000
The Company	Killhills	AIB	Cash	Planning	100
					100

The fair value of cash security deposits are as disclosed in the table above.

11. Receivables

Group	31 December 2019 €'000	31 December 2018 €'000
Accrued income	2,959	1,980
Sundry receivables	180	47
VAT receivable	127	190
Prepayments	77	32
Deferred tax asset	–	1,237
	3,343	3,486

Company	31 December 2019 €'000	31 December 2018 €'000
Due from wind farm SPV's	2,939	1,955
Prepayments	28	32
Accrued income	26	25
VAT receivable	22	13
	3,015	2,025

The Company has reviewed the receivable from wind farm SPV's in accordance with IFRS 9 "Financial Instruments" and has not accounted for any expected credit losses. At the 1 March 2020, the current balance outstanding is €nil.

12. Payables

Group	31 December 2019 €'000	31 December 2018 €'000
Investment management fees payable	1,410	928
Acquisition costs	1,007	5,421
Other payables	722	849
Share issue costs payable	171	14
Loan interest payable	124	536
Other finance costs payable	36	188
	3,470	7,936

Notes to the Consolidated Financial Statements

For the year ended 31 December 2019 (continued)

12. Payables (continued)

Company	31 December 2019 €'000	31 December 2018 €'000
Investment management fees payable	1,409	928
Other payables	420	422
Share issue costs payable	171	14
	2,000	1,364

13. Loans and borrowings

Group at 31 December 2019	31 December 2019 €'000	31 December 2018 €'000
Opening balance	362,031	71,169
Revolving Credit Facility		
Drawdowns	80,900	400,292
Repayments	(236,931)	(109,430)
Closing balance	206,000	362,031
Reconciled as:		
Current liabilities	206,000	-
Non-current liabilities	-	362,031

The Company did not hold any loans or borrowings at 31 December 2019 (2018: €nil).

	For the year ended 31 December 2019 €'000	For the year ended 31 December 2018 €'000
Loan interest	5,266	2,551
Commitment fees	584	819
Facility arrangement fees	139	140
Professional fees	36	656
Finance expense	6,025	4,166

The loan balance as at 31 December 2019 and 31 December 2018 has not been adjusted to reflect amortised cost, as the amount is not materially different from the outstanding balances.

In relation to loans and borrowings, the Directors are of the view that the current market interest rate is not significantly different to the respective instrument's contractual interest rates; therefore the fair value of the loans and borrowings at the end of the reporting periods is not significantly different from their carrying amounts.

As at 31 December 2019, the Group had a revolving credit facility with AIB, BNP Paribas, Commerzbank, RBC and Santander. The facility has a margin of 1.8 per cent plus EURIBOR (at zero per cent floor) per annum with a final maturity date of 19 December 2020. The Directors expect the Group's revolving credit facility to be refinanced before its final maturity date.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2019 (continued)

13. Loans and borrowings (continued)

The Group is obliged to pay a quarterly commitment fee of 0.63 per cent per annum of the undrawn commitment available under the facility. Lenders' security consists of comprehensive debentures incorporating a fixed and floating charge over the Group including a charge over the Group's bank accounts and shares in the underlying investments.

As at 31 December 2019, the principal balance of the facility was €206,000,000 (2018: €362,030,526), accrued interest was €123,600 (2018: €536,179) and the outstanding commitment fee was €36,540 (2018: €28,135).

14. Contingencies & Commitments

At the time of acquisition, wind farms which had less than 12 months' operational data may have a wind energy true-up applied, whereby the purchase price for these wind farms may be adjusted so that it is based on a 2 year operational record, once operational data has become available.

As disclosed in note 9, the Group agreed an amount of €2.9 million to be received from Impax in settlement of the Glanaruddery wind energy true-up. Also, during the year the Group agreed the wind energy true-up for Lisdowney, which resulted in no net payment.

During the year, the Group acquired Killala wind farm for an initial consideration of €37.2 million for the 5 operating turbines on the site. An additional turbine is currently under construction and the Group has agreed to pay further consideration to the existing developer contingent on the final turbine becoming operational, which is expected to be in the final quarter of 2020.

The following wind energy true-ups remain outstanding and the maximum adjustments are as follows: Killala: €2,000,000 and Knocknalour €489,000.

