GREENCOAT RENEWABLES

GREENCOAT RENEWABLES PLC

ANNUAL REPORT

FOR THE YEAR ENDED
31 DECEMBER 2020

Contents

All capitalised terms are defined in the list of defined terms on pages 86 to 88 unless separately defined.

At a Glance

Summary

Greencoat Renewables PLC is a sector-focused listed renewable infrastructure company, investing in renewable electricity generation assets, currently invested in wind farms in Ireland and France. 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 gearing.

Highlights

1,404 GWh	The Group's investments generated 1,404GWh (2019: 1,154GWh) of electricity, 3 per cent below budget.
€66.4m	Net cash generation (Group and wind farm SPVs) was €66.4 million[1] (2019: €48.8 million) and dividend cover was 1.7x (2019: 1.7x).
557 MW	Acquisition of 4 wind farms in Ireland and 3 in France, the Group's first investment outside of Ireland, increased the portfolio to 21 wind farm investments, net generating capacity to 557MW and GAV to €1,177 million as at 31 December 2020.
RESS	Agreement to acquire the Cloghan and Taghart wind farms, the Group's first RESS investments once they become operational in 2022.
€200m	Placement of a new 3 year €300m revolving credit facility and €200 million of 5 year term loans during the year adding more stability to the capital structure.
€125m	Issuance of 111 million new shares raising €125 million.
6.06c	The Company has declared total dividends of 6.06 cent per share with respect to the year.
36%	€427.9 million Aggregate Group Debt as at 31 December 2020, equivalent to 36 per cent of GAV.
114 community projects	€0.8 million of funds committed to local communities across 114 community projects.
561,432 tonnes	Portfolio generation reduced CO_2 emissions by 561,432 tonnes in 2020.
330,355 homes	Portfolio generation powered 330,355 homes in 2020.

(1) Gross of SPV level debt repayment

At a Glance
continued

Key Metrics

	As at 31 December 2020	As at 31 December 2019
Market capitalisation	€863.5 million	€747.3 million
Share price	116.5 cent	118.5 cent
Dividends with respect to the year	€39.9 million	€33.0 million
Dividends with respect to the year per share	6.06 cent	6.03 cent
GAV	€1,177 million	€1,017 million
NAV	€748.8 million	€650.0 million
NAV per share	101.0 cent	103.1 cent
TSR	38.3 per cent	23.5 per cent
Premium to NAV	15.3 per cent	15.0 per cent
CO_2 emissions reduced per annum	0.6 million tonnes	0.5 million tonnes
Homes powered per annum	0.3 million homes	0.3 million homes
Funds invested in community funds and social projects	€0.8 million	€0.7 million

Alternative performance measures are defined on page 89.

Defining Characteristics

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

1. The Group initially focused on investing solely in operating Irish wind assets. During 2020, the Group expanded to mainland Europe with 3 investments in France.

2. Wind is the most mature and largest scale renewable technology.

3. Both Ireland and France have a long established regulatory regime, high wind resource and in excess of €40 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 gearing 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 the Company's full year results for 2020 and report another strong year of activity and growth. While none of us would wish to repeat the past year and while real challenges remain in the wider economy, as we recover together from the COVID-19 pandemic, the Company is fortunate to be in a position to maintain its strong performance extremely well, demonstrating the value of our contracted business model.

Throughout 2020, the Group has continued to generate clean electricity for our communities and deliver on its investment objective, providing our investors with predictable returns and robust dividend cover. This has been possible through the excellent efforts of our management team and operating partners, in addition to the benefit of operating in a sector relatively unaffected by the pandemic.

Beyond this strong operational performance, I am also pleased that we have progressed our long-term strategic growth ambitions. We have continued our focus in Ireland while expanding into France in June 2020, and into Finland at the beginning of 2021. This is an important development, demonstrating Greencoat Renewables' ability to find value in the attractive European market.

The Company has matured significantly in the 3 plus years since listing. We are much larger and more diversified and are benefiting from increasing economies of scale. We have considerable opportunities ahead of us as we bring our expertise and experience to the deep pool of renewable assets in Europe.

I am very optimistic about the Company's prospects and would like to thank our investors for their continued support. We look forward to continuing to deliver growth and stable returns to shareholders.

COVID-19

From the outbreak of the pandemic, the Group took all possible steps to support and protect our team, contractors and all affected stakeholders. Given the nature of our assets, we were able to continue generating electricity and operations have remained largely unaffected. The Investment Manager enacted business contingency plans, which proved smooth and effective. In addition, some alterations were required to our maintenance and optimisation programmes to abide by government safety guidance.

We would like to acknowledge the efforts of our operating partners, who have adapted their working procedures to continue to operate and maintain our portfolio to high standards, while ensuring government guidelines are followed and health and safety is preserved.

Due to the contracted nature of portfolio revenues under the respective Irish and French subsidy schemes, there was no material exposure to low power prices and dividend cover remained robust.

Chairman's Statement

continued

Performance

Our wind farm portfolio generated 1,404GWh in the year, which was 3 per cent below budget. This compares to 1,154GWh generated in 2019, which was 4 per cent below budget. The overall picture was of high wind speeds offset by higher than expected grid constraint and curtailment in Ireland, principally due to COVID-19 and the enforced slowdown in the economy, which saw a decreased demand for electricity, and delays to grid infrastructure development in 2020. This impacted our Irish portfolio's ability to dispatch in some regions.

In light of the ongoing effects of the pandemic, we have conservatively increased our curtailment and constraint assumptions for 2021 and will review these regularly.

There were no material unplanned outages during the year, and asset availability was on budget. Net cash generation was €66.4 million(1), providing dividend cover of 1.7x(1).

Dividends and Returns

The Company declared dividends for the year of 6.06 cent per share, with the final quarterly dividend of 1.515 cent per share paid on 26 February 2021. Since listing in July 2017, the Company has consistently delivered on its dividend policy, and at 31 December 2020 had delivered a TSR of 38.3 per cent.

Our dividend policy remains unchanged and aims to increase annually between 0 and CPI. Despite CPI being negative in Ireland for 2020, we are pleased to be able to hold our target dividend at 6.06 cent per share, supported by our continued strong cashflow and robust dividend cover.

NAV per share decreased by 2.1 cent per share (ex-dividend) during the year, primarily as a result of lower short-term inflation assumptions in Ireland.

Acquisitions

The Company continued to execute on its growth strategy with high level of investment activity in Ireland as well as diversifying into new markets through the transactions in both France and the Nordics.

In Ireland, we continued our strategy to consolidate the REFIT market with four transactions closed in the year: the acquisitions of Letteragh, An Cnoc and Beam Hill Extension wind farms and a 50 per cent investment in Carrickallen wind farm. All of these acquisitions benefit from contracted cashflows until 2032.

Subsequent to the year end, we also announced the agreement to acquire the 89.9MW Cordal wind farm for €190 million from Cubico Investments. Cordal is located in County Kerry and has revenues contracted under the REFIT 2 scheme. The Group expects to complete the acquisition in April 2021.

In addition, I am pleased that we closed our first RESS transaction, agreeing to acquire the Cloghan and Taghart wind farms from Statkraft once fully operational in 2022. These wind farms are supported by contracted cashflows until the end of 2037. The forward-sale nature of this transaction was also noteworthy as we expect this model to become increasingly common for the Group, both in Ireland and continental Europe.

The Group also completed its first investment in France with the acquisition of a portfolio of 3 wind farms in the Burgundy, Picardy and Nouvelle-Aquitaine regions. We consider France as a highly attractive growth market, with expectations of reaching 70GW by 2030, underpinned by long term contracted cashflows. We expect to scale up the Group's position in France, building on this acquisition.

In addition, the Group executed its first transaction in the Nordic wind market in February 2021, agreeing to acquire the 43MW Kokkoneva wind farm, once fully operational in 2022. The investment also required placing of the first corporate PPA in the portfolio.

As at 31 December 2020, the Company's portfolio comprised 21 wind farms, and an aggregate generating capacity of 557MW.

Gearing

The Group made substantial progress in developing its capital structure through 2020. In April, the Group put in place a new 3-year €300m revolving credit facility. Then in October, the Group placed €200 million of new 5-year term loans with CBA, NAB and Natwest.

(1) Net cash generation and dividend cover are gross of SPV level debt repayment and were €52.4 million and 1.4x, net of SPV level debt repayment.

Chairman's Statement
continued

Gearing (continued)
We are very pleased with the outcome of our debt structuring in the year, having materially reduced our overall cost of debt, while allowing the Group to maintain an appropriate level of gearing to support growth. We expect to arrange further term loan facilities in the future as we continue to maintain our long-term gearing target.

As at 31 December 2020, the Group had €427.9 million of debt outstanding (including SPV level debt), equating to 36 per cent of GAV.

Equity Issuance
In addition to managing our gearing, raising equity allows the Group to maintain agility for acquisitions and growth.

In December 2020, the Company issued €125m of new equity at an issue price of €1.13 per share. The issuance was oversubscribed and accretive to NAV. The Group has significant headroom to pursue investment opportunities in the secondary market as they arise.

Environmental, Social and Governance
The Group's most substantial contribution to sustainability is the clean electricity it generates, displacing the need for thermal generation and associated emissions. With a larger portfolio, these metrics continue to rise and in 2020, our 1,404GWh of renewably generated power displaced thermal generation equivalent to 561,432 tonnes of carbon emissions. In perhaps more relatable statistics, we are happy to report that the Group generated enough clean electricity to power 330,355 households.

In aiming to be a sustainable business for the long term, our ESG ambitions go much further than the reduction of carbon emissions. This year, more than ever, we are proud of the support we provided to the communities in which our wind farms are located, rising together to meet the challenges of COVID-19. In addition, we are proud to have been involved in the following activities during the year:

- actively participated in the Wind Energy Ireland COVID-19 taskforce;
- commenced supporting a 4 year research project with Wind Energy Ireland lead by Trinity College, Dublin that is investigating the impact of wind farms on biodiversity;
- continued to sponsor the BT Young Scientist and Technology exhibition.

Further details of these and other activities and initiatives can be found in the latest ESG report on the Company's website www.greencoat-renewables.com.

From the outset of the pandemic, I am pleased to report that we were able to accelerate the release of funds from our Community Support Programme and have managed to prioritise initiatives that are actively aiding the local communities that have been adversely impacted by COVID-19.