15. Share capital – ordinary shares

At 31 December 2019, the Company had authorised share capital of 2,000,000,000 ordinary shares of €0.01 each.

Date	Issued and fully paid	Number of shares issued	Share capital €'000	Share premium €'000	Total €'000
1 January 2019	Opening balance	380,000,000	3,800	120,009	123,809
22 March 2019	Issued and paid	140,000,000	1,400	146,300	147,700
22 March 2019	Less share issue costs	–	–	(2,431)	(2,431)
17 December 2019	Issued and paid	110,619,469	1,106	123,894	125,000
17 December 2019	Less share issue costs	–	–	(2,103)	(2,103)
31 December 2019		630,619,469	6,306	385,669	391,975

Date	Issued and fully paid	Number of shares issued	Share capital €'000	Share premium €'000	Total €'000
1 January 2018	Opening balance	270,000,000	2,700	11,958	14,658
Period to 30 June 2018	2017 IPO share issue costs	–	–	(7)	(7)
2 August 2018	Issued and paid	110,000,000	1,100	110,000	111,100
2 August 2018	Less share issue costs	–	–	(1,942)	(1,942)
31 December 2018		380,000,000	3,800	120,009	123,809

Shareholders are entitled to all dividends paid by the Company and, on a winding up, provided the Company has satisfied all of its liabilities, the Shareholders are entitled to all of the residual assets of the Company.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2019 (continued)

16. Net assets per share

Group and Company	31 December 2019	31 December 2018
Net assets – €'000	650,000	393,954
Number of ordinary shares issued	630,619,469	380,000,000
Total net assets – cent	103.1	103.7

17. Reconciliation of operating profit for the year to net cash from operating activities

Group	For the year ended 31 December 2019 €'000	For the year ended 31 December 2018 €'000
Operating profit for the year	24,359	47,730
Adjustments for:		
Unrealised movement in fair value of investments (note 4)	(10,685)	(46,764)
Gain on adjustment to purchase price of investments (note 4)	(2,923)	–
Investment acquisition costs	1,397	6,170
Decrease/(increase) in receivables	2,858	(4,501)
Increase in payables	263	663
Net cash flows from operating activities	15,269	3,298

Company	For the year ended 31 December 2019 €'000	For the year ended 31 December 2018 €'000
Operating profit for the year	17,172	43,971
Adjustments for:		
Movement in fair value of investments (note 9)	(20,560)	(46,526)
Investment acquisition costs	–	324
(Increase)/decrease in receivables	(990)	3,195
Increase in payables	492	496
Net cash flows from operating activities	(3,886)	1,460

18. Financial risk management

The Investment Manager and the Administrator report to the Board on a quarterly basis and provide information to the Board which allows it to monitor and manage financial risks relating to its operations. The Group's activities expose it to a variety of financial risks: market risk (including price risk, interest rate risk and foreign currency risk), credit risk and liquidity risk.

The Group's market risk is managed by the Investment Manager in accordance with the policies and procedures in place. The Group's overall market positions are monitored on a quarterly basis by the Board of Directors.

Price risk

Price risk is defined as the risk that the fair value of a financial instrument held by the Group will fluctuate. Investments are measured at fair value through profit or loss and are valued on an unlevered, discounted cash flow basis. Therefore, the value of these investments will be (amongst other risk factors) a function of the discounted value of their expected cash flows and, as such, will vary with movements in interest rates and competition for such assets. Note 9 details sensitivity analysis on the impact of changes to the inputs used on the fair value of the investments.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2019 (continued)

18. Financial risk management (continued)

Interest rate risk

The Group's most significant exposure to interest rate risk is due to floating interest rates required to service external borrowings through the revolving credit facility. An increase of 0.5 per cent represents the Investment Manager's assessment of a reasonably possible change in interest rates. Should the EURIBOR rate increase from 0 per cent to 0.5 per cent, the annual interest due on the facility would increase by €1,030,000. The Investment Manager regularly monitors interest rates to ensure the Group has adequate provisions in place in the event of significant fluctuations.

In accordance with the Company's investment policy, it may enter into hedging transactions in relation to interest rates for the purposes of efficient financial risk management. The Company will not enter into derivative transactions for speculative purposes.

The Directors consider shareholder loan investments to be similar in nature to equity investments and, as these loans bear interest at a fixed rate, they do not carry an interest rate risk.

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

Group	Fixed rate €'000	Interest bearing floating rate €'000	Non-interest bearing €'000	Total €'000
Assets				
Cash at bank	–	5,920	100	6,020
Other receivables (note 11)	–	–	3,266	3,266
Investments (note 9)	331,965	–	518,142	850,107
	331,965	5,920	521,508	859,393
Liabilities				
Other payables (note 12)	–	–	(3,470)	(3,470)
Loans and borrowings (note 13)	–	(206,000)	–	(206,000)
	–	(206,000)	(3,470)	(209,470)

The Group's interest and non-interest bearing assets and liabilities as at 31 December 2018 are summarised below:

Group	Fixed rate €'000	Interest bearing floating rate €'000	Non-interest bearing €'000	Total €'000
Assets				
Cash at bank	–	2,936	100	3,036
Other receivables (note 11)	–	–	2,217	2,217
Investments (note 9)	328,758	–	428,641	757,399
	328,758	2,936	430,958	762,652
Liabilities				
Other payables (note 12)	–	–	(7,936)	(7,936)
Loans and borrowings (note 13)	–	(362,031)	–	(362,031)
	–	(362,031)	(7,936)	(369,967)

Notes to the Consolidated Financial Statements

For the year ended 31 December 2019 (continued)

18. Financial risk management (continued)

Interest rate risk (continued)

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

Company	Fixed rate €'000	Interest bearing floating rate €'000	Non-interest bearing €'000	Total €'000
Assets				
Cash at bank	–	88	100	188
Other receivables (note 11)	–	–	2,987	2,987
Investments (note 9)	–	–	648,797	648,797
	–	88	651,884	651,972
Liabilities				
Other payables (note 12)	–	–	(2,000)	(2,000)
	–	–	(2,000)	(2,000)

The Company's interest and non-interest bearing assets and liabilities as at 31 December 2018 are summarised below:

Company	Fixed rate €'000	Interest bearing floating rate €'000	Non – interest bearing €'000	Total €'000
Assets				
Cash at bank	–	659	100	759
Other receivables (note 11)	–	–	1,993	1,993
Investments (note 9)	–	–	392,534	392,534
	–	659	394,627	395,286
Liabilities				
Other payables (note 12)	–	–	(1,364)	(1,364)
	–	–	(1,364)	(1,364)

Foreign currency risk

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

Credit risk

Credit risk is the risk of loss due to the failure of a borrower or counterparty to fulfil its contractual obligations. The Group is exposed to credit risk in respect of other receivables and cash at bank. The Group minimises its credit risk exposure by dealing with financial institutions with investment grade credit ratings and making loan investments which are equity in nature.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2019 (continued)

18. Financial risk management (continued)

Credit risk (continued)

The table below details the Group's maximum exposure to credit risk:

Group	31 December 2019 €'000	31 December 2018 €'000
Other receivables (note 11)	3,266	2,217
Cash at bank	6,020	3,036
Loan investments (note 9)	435,336	419,016
	444,622	424,269

The table below details the Company's maximum exposure to credit risk:

Company	31 December 2019 €'000	31 December 2018 €'000
Other receivables (note 11)	2,987	1,993
Cash at bank	188	759
Loan investments (note 9)	551,968	316,265
	555,143	319,017

The tables below shows the cash balances of the Group and credit rating for each counterparty:

Group	Rating	31 December 2019 €'000
Northern Trust	A+	51
AIB	BBB+	5,969
		6,020

Group	Rating	31 December 2018 €'000
Northern Trust	A+	63
AIB	BBB+	2,973
		3,036

The table below shows the cash balances of the Company and the credit rating for each counterparty:

Company	Rating	31 December 2019 €'000
Northern Trust	A+	51
AIB	BBB+	137
		188

Notes to the Consolidated Financial Statements

For the year ended 31 December 2019 (continued)

18. Financial risk management (continued)

Credit risk (continued)

Company	Rating	31 December 2018 €'000
Northern Trust	A+	63
AIB	BBB+	696
		759

Liquidity risk

Liquidity risk is the risk that the Group and the Company may not be able to meet a demand for cash or fund an obligation when due. The Investment Manager and the Board continuously monitor forecast and actual cash flows from operating, financing and investing activities to consider payment of dividends, repayment of the Company's outstanding debt or further investing activities. As disclosed in Note 13, the Group's revolving credit facility is due to mature in December 2020. The Directors expect this to be refinanced within 12 months after year end.