This year, we also welcome the opportunity to make climate related disclosures as recommended by the Task Force on Climate-Related Financial Disclosures (TCFD) in our Annual Report. Detailed disclosures can be read in the Directors' Report on pages 26 to 27.

Outlook
The Company's outlook remains very strong and fortunately has been largely unaffected by COVID-19. The highly contracted cashflows of our portfolio means that we will continue to experience negligible impact on low captured power prices. The Group has demonstrated that it can continue to grow effectively despite the pandemic, and we have a significant pipeline of opportunities in Ireland and across Europe.

The Irish market remains very attractive to us, and the acquisition of our first RESS assets shows the depth of the future opportunity. Given the CFD structure of RESS, as well as regular auctions planned until 2026, we still consider Ireland as a key focus for further investment and we expect the Group to remain active and maintain our strong market position.

Perhaps our most notable event of the year was the Group's expansion into continental Europe with a portfolio acquisition in France and an investment commitment in Finland after the end of the year. Given the Investment Manager's deep relationships and strong reputation with developers and utilities, and the Group's ability to invest without currency risk and increasing scale, we continue to believe that Europe represents a substantial opportunity for the Group.

Chairman's Statement
continued

Board and Governance
The annual internal evaluation of the Board raised no significant issues. The COVID-19 pandemic presented challenges to the Board and the Investment Manager, preventing us to meet in person to discuss matters of the Company and the investment portfolio. However, as further described in the Corporate Governance Report on page 38, the Board was able to meet 8 times during the year, the majority over video conference, and was able to continue to govern the Company well, despite these restrictions.

The Group's governance is further described in the Corporate Governance Report on pages 36 to 41.

Annual General Meeting
Our AGM will take place at 9.00 am on Thursday 29 April 2021. In 2020, following the advice of the government on social distancing, travel and measures to prohibit public gathering in order to minimise the spread of COVID-19, the Company decided to change the location of its AGM from the offices of the NOMAD and hold it at our offices with the minimum necessary quorum of two shareholders present. A recording of the AGM was made and is available for shareholders on the Company's website (www.greencoat-renewables.com).

It appears likely that such an arrangement might also be necessary for the AGM this year. The Board recognises the value of shareholder interaction and will try to provide investors with the opportunity to meet with the Directors and the Investment Manager, if possible, later in the year.

Details of the formal business of the meeting are set out in a separate circular which is sent to shareholders with the Annual Report.

Conclusion
I would like to thank my fellow directors, Emer Gilvarry, Marco Graziano, and Kevin McNamara, for their valuable stewardship, input and counsel in a difficult year. I would also like to acknowledge the considerable skill and endeavour of our Investment Manager, Greencoat Capital, which ensured the Group continued to operate efficiently and grow sustainably in a challenging year for all of us.

Rónán Murphy
Chairman
28 February 2021

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 has over €6.5 billion of assets under management with renewables infrastructure portfolios in the UK, Ireland, France and the US and offices in London, Dublin and Düsseldorf. The Investment Manager is authorised and regulated by the FCA and is a full scope UK AIFM.

The team, focussed on management of the Group and its investment portfolio, is led by Bertrand Gautier and Paul O'Donnell and consists of investment professionals with significant experience across the Irish and European renewables markets, technical asset management and debt and equity capital markets.

Bertrand has over 28 years of operational, financial and investment experience, of which the last 11 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. Prior to joining Greencoat Capital, his career encompassed senior positions at Terra Firma Capital Partners, Merrill Lynch's M&A Infrastructure team, and Procter & Gamble.

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

Paul has over 18 years of renewables and investment experience, of which the last 14 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.

Paul has been a Partner of Greencoat Capital since 2016 and 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 2020, with continued strong growth and operational efficiency demonstrated across the business.

Throughout the year, the portfolio's characteristically strong, contracted cashflows have continued to deliver robust dividend cover, despite the challenges across the electricity industry and the ongoing impact of the COVID-19 pandemic.

The Group has remained able to progress its longer-term strategy, continuing to consolidate in the Irish renewables market, whilst expanding and diversifying into Europe with the acquisition of a French portfolio during the year and the recent agreement to acquire a wind farm in Finland. We expect these investments to provide a platform for further European expansion, accessing a very large pool of assets on the continent that seek value, diversify the portfolio and deliver stable returns to investors.

Investment Portfolio

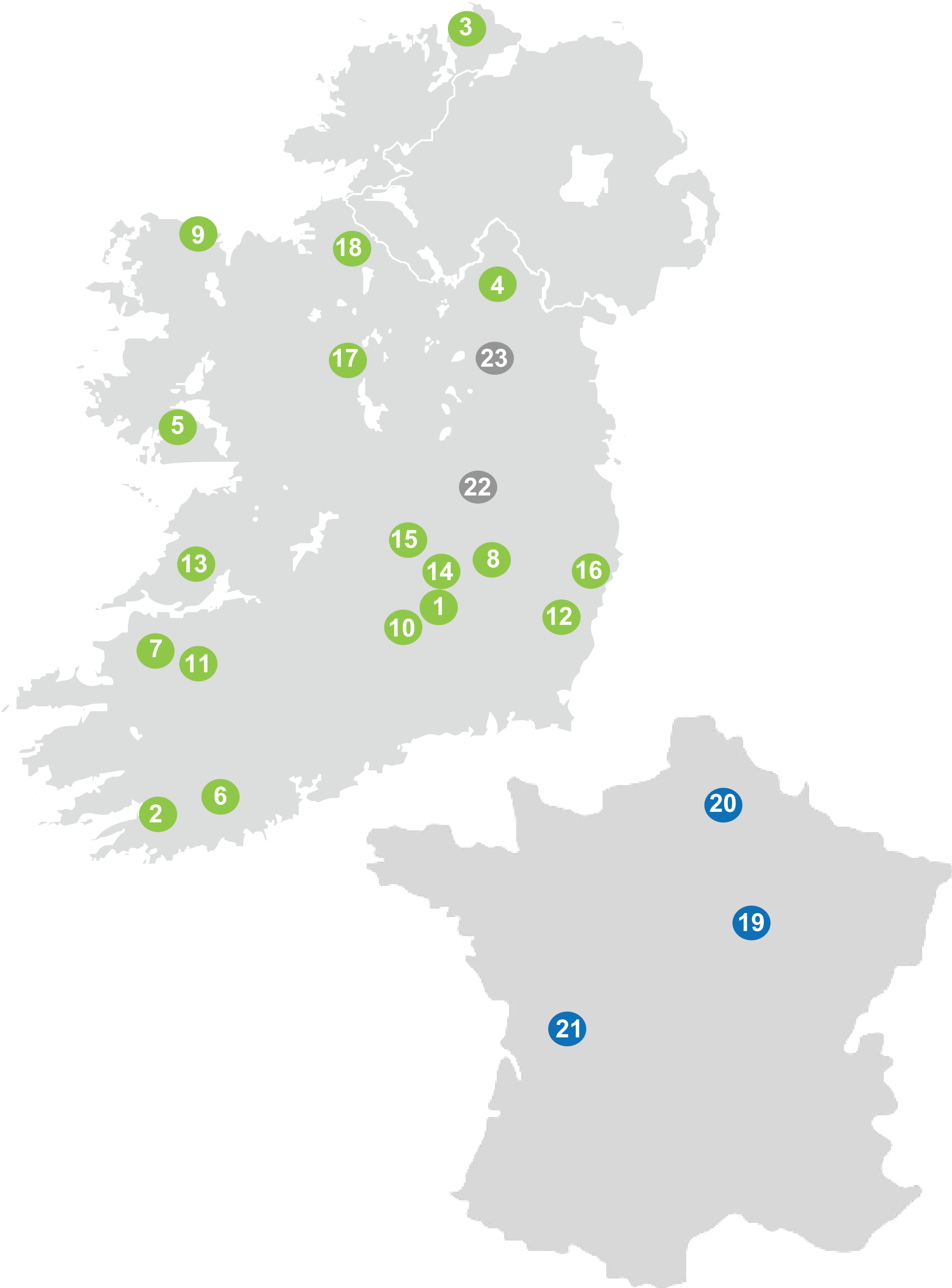
The Group's investment portfolio as at 31 December 2020 consisted of interests in SPVs which held the following underlying operating wind farms:

Wind Farm	Country	Turbines	Operator	PPA	Total MW	Ownership Stake	Net MW
An Cnoc	Republic of Ireland	Enercon	EnergyPro	Supplier Lite	11.5	100%	11.5
Ballybane	Republic of Ireland	Enercon	EnergyPro	Energia	48.3	100%	48.3
Beam Hill [1]	Republic of Ireland	Vestas/Enercon	EnergyPro	Erova/Naturgy	20.9	100%	20.9
Carrickallen	Republic of Ireland	Senvion	EnergyPro	SSE	20.5	50%	10.3
Cloosh Valley	Republic of Ireland	Siemens Gamesa	SSE	SSE	108.0	75%	81.0
Garranereagh	Republic of Ireland	Enercon	Statkraft	Bord Gáis	9.2	100%	9.2
Glanaruddery	Republic of Ireland	Vestas	EnergyPro	Supplier Lite	36.3	100%	36.3
Gortahile	Republic of Ireland	Nordex	Statkraft	Energia	20.0	100%	20.0
Killala	Republic of Ireland	Siemens Gamesa	EnergyPro	Electroroute	17.0	100%	17.0
Killhills	Republic of Ireland	Enercon	SSE	Brookfield	36.8	100%	36.8
Knockacummer	Republic of Ireland	Nordex	SSE	Brookfield	100.0	100%	100.0
Knocknalour	Republic of Ireland	Enercon	Statkraft	Naturgy / Energia	9.2	100%	9.2
Letteragh	Republic of Ireland	Enercon	Statkraft	SSE	14.1	100%	14.1
Lisdowney	Republic of Ireland	Enercon	EnergyPro	Naturgy	9.2	100%	9.2
Monaincha	Republic of Ireland	Nordex	Statkraft	Bord Gáis	36.0	100%	36.0
Pasilly	France	Siemens Gamesa	Greensolver	Sorégies	20.0	100%	20.0
Raheenleagh	Republic of Ireland	Siemens Gamesa	ESB	ESB	35.2	50%	17.6
Saint Martin	France	Senvion	Greensolver	Sorégies	10.3	100%	10.3
Sliabh Bawn	Republic of Ireland	Siemens Gamesa	Bord na Mona	Supplier Lite	64.0	25%	16.0
Sommette	France	Nordex	Greensolver	Sorégies	21.6	100%	21.6
Tullynamoyle II	Republic of Ireland	Enercon	Statkraft	Bord Gáis	11.5	100%	11.5
Total Operating Portfolio							**556.7**
Contracted to acquire [2]							63.0
							619.7

[1] Includes Beam Hill (14MW, Vestas turbines) wind farm and Beam Hill Extension wind farm (6.9MW, Enercon turbines)

[2] Includes the commitment to acquire the 37.8MW Cloghan and the 25.2MW Taghart wind farms once operational, expected in H2 2022

Investment Portfolio (continued)



Ireland Operating Portfolio
1 An Cnoc
2 Ballybane
3 Beam Hill
4 Carrickallen
5 Cloosh Valley
6 Garranereagh
7 Glanaruddery
8 Gortahile
9 Killala
10 Killhills
11 Knockacummer
12 Knocknalour
13 Letteragh
14 Lisdowney
15 Monaincha
16 Raheenleagh
17 Sliabh Bawn
18 Tullynamoyle II

France Operating Portfolio
19 Pasilly
20 Sommette
21 Saint Martin

Committed Investments
22 Cloghan
23 Taghart

Investment Manager's Report
continued

Investment Portfolio (continued)

Breakdown of operating portfolio by value as at 31 December 2020:

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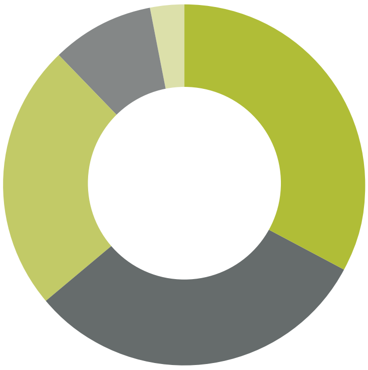

ASSET AGE

ASSETS

GEOGRAPHY

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Portfolio Performance

Portfolio generation for the year was 1,404GWh, 3 per cent below budget. Wind resource was above budget and availability was in line with expectations, however significant levels of curtailment across the Irish portfolio were experienced throughout the year. Removing the impact of curtailment and constraint, portfolio generation would have exceeded budget by c.7 per cent.

The portfolio benefits from stable cashflows contracted via both the Irish REFIT and French FIT schemes. 99% of the portfolio's cashflows are contracted until 2028. We believe 2020 demonstrated the distinctive nature of the portfolio's contracted cashflows and are pleased to continue to deliver stable returns in such unique circumstances.

The following table shows a breakdown of 2020 generation by wind farm:

Wind Farm	Ownership Stake	Period	2020 Budget (GWh)	2020 Actual (GWh)
An Cnoc	100%	Nov – Dec	6.5	6.1
Ballybane	100%	Jan - Dec	117.5	114.7
Beam Hill [(1)]	100%	Jan - Dec	37.9	31.7
Carrickallen	50%	Aug – Dec	12.4	13.1
Cloosh Valley	75%	Jan - Dec	262.9	268.0
Garranereagh	100%	Jan - Dec	24.5	26.1
Glanaruddery	100%	Jan - Dec	107.5	105.4
Gortahile	100%	Jan - Dec	61.3	66.2
Killala	100%	Jan - Dec	46.6	44.1
Killhills	100%	Jan - Dec	89.1	87.9
Knockacummer	100%	Jan - Dec	295.3	267.2
Knocknalour	100%	Jan - Dec	21.2	21.1
Letteragh	100%	Mar – Dec	36.9	37.2
Lisdowney	100%	Jan - Dec	30.3	30.8
Monaincha	100%	Jan - Dec	99.5	96.7
Pasilly	100%	Jul – Dec	18.9	19.5
Raheenleagh	50%	Jan - Dec	62.9	62.3
Saint Martin	100%	Jul – Dec	10.0	10.4
Sliabh Bawn	25%	Jan - Dec	45.0	44.6
Sommette	100%	Jul – Dec	27.0	29.1
Tullynamoyle II	100%	Jan - Dec	26.5	21.4
Total			**1,439.7**	**1,403.6**

(1) Includes generation from Beam Hill wind farm (Jan – Dec 2020) and Beam Hill Extension wind farm (Dec 2020)

The Irish portfolio continued to experience high levels of curtailment and constraint during the year through a combination of high wind speeds, a decrease in electricity demand due to the COVID-19 pandemic and delayed grid upgrades. These rescheduled grid works are ongoing at present and are expected to cause further grid disruptions until 2022, after which curtailment is expected to revert to our long-term forecast. With this in mind, we have adjusted the short-term constraint and curtailment forecast in our valuation model.

Investment Manager's Report
continued

Portfolio Performance (continued)

We are pleased with Eirgrid's decision to increase System Non-Synchronous Penetration (SNSP) to 70 per cent and to set a plan to increase this further to 75 per cent in 2021. We expect this and other measures to reduce future curtailment levels and their impact on the portfolio. In addition, the Investment Manager has been actively involved in the industry consultation on the EU Clean Energy Package with a view to achieving compensation for curtailed volumes for renewable generators in Ireland. A final consultation is due to take place in early 2021.

As a result of COVID-19 pandemic restrictions, the Investment Manager and outsourced O&M contractors have adapted portfolio management procedures in line with government guidelines. However, the portfolio was able to operate with negligible impact on availability and production.

In particular, the Investment Manager has continued to effectively manage the portfolio with some key achievements during the year:

- Realising revenue enhancement through:
  - technology installation at relevant wind farms enabling them to provide DS3 services to Eirgrid. This resulted in a c.€1 million increase in revenues across the portfolio. The increased DS3 revenues offset the impact of curtailed generation on the portfolio as they increase in periods of high renewables generation on the system;
  - increasing the energy yield at Glanaruddery by c.1 per cent through upgraded turbine software;
  - finalising agreements for targeted forestry felling of c.40 hectares across 2 locations to increase energy yield and reduce turbine wear.
- Reducing operating expenditure through reducing PPA balancing fees achieving savings of c.75 per cent.
- Overseeing the safe and timely construction of a sixth turbine at Killala.
- Improving governance through:
  - consolidating asset-level technical and commercial management services to high quality, local providers in both Ireland and France;
  - maintaining active communication channels with senior management of key turbine and electrical maintenance suppliers to maximise service standards of maintenance contracts.
- Successfully managing the safe and expedient return to operation of a turbine at Lisdowney that was struck by lightning in March. Repair costs and lost revenue were claimed through maintenance contract warranties and insurance.

Carrickallen

Portfolio Performance (continued)

The integration of 3 new French assets was achieved seamlessly. Despite travel restrictions from the COVID-19 pandemic, our team safely carried out on-site audits of each wind farm and established relationships with key local partners. Bringing our industry-leading management approach of the Irish and UK portfolios, we have worked closely with our external partners to align business processes and build a platform to scale our business in France. A particular focus has been to establish strong environmental management practices, ensuring effective implementation of new legislation.

Many Irish wind farms will go through a revaluation of business rates in the next 24 months. With different local counties implementing different approaches and a current dispute between the Valuation Office and wind farm owners regarding their respective rateable values, there is currently little clarity on the impact this could have on the portfolio and the Group. The Investment Manager is continuing to monitor the situation and will seek to minimise any potential downside impacts.

During the year, An Bord Pleanála determined, through a Section 5 declaration, that the underground grid connections with respect to Knockacummer and Raheenleagh wind farms did not constitute exempted development. Such determinations have been made with respect to a number of wind farms over the last few years. As was common practice in the industry at the time the wind farms were constructed, planning permission was not obtained for the grid connection. Instead Section 5 declarations were obtained either from the local County Council or An Bord Pleanála to confirm that planning permission was not required. The recent An Bord Pleanála determinations are therefore at odds with those pre-existing declarations. In September 2020, the Investment Manager, with assistance of legal advice, initiated judicial review proceedings with the High Court for Knockacummer and Raheenleagh wind farms, challenging An Bord Pleanála's determinations on various grounds. The High Court granted both wind farms leave to initiate judicial review proceedings and granted a stay on the An Bord Pleanála decisions. The review is currently ongoing and the Investment Manager will continue to actively monitor these proceedings as well as other Section 5 declarations across the Irish wind industry, while in parallel, continuing to explore further options to regularise the planning status of the grid connections.

Health and Safety

Health and safety is of paramount importance to both the Company and the Investment Manager. The Investment Manager also has its own health and safety forum where best practices are discussed and key learnings from incidents from across the industry are shared.

There were no major incidents in the year. Independent health and safety audits were conducted across 9 wind farms and independent electrical safety audits were performed across 4 wind farms in the year. 155 recommendations surfaced during these audits, of which 137 have already been implemented. Separately, the wind farm operators carried out 95 individual audits across the portfolio.

Environmental, Social and Governance

The focus of the Board and the Investment Manager to recognise the fundamental importance of adequate management of ESG matters continued during the year. During the year the Group achieved the following:

- **Environmental** - significantly increased generation capacity, supporting Ireland and France's transition towards a net zero carbon emissions economy;
- **Social** - active engagement with, and support provided to, local communities surrounding the areas in which the wind farms are located, with particular concern for how they have been impacted by the COVID-19 pandemic. Specific response funds were made available to some local communities. For example, at Glanaruddery, these funds were used to purchase a van to make food deliveries to locals, who were self-isolating and unable to leave their homes;
- **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

2020 was another active year in the secondary renewables market and was, most notably, a year in which the Group made its first investments outside of Ireland. This provides the Group with significant opportunity to grow and diversify its portfolio through further investments in continental Europe.

We continued to see many opportunities for value accretive acquisitions in our target jurisdictions, and during the year priced and assessed 64 wind farms totalling 1,970MW. Of the wind farms priced, 7 investments were made by the Group, 33 were acquired by other buyers, 4 are no longer being pursued by the Group and 20 are subject to continuing discussions.