As disclosed in note 14, the purchase price of wind farms acquired with less than 12 months' operational data may be adjusted subject to a wind energy true-up based on a 2 years' operational record once the operational data has become available.

The following tables detail the Group's expected maturity for its financial assets (excluding equity) and liabilities together with the contractual undiscounted cash flow amounts as at 31 December 2019 and 31 December 2018:

Group – 31 December 2019	Less than 1 year €'000	1 – 5 years €'000	5+ years €'000	Total €'000
Assets				
Other receivables (note 11)	3,266	–	–	3,266
Cash at bank	6,020	–	–	6,020
Loan investments	12,802	51,105	435,336	499,243
Liabilities				
Other payables (note 12)	(3,470)	–	–	(3,470)
Loan and borrowings	(209,708)	–	–	(209,708)
	(191,090)	51,105	435,336	295,351

Group – 31 December 2018	Less than 1 year €'000	1 – 5 years €'000	5+ years €'000	Total €'000
Assets				
Other receivables (note 11)	2,217	–	–	2,217
Cash at bank	3,036	–	–	3,036
Loan investments	16,201	48,418	419,016	483,635
Liabilities				
Other payables (note 12)	(7,936)	–	–	(7,936)
Loan and borrowings	(6,517)	(375,064)	–	(381,581)
	7,001	(326,646)	419,016	99,371

Notes to the Consolidated Financial Statements

For the year ended 31 December 2019 (continued)

18. Financial risk management (continued)

Liquidity risk (continued)

The following tables detail the Company's expected maturity for its financial assets (excluding equity) and liabilities together with the contractual undiscounted cash flow amounts as at 31 December 2019 and 31 December 2018:

Company – 31 December 2019	Less than 1 year €'000	1 – 5 years €'000	5+ years €'000	Total €'000
Assets				
Other receivables	2,987	–	–	2,987
Cash at bank	188	–	–	188
Loan investments	–	–	551,968	551,968
Liabilities				
Other payables	(2,000)	–	–	(2,000)
	1,175	–	551,968	553,143

Company – 31 December 2018	Less than 1 year €'000	1 – 5 years €'000	5+ years €'000	Total €'000
Assets				
Other receivables	1,993	–	–	1,993
Cash at bank	759	–	–	759
Loan investments	–	–	316,265	316,265
Liabilities				
Other payables	(1,364)	–	–	(1,364)
	1,388	–	316,265	317,653

The Group and Company will use cash flow generation, equity raisings, debt refinancing or disposal of assets to manage liabilities as they fall due in the longer term.

Capital risk management

The Company considers its capital to comprise ordinary share capital, distributable reserves and retained earnings. The Company is not subject to any externally imposed capital requirements.

The Group's and the Company's primary capital management objectives are to ensure the sustainability of its capital to support continuing operations, meet its financial obligations and allow for growth opportunities. Generally, acquisitions are anticipated to be funded by a combination of current cash, debt and equity.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2019 (continued)

19. Related party transactions

During the year, the Company advanced interest-free loans to Holdco of €268,446,764 (2018: €109,383,821), and Holdco made repayments of €29,450,000 (2018: €6,700,000). During the year, the Company also received shareholder loan repayments from Knockacummer of €1,846,867 (2018: €nil) and Killhills of €1,447,246 (2018: €nil).

During the year, the Company also paid remuneration to the Directors as disclosed in the Directors' Remuneration Report on page 30. The Directors' interests in Company Shares as at 31 December 2019 are also disclosed on page 28 of the Directors' Report. The table below shows the number of Company shares acquired by the Directors:

	For the year ending 31 December 2019	For the year ending 31 December 2018
Rónán Murphy	45,819	24,752
Kevin McNamara	18,327	–
Emer Gilvarry	18,327	49,505
Marco Graziano ⁽¹⁾	n/a	n/a
	82,473	74,257

(1) Appointed with effect from 30 January 2020.