Investment Manager's Report
continued

Acquisitions (continued)

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

	MW (net)	€m
Pasilly Sommette Saint Martin	51.9	91.1
Letteragh	14.1	34.5
An Cnoc	11.5	22.6
Carrickallen (50% interest)	10.3	21.2
Beam Hill Extension	6.9	12.4
Total	**94.7**	**181.8**

Ireland

In December 2020, the Company announced its first investment supported by the Irish government's RESS framework. The Group agreed to acquire the 37.8MW Cloghan wind farm and the 25.2MW Taghart wind farm, both of which benefit from 15-year fixed price contracts secured under the 2020 RESS 1 auction. The transaction is expected to complete in late 2022 after the wind farms become fully operational. By committing to acquire assets at an earlier stage of development, the Group has been able to access improved returns and enhanced deal flow, while not taking construction risk. We see this investment model being important for the Group's future growth.

In January 2021, the Group increased its investment in Killala wind farm following successful construction and commissioning of its sixth 3.4MW turbine. Killala now has a generating capacity of 20.4MW and the net generating capacity of the Group is 560MW.

In February 2021, the Company also announced its agreement to acquire the 89.9MW Cordal wind farm for €190 million from Cubico Investments. Cordal is located in County Kerry and has revenues contracted under the REFIT 2 scheme. The Group expects to complete the acquisition in April 2021.

France

In June 2020, the Group diversified its portfolio and made its first investments in continental Europe, acquiring 3 wind farms in France for a net enterprise value of €95 million. This portfolio consisted of the 20.0MW Pasilly wind farm in the Burgundy region, the 21.6MW Sommette wind farm in the Picardy region and the 10.3MW Saint Martin wind farm in the Saint Martin-L'Ars region. The Group retained €66.9 million of project level debt as part of the transaction. This transaction has enabled the Group to gain exposure to the French FIT subsidy scheme and increase its levels of contracted cashflows.

The Nordics

In February 2021, the Company announced its first investment in the Nordics. The Group agreed to acquire the 43.2MW Kokkoneva wind farm in Finland for an estimated consideration of €60 million, with the investment expected to complete in Q2 2022 when the wind farm is expected to be fully operational. The project benefits from a 10 year base load PPA with Gasum, the state-owned gas utility in Finland, who have stated their intention to offer renewably-sourced energy to their customer base. The overall market for corporate PPAs is increasing substantially across Europe, but particularly in the Nordics due to the ability to generate low cost renewable electricity. This model of acquiring subsidy-free renewable energy assets and using a corporate PPA to provide contracted cashflow is very attractive to the Group and we look to execute further transactions on this basis.

Gearing

In April 2020, the Group successfully placed a new €300 million revolving credit facility drawing funds from CIBC, RBC and Santander to retire and refinance its existing facility. The new facility has a refreshed 3-year tenor and lower margin and commitment fee.

In October 2020, the Group successfully executed the next phase of managing its capital structure, by successfully placing €200 million of 5-year term loans with CBA, NAB and Natwest (together with associated interest rate swaps). The proceeds of these loans were utilised to repay the Group's drawn revolving credit facility and is anticipated to be the first of similar term debt tranches placed by the Group in the future. These term facilities were placed at very competitive margins and have enabled the Group to establish and maintain a strong and supportive lending syndicate.

Gearing (continued)

As at 31 December 2020, the Group and wind farm SPVs had €427.9 million outstanding debt, equating to 36 per cent of GAV (limit 60 per cent). This comprised €15 million drawn under the Group's revolving credit facility, €200 million of 5-year term debt and €212.9 million of the Group's proportionate share of long-term project finance debt (including the fair value of associated interest rate swaps) at SPV level.

Average gearing during the year was 39 per cent of GAV (Group and wind farm SPV level) and the weighted average cost of debt at 31 December 2020 was 0.74 per cent, significantly lower than last year. Further detail on the Group's debt facilities can be found in note 13 of the Financial Statements.

Equity Issuance

In December 2020, the Company issued 111 million new shares at an issue price of 113 cent per share raising gross proceeds of €125 million in an 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 2020.

Equity Issuance (continued)

Net proceeds from the equity raise were used to repay the Group's drawn revolving credit facility, in line with the Company's strategy.

Financial Performance

Despite below budget wind generation, dividend cover remained robust. Net cash generated by the Group and wind farm SPVs was €66.4 million (gross of SPV level debt repayment) or €52.4 million (net of SPV level debt repayment), providing dividend cover of 1.7x (gross) or 1.4x (net).

Cash balances (Group and wind farm SPVs) increased by €4.5 million from €34.5 million to €39.0 million over the year.

	For the year ended 31 December 2020	
Group and wind farm SPV cashflows	**Net (1) €'000**	**Gross (1) €'000**
Net cash generation	52,415	66,424
Dividends paid	(38,168)	(38,168)
SPV level Capex & PSO cashflow (2)	(19,594)	(19,594)
SPV level debt repayment	–	(14,009)
Acquisitions (3)	(114,438)	(114,438)
Acquisition costs	(1,518)	(1,518)
Equity issuance	125,000	125,000
Equity issuance costs	(2,071)	(2,071)
Net drawdown under debt facilities	9,000	9,000
Upfront finance costs	(6,149)	(6,149)
Movement in cash (Group and wind farm SPVs)	**4,477**	**4,477**
Opening cash balance (Group and wind farm SPVs)	34,547	34,547
Closing cash balance (Group and wind farm SPVs)	**39,024**	**39,024**
Net cash generation (2)	52,415	66,424
Dividends	38,168	38,168
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 (€14,009k), and the second shows net cash generation gross of 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 (€8,551k).

Financial Performance (continued)

The following 2 tables provide further detail in relation to net cash generation figures of €66.4 million (gross) and €52.4 million (net):

Net Cash Generation – Breakdown	For the year ended 31 December 2020	
	Net €'000	Gross €'000
Revenue	118,648	118,648
Operating expenses	(35,167)	(35,167)
Tax / VAT	644	644
Wind farm operating cashflow	**84,125**	**84,125**
SPV level debt interest	(6,602)	(6,602)
SPV level debt repayment	(14,009)	-
Wind farm cashflow	**63,514**	**77,523**
Management fee	(6,246)	(6,246)
Operating expenses	(1,642)	(1,642)
Ongoing finance costs	(2,822)	(2,822)
VAT	(352)	(352)
Other	(37)	(37)
Group cashflow	**(11,099)**	**(11,099)**
Net cash generation	**52,415**	**66,424**

Net Cash Generation - Reconciliation to Net Cash Flows from Operating Activities	For the year ended 31 December 2020	
	Net €'000	Gross €'000
Net cash flows from operating activities (1)	18,424	18,424
Movement in cash balances of wind farm SPVs (2)	(14,798)	(14,798)
SPV capex & PSO cashflow (3)	19,169	19,169
Repayment of debt at SPV level (2)	-	14,009
Repayment of shareholder loan investment (1)	32,442	32,442
Finance costs (1)	(8,971)	(8,971)
Upfront finance costs (cash) (4)	6,149	6,149
Net cash generation	**52,415**	**66,424**

(1) Consolidated Statement of Cash Flows.

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

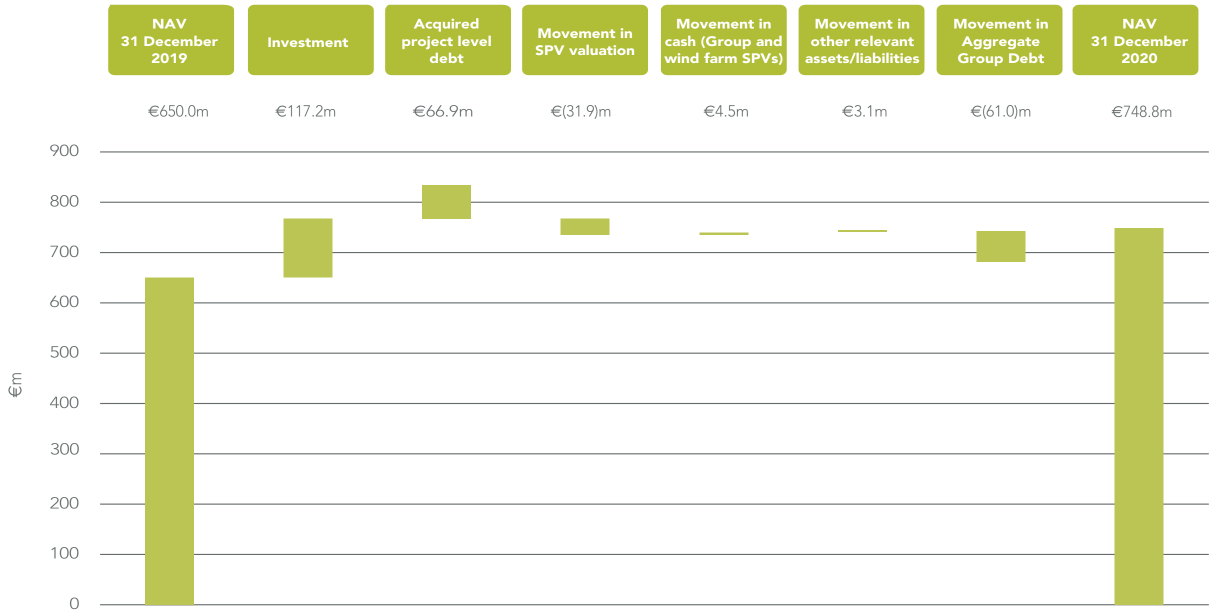
(3) €19,953k cashflows reflect residual capital expenditure from acquired SPVs and REFIT working capital movements with the PSO relating to wind farm SPVs less €424k SPV working capital.

(4) €2,897k capitalised arrangement fees for the Group's revolving credit facility plus €2,120k capitalised arrangement fees for the Group's term debt facilities plus €1,139k professional fees (note 13 to the financial statements) less €7k movement in other finance costs payable (note 12 to the Financial Statements).

Investment Manager's Report

continued

Investment Performance



NAV at 31 December 2020 was €748.8 million (101.0 cent per share), which is a reduction from NAV at 31 December 2019, which was €650.0 million (103.1 cent per share). During the year, the 2.1 cent NAV per share decrease is attributable to:

	cent per share
NAV per share at 31 December 2019	103.1
Group and wind farm SPV net cash generated	10.5
Portfolio valuation depreciation	(4.5)
Dividends paid to shareholders during the year	(6.1)
NAV-accretive share issuance and equity raise	1.5
Changes to macroeconomic assumptions	(4.0)
Reduction in discount rate for the Irish portfolio	2.0
Adjustments to short term curtailment and other assumptions	(1.5)
NAV per share at 31 December 2020	**101.0**

Total dividends of €38.2 million were paid in 2020. Total dividends of €39.9 million have been paid or declared with respect to 2020 (6.06 cent per share). The target dividend for 2021 is expected to remain flat at 6.06 cent per share despite negative CPI during 2020.