The below tables shows the Group's dividend and management fee income:

	For the year ending 31 December 2019		For the year ending 31 December 2018	
	Management Fee income €000	Dividend Income €000	Management Fee income €000	Dividend Income €000
Cloosh Valley	–	3,950	–	–
Knockacummer	871	–	677	–
Ballybane	434	–	332	–
Killhills	336	–	259	–
Glanaruddery	307	–	239	–
Monaincha	305	–	238	–
Gortahile	169	–	–	–
Killala	144	–	–	–
Beam	118	–	–	–
Tullynamoyle II	97	–	76	–
Knocknalour	78	–	61	–
Garranereagh	78	–	61	–
Lisdowney	78	–	61	–
	3,015	3,950	2,004	–

Notes to the Consolidated Financial Statements

For the year ended 31 December 2019 (continued)

19. Related party transactions (continued)

The table below shows the Group's shareholder loans with the wind farm investments

	Loans at 1 January 2019 ⁽¹⁾ €'000	Loans advanced in the year €'000	Loan repayments €'000	Loans at 31 December 2019 €'000	Accrued interest at 31 December 2019 €'000	Total €'000	2019 interest on shareholder loan investment €'000
Knockacummer	127,170	–	(6,841)	120,329	–	120,329	3,400
Monaincha	73,376	–	(3,708)	69,668	–	69,668	2,347
Glanaruddery	52,129	–	(819)	51,310	–	51,310	1,319
Ballybane	48,250	–	(6,477)	41,773	–	41,773	1,485
Killala	–	27,006	–	27,006	90	27,096	90
Killhills	28,157	–	(3,211)	24,946	–	24,946	1,109
Gortahile	–	19,803	(171)	19,632	–	19,632	187
Kostroma	16,473	–	–	16,473	–	16,473	422
Tullynamoyle II	16,964	–	(725)	16,239	–	16,239	513
Garranereagh	14,798	–	(1,139)	13,659	–	13,659	470
Lisdowney	12,726	–	(1,444)	11,282	–	11,282	363
Sliabh Bawn	9,824	–	(600)	9,224	–	9,224	–
Cloosh Valley	5,791	2,895	(1,671)	7,015	–	7,015	–
Knocknalour	7,348	–	(826)	6,522	–	6,522	212
Raheenleagh	2,018	–	(1,850)	168	–	168	–
	415,024	49,704	(29,482)	435,246	90	435,336	11,917

(1) Excludes accrued interest at 31 December 2018 of €3,992,420.

20. Ultimate controlling party

In the opinion of the Directors, on the basis of the shareholdings advised to them, the Company has no ultimate controlling party.

21. Subsequent events

On 30 January 2020, the Company announced a dividend of €9.5 million, equivalent to 1.5075 cent per share with respect to the quarter ended 31 December 2019, bringing total dividend declared with respect to the year to 31 December 2019 to 6.03 cent per share. The record date for the dividend was 7 February 2020 and the payment date was 28 February 2020.

On 30 January 2020, the Company announced the appointment of Marco Graziano as a non-executive director to the board of the Company.

On 17 February 2020, the Group announced the acquisition of the 14.1MW Letteragh wind farm in County Clare for €35.4 million.

Company Information

Directors (all non-executive)

Rónán Murphy
Emer Gilvarry
Kevin McNamara
Marco Graziano (appointed 30 January 2020)

Investment Manager

Greencoat Capital LLP
4th Floor The Peak
5 Wilton Road
London SW1V 1AN

Company Secretary

Estera Administration (UK) Limited
Unit 18 Innovation Centre
Northern Ireland Science Park
Queens Road
Belfast BT3 9DT

Administrator

Northern Trust International Fund
Administration Services (Ireland) Limited
Georges Court
54-62 Townsend Street
Dublin 2

Depository

Northern Trust International Fiduciary
Services (Ireland) Limited
Georges Court
54-62 Townsend Street
Dublin 2

Registrar

Computershare Investor Services
(Ireland) Limited
Heron House, Corrig Road
Sandyford Industrial Estate
Dublin 18

Registered Company Number

598470

Registered Office

Riverside One
Sir John Rogerson's Quay
Dublin 2

Registered Auditor

BDO
Beaux Lane House
Mercer Street Lower
Dublin 2

Legal Advisers

McCann Fitzgerald
Riverside One
Sir John Rogerson's Quay
Dublin 2

Euronext Growth Advisor, NOMAD and Broker

J&E Davy
Davy House
49 Dawson Street
Dublin 2

Account Banks

Allied Irish Banks plc.
40/41 Westmoreland Street
Dublin 2

Northern Trust International Fiduciary
Services (Ireland) Limited
Georges Court
56-62 Townsend Street
Dublin 2

Supplementary Information (unaudited)

Disclosure required under the Alternative Investment Fund Managers Directive ("AIFMD") for annual reports of alternative investment funds ("AIFs")

Alternative Investment Fund Manager's Directive

Under the Alternative Investment Fund Manager Regulations 2013 (as amended) the Company is an Irish AIF and the Investment Manager is a full scope UK AIFM.

Northern Trust International Fiduciary Services (Ireland) Limited provide depositary services under the AIFMD. Northern Trust International Fund Administration Services (Ireland) Limited provide accounting and administration services to the Company.

The AIFMD outlines the required information which has to be made available to investors prior to investing in an AIF and directs that material changes to this information be disclosed in the Annual Report of the AIF. There were no material changes in the year.

All information required to be disclosed under the AIFMD is either disclosed in this Annual Report or within a schedule of disclosures on the Company's website at www.greencoat-renewables.com.

The information in this paragraph relates to the Investment Manager, the AIFM, and its subsidiary company providing services to the AIFM and it does not relate to the Company. The total amount of remuneration paid by the Investment Manager, in its capacity as AIFM, to its 49 staff for the financial year ending 31 December 2019 was £8.9 million, consisting of £6.6 million fixed and £2.3 million variable remuneration. The aggregate amount of remuneration for the 6 staff members of the Investment Manager constituting senior management and those staff whose actions have a material impact on the risk profile of the Company was £1.3 million.

The Investment Manager covers the potential professional liability risks resulting from its activities by holding professional indemnity insurance in accordance with Article 9(7)(b) of AIFMD.

Defined Terms

Admission Document means the Admission Document of the Company published on 25 July 2017

Aggregate Group Debt means the Group's proportionate share of outstanding third party debt.

AIB means Allied Irish Bank plc

AIC means the Association of Investment Companies

AIC Code of Corporate Governance sets out a framework of best practice in respect of the governance of investment companies. It has been endorsed by the Financial Reporting Council as an alternative means for our members to meet their obligations in relation to the UK Corporate Governance Code

AIC Guide means the AIC's Corporate Governance Guide for Investment Companies

AIF means Alternative Investment Funds (as defined in AIFMD)

AIFM means Alternative Investment Fund Manager (as defined in AIFMD)

AIFMD means Alternative Investment Fund Managers Directive

AGM means Annual General Meeting of the Company

Ballybane means Ballybane Windfarms Limited

BDO means the Company's Auditor as at the reporting date

Beam Hill means Beam Wind Limited

Brexit means the withdrawal of the United Kingdom from the European Union

BNP Paribas means BNP Paribas Fortis N.V / S.A

Board means the Directors of the Company

Cloosh Valley means Cloosh Valley Wind Farm Holdings DAC and Cloosh Valley Wind Farm DAC

Company means Greencoat Renewables PLC

CBI means the Central Bank of Ireland

CFD means Contract For Difference

CPI means Consumer Price Index

DCF means Discounted Cash Flow

ESG means the Environmental, Social and Governance

EU means the European Union

Euronext means the Euronext Dublin, formerly the Irish Stock Exchange

EURIBOR means the Euro Interbank Offered Rate

Eurozone means the area comprising 19 of the 28 Member States which have adopted the euro as their common currency and sole legal tender

FCA means Financial Conduct Authority

Defined Terms

continued

FRC means Financial Reporting Council

GAV means Gross Asset Value as defined in the Admission Document

Garranereagh means Sigatoka Limited

Glanaruddery means Glanaruddery Windfarms Limited and Glanaruddery Energy Supply Limited

Gortahile means Gortahile Windfarm Limited

Group means Greencoat Renewables PLC and GR Wind Farms 1 Limited

Holdco means GR Wind Farms 1 Limited

Holdco 2 means GR Wind Farms 2 Limited

IAS means International Accounting Standards

IFRS means International Financial Reporting Standards

Investment Management Agreement means the agreement between the Company and the Investment Manager

Investment Manager means Greencoat Capital LLP

IPEV means the International Private Equity and Venture Capital Valuation Guidelines

IPO means Initial Public Offering

Irish Corporate Governance Annex is a corporate governance annex addressed to companies with a primary equity listing on the Main Securities Market of Euronext