Investment Manager's Report
continued

Investment Performance (continued)

	cent per share	per cent
NAV at 31 December 2019	103.1	
Less February 2020 dividend	(1.5)	
NAV at 31 December 2019 (ex-dividend)	101.6	
NAV at 31 December 2020	101.0	
Less February 2021 dividend	(1.5)	
NAV at 31 December 2020 (ex-dividend)	99.5	
Movement in NAV (ex-dividend)	(2.1)	(2.1)
Dividends with respect to the year	6.1	6.0
Total return on NAV	**4.0**	**3.9**

The share price at 31 December 2020 was 116.5 cent per share, representing a 15.3 per cent premium to NAV.

Reconciliation of Statutory Net Assets to Reported NAV

	As at 31 December 2020 €'000	As at 31 December 2019 €'000
DCF valuation	1,112,352	982,411
Other relevant assets (wind farm SPVs)	22,370	111
Cash (wind farm SPVs)	22,507	28,527
Fair value of investments (1)	**1,157,229**	**1,011,049**
Cash (Group)	16,517	6,020
Other relevant assets / (liabilities) (2)	2,944	(127)
GAV	**1,176,690**	**1,016,942**
Aggregate Group Debt (3)	(427,877)	(366,942)
NAV	**748,813**	**650,000**
Reconciling items	–	–
Statutory net assets	**748,813**	**650,000**
Shares in issue	741,238,938	630,619,469
NAV per share (cent)	**101.0**	**103.1**

(1) The fair value of investments are shown gross of €212.9 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) Other relevant net assets in 2020 are gross of €4.2 million of capitalised facility arrangement fees that are netted off against loans and borrowings (consistent with Note 13 to the financial statements).

(3) Aggregate Group debt reflects €215.0 million relating to amounts drawn under the Group's revolving credit and term facilities (gross of €4.2 million of capitalised facility arrangement fees and consistent with Note 13 to the financial statements), and €212.9 million of debt and swap fair values held at wind farm SPV level.

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 0.2 per cent from 31 December 2019 reflecting market valuations for Irish assets observed through 2020. The blended discount rate as at 31 December 2020 remains within 6 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.

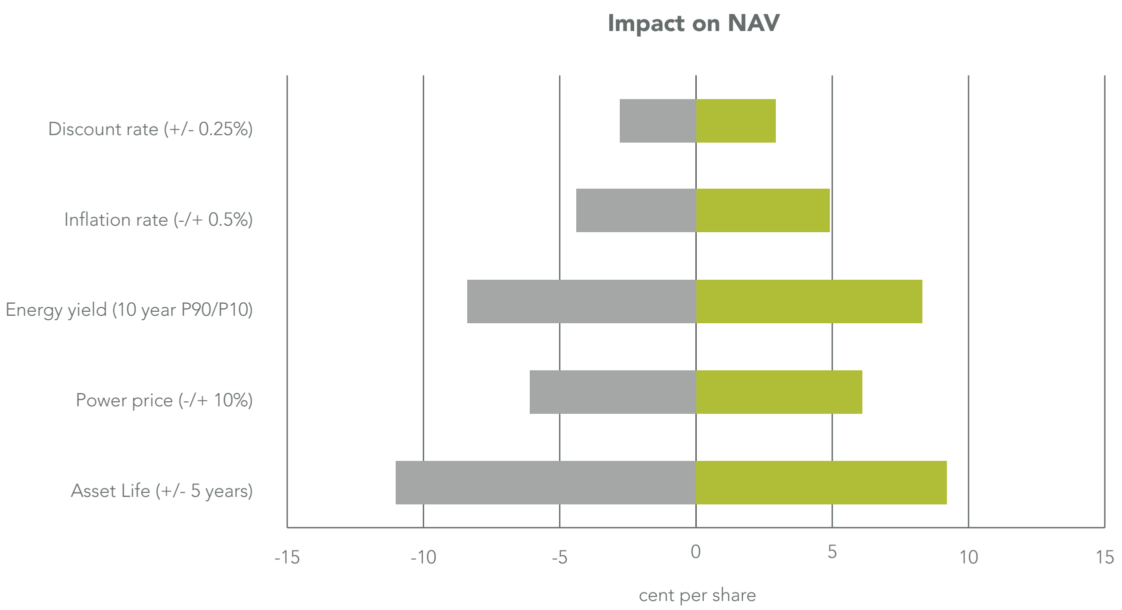
The base case long term CPI assumption is 2.0 per cent for both Irish and French assets.

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.

Long term power price forecasts are provided by leading market consultants, 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 €57/MWh (2030) to approximately €62/MWh (2040) in Ireland and approximately €50/MWh (2030) to approximately €55/MWh (2040) in France. 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 technical durability of the wind farm components and 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 outlook for the Group continues to remain positive with a growing secondary wind market in Ireland and France, a stable policy backdrop for wind assets underpinned by the REFIT and RESS frameworks in Ireland and the FIT framework and France. This continues to provide a significant opportunity for continued 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, REFIT 2 or RESS, representing a c.€8bn market size.

The RESS framework successfully completed its first auction in August 2020, further demonstrating the Irish government's commitment to generating 70 per cent of electricity from renewable sources by 2030.This year's auction saw c.400MW of wind and c.800MW of solar PV awarded fixed price support contracts guaranteeing the price of wholesale electricity until 2038. The successful transaction that the Group executed with Statkraft on a forward sale basis supports the strategy to continue to be able to grow in the Irish market and to secure contracted cashflows up to 2038.

With further auctions expected to occur annually, this continues to present a significant growth opportunity for the Group, with 8GW of onshore wind, 3.5GW offshore wind and 1.5GW of solar PV generating capacity expected to be in place by 2030.

Continental Europe
Following the Group's first investment outside of Ireland, acquiring 3 wind farms in France in June 2020, and the recent announcement of the Group's agreement to acquire a wind farm in Finland in 2022, we continue to see the significant investment opportunities in continental Europe. We have an active pipeline in Belgium, France, Germany, the Netherlands and the Nordics through strong relationships with asset owners, developers and advisors. We are also conducting preliminary investigations of investments in Iberian markets, which have seen positive developments over the last few years. We see the European market providing the Group with access to a wide range of opportunities, mostly from sellers well known to the Investment manager, including European utilities and developers with whom we have transacted with previously.

We see the European market allowing the Group to continue to diversify the business, in terms of weather patterns, power markets and regulatory frameworks, while not taking any currency risk.

We continue to consider a range of revenue contracts, including government support regimes and corporate PPAs. We find particular value in the Nordics markets where subsidy-free renewable infrastructure development continues to see significant growth. Despite this investment opportunity, we continue to expect the portfolio to have a significant proportion of fixed price revenue underpinning its cashflows.

Sliabh Bawn

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 63, 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 66, 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 63, was recently a consultant and prior to this, the Managing Partner of Mason Hayes & Curran 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 Effective 1 November 2020, she was named as a non-executive director of Kerry Group PLC.

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

Marco Graziano

Marco Graziano, aged 63, 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. He has been a member of the Board since 30 January 2020.

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

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
Emer Gilvarry	Kerry Group 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

Directors' Report

The Directors present their Annual Report, together with the consolidated financial statements of Greencoat Renewables PLC for the year ended 31 December 2020.

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 8 to 21.

Results for the Year

The consolidated financial statements for the financial year ended 31 December 2020 are set out in detail on pages 49 to 54 including the results for the year which are set out in the Consolidated Statement of Comprehensive Income on page 49.

Future Developments

The Group's outlook is discussed in the Investment Manager's Report on pages 8 to 21.

Investment Objective

The Company's aim is to provide attractive risk-adjusted returns to shareholders through an annual dividend (6.06 cent per share for 2020) 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 gearing. 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 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, France, Germany, the Netherlands, and the Nordics).

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, Holdco, Holdco 1 and Holdco 2. Holdco invests in the underlying portfolio companies and Holdco 2 is the borrowing entity of all debt facilities at Group level.

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 2022, 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

Directors' Report

continued

Discount Control (continued)

or more to the NAV per share in any financial year, the 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 2020 are detailed below.

Shareholder	Ordinary shares held % 31 December 2020
Brewin Dolphin Wealth Management	7.70
Newton Investment Management	7.21
M&G Investment Management	6.22
FIL Investment International	4.90
Foresight Group	4.49
Baillie Gifford & Co.	4.46
Cantor Fitzgerald	4.23
Davy Stockbroker	4.11
Irish Life Investment Managers	3.56
Aberdeen Standard Capital	3.49

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 3, 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 2020		31 December 2019	
	€000	%	€ 000	%
Management fee	6,522	1.00%	5,221	1.00%
Directors' fees	254	0.04%	200	0.04%
Ongoing expenses (1)	1,382	0.21%	1,176	0.21%
Total	**8,158**	**1.24%**	**6,597**	**1.25%**
Weighted Average NAV	**651,082**		**524,558**	

(1) Ongoing expenses do not include €341k (2019: €31k) of broken deal costs, €266k pf SPV administration fees and €29k of other non-ongoing costs.

Based on the 31 December 2020 NAV of €749 million, the ongoing total management fee is 1.00 per cent. of NAV. Assuming no change in NAV, the 2021 ongoing charges ratio is expected to be 1.22 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.

Directors' Report
continued

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 ESG matters. In collaboration, the Board and the Investment Manager assess 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 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. The Investment Manager monitors compliance at the investment phase and reports on an ongoing basis to the Board.

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 full ESG policy of the Company and its ESG report are available on the Company's website: www.greencoat-renewables.com.

Climate Change

The Task Force on Climate-Related Financial Disclosures (TCFD) was established in 2015, with the goal of developing consistent disclosure standards for companies, in order to enable investors and other stakeholders to assess the climate-related financial risks.

The premise of such climate-related financial disclosures is that financial markets need clear, comprehensive, and high-quality information on the impacts of climate change. This includes the risks and opportunities presented by rising temperatures, climate-related policy, and emerging technologies in our changing world.

The Company supports these recommendations and in this year's Annual Report, have committed to and commenced implementing these disclosures in a structured manner.

The core elements of these disclosures as recommended by the TCFD, comprise of 4 thematic areas.

Governance

As discussed in the Corporate Governance Report on pages 36 to 41, the Company's approach to governance is to manage risk through robust processes and controls, and to ensure best practices are in place to support the growing business. It does this through regular meetings between the Board and the Investment manager where risk management of the Company and its investments is considered and discussed, including ESG and climate-related risks and opportunities. A formal risk matrix is maintained by the Investment Manager and reviewed and approved by the Board on an annual basis. The Board and Investment Manager also regularly discuss developments in European energy policy, weather patterns, and how the Company's strategy can further support the energy transition.

In addition, the Investment Manager has its own ESG committee that meets regularly to discuss ESG and climate related risks relating to the Group and other funds it manages. This committee has implemented an ESG Framework Policy that looks to establish best practice in climate related risk management, reporting and transparency. Representatives from the Investment Manager also sit on the Boards of the SPV companies, which meet quarterly and discuss ESG and climate related risk management.

Greencoat Renewables Plc 2020 ESG Report

Climate Change (continued)

Strategy

The Company is a significant renewables infrastructure fund invested in wind farms in Ireland and France. Its growth is achieved through the acquisition and operation of renewable energy generation assets with stable revenues backed by government support mechanisms.

The Company's strategy and investment policy of acquiring operating capacity in the secondary market, enables developers and utilities to recycle capital, facilitating further renewable build-out and thus plays a significant role in increasing operating wind generating capacity.

The Company considers that the decarbonisation of the economy will present significant investment opportunities and the size of the Company's growth will be related to the success of the sector and the engagement of its stakeholders.

The Company's strategy is well aligned for the transition to a low carbon economy. The financial impact of climate-related risk and opportunities on the Company's strategy will continue to be refined in the coming years.

Risk Management

The Board and the Investment Manager monitor climate related risks and appreciate their impact on the Group. More extreme weather patterns arising from global warming have the capacity to damage infrastructure in general, including above ground grid infrastructure, but it is considered unlikely that damage will be caused to generating equipment that is designed to take advantage of weather systems. Appropriate insurance against property damage and business interruption is held for any such eventuality, nonetheless.

As a full scope UK AIFM, the Investment Manager has established a Risk Management Committee that meets on a quarterly basis to discuss, amongst other matters, the risk framework of the Group and investee companies including processes for identifying, assessing and managing climate related risks.

The Investment Manager's Investment Committee comprises experienced members of the Investment Manager. Whilst making investment decisions, due consideration is given to climate-related risks and opportunities identified during due diligence. The formal ESG checklist used is also considered by the Investment Committee in the approval process of any new investment.

Ongoing risks for the portfolio are monitored, managed, and reported on by the Investment Manager to the Board.

Metrics

In order to monitor, assess and benchmark the Group's performance across the portfolio, the following ESG-related KPIs are used:

- Renewables energy generation
- CO_2 savings
- Equivalent no. of homes powered
- Number of environmental habitat management plans
- Number of internal and external health and safety audit visits
- Amount invested in community funds or social projects in the reporting year
- Appropriate internal controls / audit system/ board level oversight at Company and SPV level
- Policies in place at SPV level

Given the size of the Group's investment portfolio at 31 December 2020, the Group's CO_2 emission reductions are approximately 0.6 million tonnes per annum. The portfolio is also generating sufficient electricity to power 0.4 million homes per annum.

These ESG and climate-related metrics can be found in the Company's ESG report available on the Company's website: www.greencoat-renewables.com.

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 CO_2 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 22.

Diversity

The Group's policy on diversity is detailed in the Corporate Governance Report on pages 36 to 41.

Directors' Report

continued

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 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. The risk matrix is also reviewed and updated to identify emerging risks, such as climate-related 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 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.

The geographical spread of assets within the portfolios in Ireland and France ensure that there are 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 5 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.

The key risks to the performance of the Group, identified by the Board, are detailed below.

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 unauthorised AIF. As a non-EU AIFM post Brexit, the Investment Manager can continue to manage the AIF, however it can no longer avail of the marketing passport under AIFMD and will need to rely on the national private placement regimes / marketing requirements in place in the relevant jurisdictions. On the 7th January 2021, the Central Bank of Ireland confirmed that the Investment Manager can continue to market the Company to Irish professional investors with effect from the 1st January 2021. The Investment Manager can also continue to market the Company to UK professional investors under the jurisdiction of the FCA in the UK.

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.

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 subsidy support 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.

Risks Affecting the Group (continued)

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.

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 2020 wholesale electricity price was c.€30/MWh.

Under the French subsidy tariff mechanism established in 2000, a producer can sell its whole production state companies at a regulated price under a FIT framework. The FIT offers a fixed price up to 20 years partially linked to inflation. The level of inflation linkage, the duration of the FIT contract as well as the initial reference price are subject to the vintage of the FIT contract. The average FIT tariff of the French Group's assets is c.€86/MWh in 2020.

When operating outside of the respective contracted subsidy periods, 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 and French 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. Many of the wind farm SPVs have a granted planning permission shorter than the expected life of the asset and while it is expected that an extension to planning will be available, failure to achieve such extension 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

Directors' Report
continued

Risks Affecting Investee Companies (continued)

Market Structure Change (I-SEM)

farm portfolio. Regular maintenance ensures the wind turbines are in good working order, consistent with their expected lifespans.

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 an 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 third-party service providers with relevant experience to manage this risk to the wind farm portfolio. Brexit is not expected to have a material impact on the operation of I-SEM.

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 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

As further detailed in note 1 to the financial statements on pages 55 to 61, the Directors have a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for at least 12 months from the date of approval of this report. Accordingly, they continue to adopt the going concern basis in preparing the 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 2020. For more information, see the Audit Committee Report on pages 42 to 45.

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 2020 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

Directors' Report
continued

Accounting Records (continued)
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 36 to 41 form part of this report.

Directors and Company Secretary
The following Directors held office as at 31 December 2020:

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

Company Secretary
Ocorian Administration (UK) Limited (formerly Estera Administration (UK) Limited)

The biographical details of the Directors are set out on page 22 of this Annual Report.

Changes in Directors during the year
Effective 30 January 2020, Marco Graziano was appointed to the Board.

Directors' Interests in Shares in the Company
Directors' interests in Company shares as at 31 December 2020 are detailed below.

Shareholder	Ordinary shares of €0.01 each held as at 31 December 2020	Ordinary shares of €0.01 each held as at 31 December 2019
Rónán Murphy	192,694	170,571
Kevin McNamara	68,327	68,327
Emer Gilvarry	67,832	67,832
Marco Graziano	65,000	-

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

Dividend
The Board recommended an interim dividend of €11.3 million, equivalent to 1.515 cent per share with respect to the 3 month period ended 31 December 2020, bringing total dividends with respect to the year to €39.9 million, equivalent to 6.06 cent per share as disclosed in note 8 of the financial statements.

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Directors' Report
continued

Political Donations

No political donations were made during the year ended 31 December 2020.

Longer Term Viability

As further disclosed on page 36, 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 28 to 30, 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.

By order of the Board

Rónán Murphy Director 28 February 2021	Kevin McNamara Director 28 February 2021

Carrickallen

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 46 to 48. 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 22, 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. During the year, the level of fees for Directors had been benchmarked by an independent consultant and a number of recommendations had been made to the Remuneration Committee. The subsequent changes to non-executive Director fees, effective from 1 January 2021, are detailed later in this report. This has been the first fee increase in non-executive director fees since the Company's listing in 2017.

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

Independent compensation consultants were engaged by the Remuneration Committee to provide views on appropriate levels of fees for the non-executive Directors of the Company, as well as benchmark existing fee levels against peer companies. Following this review, the basic fee of non-executive Directors was increased to €55,000 per annum and the chairs of the sub-committees of the Board were compensated an additional €10,000 per annum to reflect the increased responsibilities in these roles. The basic fee of Chairman was increased to €130,000 per annum. These changes to non-executive Director remuneration became effective from 1 January 2021.

The Company is now a very significant generator of renewable electricity in Ireland and expanded its investment portfolio into France during the year. It's GAV has grown to €1.2 billion through acquisitions and equity raisings, and since listing, the Board and its committees have held 86 meetings.

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 2020	Paid in year ended 31 December 2019
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
Marco Graziano(1)	30 January 2020	€54,167	€54,167	€Nil
Total			**€254,167**	**€200,000**

(1) Salary effective from 1 December 2019

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

Relative Importance of Spend on Pay

The remuneration of the Directors with respect to the year totalled €254,467 (2019: €200,000) in comparison to dividends paid or declared to shareholders with respect to the year of €39,891,425 (2019: €33,023,588).

On behalf of the Board,

Emer Gilvarry
Chair of the Remuneration Committee

28 February 2021

Sliabh Bawn

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:

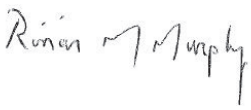
- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with IFRS as adopted by the EU, subject to any material departures disclosed and explained in the consolidated 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

28 February 2021

Kevin McNamara
Director

28 February 2021

Corporate Governance Report

This Corporate Governance Report forms part of the Report of the Directors as further disclosed on pages 24 to 32.

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 2020, 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 2020.

Purpose, Culture and Values

The Company's purpose remains clear; to provide investors with the opportunity to participate directly in the ownership of a portfolio of renewable energy-generating assets, thus promoting the reduction of greenhouse gas emissions and the global future target of a carbon-zero economy. The Company also intends to provide shareholders with an annual dividend that increases between zero and CPI 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 gearing.

The Company provides investors with the opportunity to participate directly in the ownership of wind farms in Ireland and France, so increasing the resources and capital dedicated to the deployment of renewable energy and the reduction of greenhouse gas emissions.

During the year, the Board continued to discuss 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. During the year, Marco Graziano was appointed to the Board with effect from 30 January 2020.

Directors' details are detailed on page 22, 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
The Senior Independent Director works closely with the Chairman and provides 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. The Senior Independent Director is Emer Gilvarry.

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.

The Investment Manager operates an equal opportunities policy and its partners and employees comprised 40 men and 17 women.

Board Responsibilities
The Board will meet, on average, 5 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 Company Secretary 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 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 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 42 to 45 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

Committees of the Board (continued)
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 Marco Graziano, who was appointed during the year replacing Ronán 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.