IRR means internal rate of return

I-SEM means the Integrated Single Electricity Market, which is the wholesale electricity market arrangement for Ireland and Northern Ireland

Killala means Killala Community Wind Farm DAC

Killhills means Killhills Windfarm Limited

Knockacummer means Knockacummer Wind Farm Limited

Knockalour means Knockalour Wind Farm Holdings Limited and Knockalour Wind Farm Limited

Kostroma Holdings means Kostroma Holdings Limited

Lisdowney means Lisdowney Wind Farm Limited

Monaincha means Monaincha Wind Farm Limited

NAV means Net Asset Value as defined in the Admission Document

NAV per Share means the Net Asset Value per Ordinary Share

NOMAD means a company that has been approved as a nominated advisor for the Alternative Investment Market (AIM), by Euronext Dublin and London Stock Exchange

PPA means Power Purchase Agreement entered into by the Group's wind farms

Defined Terms

continued

PSO means Public Support Obligation

Raheenleagh means Raheenleagh Power DAC

RBC means Royal Bank of Canada

REFIT means Renewable Energy Feed-In Tariff

RESS means Renewable Energy Support Scheme

Review Section means the front end review section of this report (including but not limited to the Chairman's Statement and the Investment Manager's Report)

Santander means Abbey National Treasury Services Plc (trading as Santander Global Corporate Banking)

SEM means the Single Electricity Market, which is the wholesale electricity market operating in the Republic of Ireland and Northern Ireland

Sliabh Bawn means Sliabh Bawn Holding DAC, Sliabh Bawn Supply DAC and Sliabh Bawn Power DAC

Société Générale means Société Générale, London Branch

Solar PV means a solar photovoltaic system, which is a power system designed to supply usable solar power by means of photovoltaics.

SPVs means the Special Purpose Vehicles, which hold the Group's investment portfolio of underlying operating wind farms

TSR means Total Shareholder Return

Tullynamoyle II means Tullynamoyle Wind Farm II Limited

UK means United Kingdom of Great Britain and Northern Ireland

UK Code means UK Corporate Governance Code issued by the FRC

Forward Looking Statements and other Important Information

This document may include statements that are, or may be deemed to be, "forward-looking statements". These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "anticipates", "expects", "intends", "may", "plans", "projects", "will", "explore" or "should" or, in each case, their negative or other variations or comparable terminology or by discussions of strategy, plans, objectives, goals, future events or intentions.

These forward-looking statements include all matters that are not historical facts. They may appear in a number of places throughout this document and may include, but are not limited to, statements regarding the intentions, beliefs or current expectations of the Company, the Directors and/or the Investment Manager concerning, amongst other things, the investment objectives and investment policy, financing strategies, investment performance, results of operations, financial condition, liquidity, prospects, and distribution policy of the Company and the markets in which it invests.

By their nature, forward-looking statements involve risks and uncertainties because they relate to future events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not guarantees of future performance. The Company's actual investment performance, results of operations, financial condition, liquidity, distribution policy and the development of its financing strategies may differ materially from the impression created by, or described in or suggested by, the forward-looking statements contained in this document.

In addition, even if actual investment performance, results of operations, financial condition, liquidity, distribution policy and the development of its financing strategies, are consistent with any forward looking statements contained in this document, those results or developments may not be indicative of results or developments in subsequent periods. A number of factors could cause results and developments of the Company to differ materially from those expressed or implied by the forward looking statements including, without limitation, general economic and business conditions, global renewable energy market conditions, industry trends, competition, changes in law or regulation, changes in taxation regimes, the availability and cost of capital, currency fluctuations, changes in its business strategy, political and economic uncertainty. Any forward-looking statements herein speak only at the date of this document.

As a result, you are cautioned not to place any reliance on any such forward-looking statements and neither the Company nor any other person accepts responsibility for the accuracy of such statements.

Subject to their legal and regulatory obligations, the Company, the Directors and the Investment Manager expressly disclaim any obligations to update or revise any forward- looking statement contained herein to reflect any change in expectations with regard thereto or any change in events, conditions or circumstances on which any statement is based.

In addition, this document may include target figures for future financial periods. Any such figures are targets only and are not forecasts. Nothing in this document should be construed as a profit forecast or a profit estimate.