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 2020 by each Director is set out below:

2020	Scheduled Board Meetings (Total of 8)	Additional Board Meetings (Total of 14)
Rónán Murphy	8	14
Emer Gilvarry	8	14
Kevin McNamara	8	14
Marco Graziano [1]	8	14

(1) Appointed with effect from 30 January 2020.

Board Meetings, Committee Meetings and Directors' Attendance
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.

2020	Audit Committee Meetings (Total of 4)	Management Engagement Committee Meetings (Total of 2)	Nomination Committee Meetings (Total of 2)	Remuneration Committee Meetings (Total of 2)
Rónán Murphy	-	2	2	2
Emer Gilvarry	4	2	2	2
Kevin McNamara	4	2	2	2
Marco Graziano[1]	3	2	2	2

(1) Appointed with effect from 30 January 2020.

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

The Investment Manager (continued)

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.

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 appraised 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.

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 28 to 30 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:

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Corporate Governance Report

continued

Risk Management and Internal Control (continued)

- 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).

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 gearing.

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 6.06 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 maintain a target dividend of 6.06 cent per share for 2021 (despite negative CPI), which the Board expects 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 7 new wind farms in Ireland and France. 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.

Corporate Governance Report

continued

Engagement with Stakeholders (continued)

Share Issues

During the year, the Company issued 111 million further shares, raising €125 million, through an oversubscribed share placing. The Investment Manager engaged with analysts and investors throughout the 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.

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 Group continues to meet its debt covenants and reporting requirements. During the year, the Group placed a new revolving credit facility with CIBC, RBC and Santander, and placed new term facilities with CBA, NAB and Natwest as disclosed in note 13 of the financial statements.

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 M Murphy

Rónán Murphy
Director

28 February 2021

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 37 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 2020. A breakdown of Director attendance is set out in the Corporate Governance Report on page 38. BDO attended 2 of the 4 formal Audit Committee meetings held during the year.

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;

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.

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Audit Committee Report
continued

Significant Issues (continued)

Assessment of the Fair Value of Investments (continued)

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 Rates, 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. The Audit Committee also has a process in place to identify emerging risks, such as climate-related 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 2020, to determine that these were unchanged from those disclosed in the Company's 2019 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.

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 a 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 is available on request to 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 of 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.

Audit Committee Report
continued

External Auditor (continued)
Non-Audit Services (continued)

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. The audit partner will rotate after the conclusion of the 2021 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 2021 AGM of the Company.

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
Chairman of the Audit Committee

28 February 2021

Independent Auditor's Report

To the members of Greencoat Renewables PLC
Report on the audit of the financial statements

Opinion

We have audited the financial statements of Greencoat Renewables PLC ("Company") and its subsidiaries ("Group") for the financial year ended 31 December 2020, 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 2020 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 2020;
- 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.

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.

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.

Independent Auditor's Report
continued

Audit Response (continued)

- Agreed cash and other net assets to bank statements and investee company management accounts, including interrogating the valuation of the interest rate swaps to a 3rd party pricing source;
- 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 €15m, 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 €1.4m 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 €0.75m, as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

We have nothing to report in respect of the following information in the annual report, in relation to which the ISAs (Ireland) require us to report to you whether we have anything material to add or draw attention to:

- the disclosures in the annual report that describe the principal risks and explain how they are being managed or mitigated;
- the directors' confirmation in the annual report that they have carried out a robust assessment of the principal risks facing the Group and the Company, including those that would threaten its business model, future performance, solvency or liquidity;
- the directors' statement in the financial statements about whether the directors considered it appropriate to adopt the going concern basis of accounting in preparing the financial statements and the directors' identification of any material uncertainties
- to the Group's and the Company's ability to continue to do so over a period of at least twelve months from the date of approval of the financial statements;
- the directors' explanation in the annual report as to how they have assessed the prospects of the Group and the Company, over what period they have done so and why they consider that period to be appropriate, and their statement as to whether they have a reasonable expectation that the Group and the Company will be able to continue in operation and meet its liabilities as they fall due over the period of their assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

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

Independent Auditor’s Report
continued

Other information (continued)
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.

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.

Also, 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/Desc ription_of_auditors_ responsiblities_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,
Statutory Audit Firm
AI223876

Consolidated Statement of Comprehensive Income

For the year ended 31 December 2020

	Note	For the year ended 31 December 2020 €'000	For the year ended 31 December 2019 €'000
Return on investments	4	26,466	29,475
Other income	19	3,779	3,015
Total income and gains		**30,245**	**32,490**
Operating expenses	5	(8,794)	(6,734)
Investment acquisition costs		(1,940)	(1,397)
Operating profit		**19,511**	**24,359**
Finance expense	13	(5,443)	(6,025)
Profit for the year before tax		**14,068**	**18,334**
Taxation	6	–	(1,237)
Profit for the year after tax		**14,068**	**17,097**
Profit and total comprehensive income attributable to:			
Equity holders of the Company		**14,068**	**17,097**
Earnings per share			
Basic and diluted earnings from continuing operations in the year (cent)	7	**2.21**	**3.46**

Financial Statements

The accompanying notes on pages 55 to 83 form an integral part of the consolidated financial statements.

Consolidated Statement of Financial Position

As at 31 December 2020

	Note	31 December 2020 €'000	31 December 2019 €'000
Non current assets			
Investments at fair value through profit or loss	9	944,352	850,107
		944,352	**850,107**
Current assets			
Receivables	11	4,095	3,343
Cash and cash equivalents		16,517	6,020
		20,612	9,363
Current liabilities			
Loans and borrowings	13	–	(206,000)
Payables	12	(5,343)	(3,470)
Net current assets /(liabilities)		**15,269**	**(200,107)**
Non current liabilities			
Loans and borrowings	13	(210,808)	–
Net assets		**748,813**	**650,000**
Capital and reserves			
Called up share capital	15	7,412	6,306
Share premium account	15	507,476	385,669
Other distributable reserves		161,768	199,936
Retained earnings		72,157	58,089
Total shareholders' funds		**748,813**	**650,000**
Net assets per share (cent)	16	**101.0**	**103.1**

Authorised for issue by the Board on 28 February 2021 and signed on its behalf by:

Rónán Murphy
Chairman

Kevin McNamara
Director

The accompanying notes on pages 55 to 83 form an integral part of the consolidated financial statements.

Company Statement of Financial Position

As at 31 December 2020

	Note	31 December 2020 €'000	31 December 2019 €'000
Non current assets			
Investments at fair value through profit or loss	9	745,907	648,797
		745,907	**648,797**
Current assets			
Receivables	11	3,772	3,015
Cash and cash equivalents		1,545	188
		5,317	3,203
Current liabilities			
Payables	12	(2,411)	(2,000)
Net current assets		**2,906**	**1,203**
Net assets		**748,813**	**650,000**
Capital and reserves			
Called up share capital	15	7,412	6,306
Share premium account	15	507,476	385,669
Other distributable reserves		161,768	199,936
Retained earnings		72,157	58,089
Total shareholders' funds		**748,813**	**650,000**
Net assets per share (cent)	16	**101.0**	**103.1**

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 €14,067,469 (2019: €17,097,394).

Authorised for issue by the Board on 28 February 2021 and signed on its behalf by:

Rónán M Murphy

Rónán Murphy
Chairman

Kevin McNamara
Director

The accompanying notes on pages 55 to 83 form an integral part of the consolidated financial statements.

Financial Statements

Consolidated and Company Statement of Changes in Equity

For the year ended 31 December 2020

For the year ended 31 December 2020

	Note	Share capital €'000	Share premium €'000	Other distributable reserves €'000	Retained earnings €'000	Total €'000
Opening net assets attributable to shareholders (1 January 2020)		**6,306**	**385,669**	**199,936**	**58,089**	**650,000**
Issue of share capital	15	1,106	123,894	–	–	**125,000**
Share issue costs	15	–	(2,087)	–	–	**(2,087)**
Dividends	8	–	–	(38,168)	–	**(38,168)**
Profit and total comprehensive income for the year		–	–	–	14,068	**14,068**
Closing net assets attributable to shareholders		**7,412**	**507,476**	**161,768**	**72,157**	**748,813**

After taking account of cumulative unrealised gains of €67,040,313, the total reserves distributable by way of a dividend as at 31 December 2020 were €166,884,139.

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	270,194	–	–	**272,700**
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**

The accompanying notes on pages 55 to 83 form an integral part of the consolidated financial statements.

Consolidated Statement of Cash Flows

For the year ended 31 December 2020

	Note	For the year ended 31 December 2020 €'000	For the year ended 31 December 2019 €'000
Net cash flows from operating activities	17	**18,424**	**15,269**
Cash flows from investing activities			
Acquisition of investments		(123,641)	(112,794)
Investment acquisition costs		(1,518)	(5,398)
Repayment of shareholder loan investments	9	32,442	29,482
Net cash flows from investing activities		**(92,717)**	**(88,710)**
Cash flows from financing activities			
Issue of share capital	15	125,000	272,700
Payment of issue costs		(2,071)	(4,390)
Dividends paid	8	(38,168)	(29,217)
Amounts drawn down on loan facilities	13	562,074	80,900
Amounts repaid on loan facilities	13	(553,074)	(236,931)
Finance costs		(8,971)	(6,637)
Net cash flows from financing activities		**84,790**	**76,425**
Net increase in cash and cash equivalents during the year		**10,497**	**2,984**
Cash and cash equivalents at the beginning of the year		**6,020**	**3,036**
Cash and cash equivalents at the end of the year		**16,517**	**6,020**

The accompanying notes on pages 55 to 83 form an integral part of the consolidated financial statements.

Company Statement of Cash Flows

For the year ended 31 December 2020

	Note	For the year ended 31 December 2020 €'000	For the year ended 31 December 2019 €'000
Net cash flows from operating activities	17	**(4,607)**	**(3,886)**
Cash flows from investing activities			
Loans advanced to Group companies	9	(6,900)	(268,447)
Repayment of loans advanced to Group companies	9	38,520	29,450
Repayment of shareholder loan investments	9	2,658	3,294
Capital contribution to Group companies	9	(113,075)	-
Net cash flows from investing activities		**(78,797)**	**(235,703)**
Cash flows from financing activities			
Issue of share capital	15	125,000	272,700
Payment of issue costs		(2,071)	(4,390)
Dividends paid	8	(38,168)	(29,217)
Finance costs		-	(75)
Net cash flows from financing activities		**84,761**	**239,018**
Net increase/(decrease) in cash and cash equivalents during the year		**1,357**	**(571)**
Cash and cash equivalents at the beginning of the year		**188**	**759**
Cash and cash equivalents at the end of the year		**1,545**	**188**

The accompanying notes on pages 55 to 83 form an integral part of the consolidated financial statements.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2020

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 2020 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.

New and amended standards and interpretations not applied

"Interest Rate Benchmark Reform — Phase 2" was issued and will become effective for accounting periods beginning on or after 1 January 2021. The amendments require additional disclosures that address issues that might affect financial reporting after the reform of an interest rate benchmark, including its replacement with alternative benchmark rates. The impact of this standard is not expected to have a material impact on the reported results and financial position of the Group.

Other accounting standards and interpretations have been published and will be mandatory for the Company's accounting periods beginning on or after 1 January 2021 or later periods. The impact of these standards is not expected to be material to the reported results and financial position of the Group.

Going concern

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 in the Directors' Report on pages 24 to 32. 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 financial statements.

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

As at 31 December 2020, the Group had net current assets of €15.3 million (2019: net current liabilities of €200.1million) and had cash balances of €16.5 million (2019: €6.0 million). This excludes cash balances within investee companies of €22.5 million (2019: €28.5. million), which are sufficient to meet current obligations as they fall due. The major cash outflows of the Group are the payment of dividends and costs relating to the acquisition of new assets, both of which are discretionary. The Directors are confident that the Group has sufficient access to both debt and equity markets in order to fund commitments to acquisitions and meet the contingent liabilities detailed in note 14 of the financial statements, should they become payable.

The Group had €210.8 million (2019: €206.0 million) of outstanding debt as at 31 December 2020. The covenants on the Company's banking facilities are limited to gearing and interest cover and the Company is expected to continue to comply with these covenants going forward.

In the period since early 2020 and up to the date of this report, the outbreak of COVID-19 has had a negative impact on the global economy. The Directors and Investment Manager are actively monitoring this and its potential effect on the Group and its SPVs. In particular, they have considered the following specific key potential impacts:

- Unavailability of key personnel at the Investment Manager or Administrator;
- Disruptions to maintenance or repair at the investee company level; and
- Allowance for expected counterparty credit losses.

1. Significant accounting policies (continued)

Going concern (continued)

In considering the above key potential impacts of COVID-19 on the Group and SPV operations, the Directors have assessed these with reference to the mitigation measures in place. At the Group level, the key personnel at the Investment Manager and Administrator have successfully implemented business continuity plans to ensure business disruption is minimised, including remote working, and all staff are continuing to assume their day-today responsibilities.

SPV revenues are derived from the sale of electricity, and although approximately 44 per cent of the portfolio's revenue in 2021 is exposed to the floating power price, revenue is received through power purchase agreements in place with large and reputable providers of electricity to the market and also through government subsidies. These providers have been contacted by the Investment Manager to discuss their response to COVID-19 and business continuity.

In the period since early 2020 and up to the date of this report, there has been no significant impact on revenue and cash flows of the SPVs. The SPVs have contractual operating and maintenance agreements in place with large and reputable providers. Therefore the Directors and the Investment Manager do not anticipate a threat to the Group's revenue.

Wind farm availability has not been significantly affected: wind farms may be accessed and operated remotely in some instances; otherwise social distancing has been possible in large part and personal protective equipment has been used where not possible, for instance where major component changes have been necessary. The Investment Manager is confident that there are appropriate continuity plans in place at each provider to ensure that the underlying wind farms are maintained appropriately and that any faults would continue to be addressed in a timely manner.

Based on the assessment outlined above, including the various risk mitigation measures in place, the Directors do not consider that the effects of COVID-19 have created a material uncertainty over the assessment of the Group as a going concern.

The Directors have reviewed Group forecasts and projections which cover a period of at least 12 months from the date of approval of this report, taking into account foreseeable changes in investment and trading performance, which show that the Group has sufficient financial resources to continue in operation for at least the next 12 months from the date of approval of this report.

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 at least 12 months from the date of approval of this report. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

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.

1. Significant accounting policies (continued)

Accounting for subsidiaries (continued)

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.

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
Holdco	9 March 2017	Riverside One, Sir John Rogerson's Quay, Dublin 2	100%	Ireland	Ireland
Holdco 1	2 March 2020	Riverside One, Sir John Rogerson's Quay, Dublin 2	100%	Ireland	Ireland
Holdco 2	2 March 2020	Riverside One, Sir John Rogerson's Quay, Dublin 2	100%	Ireland	Ireland

Based on control, the results of Holdco, Holdco 1 and Holdco 2 are 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.

1. Significant accounting policies (continued)

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.

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 2020 and 2019, 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.

1. Significant accounting policies (continued)

Investments at Fair Value Through Profit or Loss (continued)
Financial assets are recognised/derecognised at the date of the purchase/disposal. 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.

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.

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.

1. Significant accounting policies (continued)

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.

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.

1. Significant accounting policies (continued)

Segmental reporting (continued)

The Group is engaged in a single segment of business, being investment in renewable infrastructure to generate investment returns while preserving capital. The Group presents the business as a single segment comprising a homogeneous portfolio.

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. This conclusion involved a degree of judgement and assessment as to whether the Company met the criteria outlined in the accounting standards. 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 estimates and assumptions that have a significant risk of causing a material adjustment to the carrying value of assets and liabilities are those used to determine the fair value of the investments as disclosed in note 9 to the financial statements.

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 rates, 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 30 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 rates are subjective and therefore it is feasible that a reasonable alternative assumption may be used resulting in a different value. The discount rates 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 rates 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.

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

Fair value of investments (continued)

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 under Irish and French government support regimes. Future power prices are estimated using external third party forecasts which take the form of specialist consultancy reports, which reflect various factors including gas prices, carbon prices and renewables deployment, each of which reflect the global response to climate change. 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.

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 2020 and 31 December 2019 were as follows:

	For the year ended 31 December 2020 €'000	For the year ended 31 December 2019 €'000
Investment management fees	6,522	5,221
	6,522	**5,221**

As at 31 December 2020, €1,685,383 was payable in relation to investment management fees (2019: €1,409,550).

4. Return on investments

	For the year ended 31 December 2020 €'000	For the year ended 31 December 2019 €'000
Interest on shareholder loan investment (note 19)	12,189	11,917
Dividends received (note 19)	15,311	3,950
Unrealised movement in fair value of investments (note 9)	(1,034)	10,685
Gain on adjustment to purchase price of investments (note 9)	–	2,923
	26,466	**29,475**

Notes to the Consolidated Financial Statements
For the year ended 31 December 2020 continued

5. Operating expenses

	For the year ended 31 December 2020 €'000	For the year ended 31 December 2019 €'000
Investment management fees (note 3)	6,522	5,221
Other expenses	1,607	928
Group and SPV administration fees	339	327
Non-executive Directors' remuneration	254	200
Fees to the Company's Auditor:		
for audit of the statutory financial statements	69	55
for other services	3	3
	8,794	**6,734**

The fees to the Company's Auditor include €3,000 (2019: €3,000) paid in relation to a limited review of the Interim Report during the year.

6. Taxation

	For the year ended 31 December 2020 €'000	For the year ended 31 December 2019 €'000
Taxation	–	1,237

The tax reconciliation is explained below.

	For the year ended 31 December 2020 €'000	For the year ended 31 December 2019 €'000
Profit for the year before taxation	14,068	18,334
Profit for the year multiplied by the standard rate of corporation tax of 12.5 per cent	1,758	2,292
Tax on income at a higher rate	142	–
Movement in deferred tax asset	–	1,237
Fair value movements (not subject to taxation)	(214)	(1,701)
Dividends received (not subject to taxation)	(1,914)	(494)
Expenditure not deductible for tax purposes	504	230
Receipt of tax losses from unconsolidated subsidiaries	(276)	(327)
	–	**1,237**

7. Earnings per share

	For the year ended 31 December 2020	For the year ended 31 December 2019
Profit attributable to equity holders of the Company – €'000	14,068	17,097
Weighted average number of ordinary shares in issue	636,966,488	493,861,074
Basic and diluted earnings from continuing operations in the year (cent)	**2.21**	**3.46**

8. Dividends declared with respect to the year

Interim dividends paid during the year ended 31 December 2020	Dividend per Share cent	Total Dividend €'000
With respect to the quarter ended 31 December 2019	1.5075	9,506
With respect to the quarter ended 31 March 2020	1.5150	9,554
With respect to the quarter ended 30 June 2020	1.5150	9,554
With respect to the quarter ended 30 September 2020	1.5150	9,554
	6.0525	38,168

Interim dividends declared after 31 December 2020 and not accrued in the year	Dividend per Share cent	Total Dividend €'000
With respect to the quarter ended 31 December 2020	1.5150	11,230
	1.5150	**11,230**

On 28 January 2021, the Company announced a dividend of 1.5150 cent per share with respect to the quarter ended 31 December 2020, bringing the total dividend declared with respect to the year to 31 December 2020 to 6.06 cent per share. The record date for the dividend was 5 February 2021 and the payment date was 26 February 2021.

The following table shows dividends paid in the prior year.

Interim dividends paid during the year ended 31 December 2019	Dividend per Share cent	Total Dividend €'000
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**

9. Investments at fair value through profit or loss

Group as at 31 December 2020	Loans €'000	Equity interest €'000	Total €'000
Opening balance	**435,336**	**414,771**	**850,107**
Additions	98,578	25,063	**123,641**
Shareholder loan interest capitalised (note 19)	1,339	–	**1,339**
Repayment of shareholder loan investments (note 19)	(32,442)	–	**(32,442)**
Unrealised movement in fair value of investments (note 4)	2,741	(1,034)	**1,707**
	505,552	**438,800**	**944,352**

Group as at 31 December 2019	Loans €'000	Equity interest €'000	Total €'000
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**

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 2020 €'000	For the year ended 31 December 2019 €'000
Decrease in valuation of investments	(31,998)	(14,008)
Movement in swap fair values within SPVs	511	(1,627)
Repayment of debt at SPV level	14,009	8,212
Repayment of shareholder loan investments (note 19)	32,442	29,482
Movement in cash balances of SPVs	(14,798)	(16,912)
Investment acquisition costs [1]	1,541	1,636
	1,707	**6,783**

(1) €399k of acquisition costs were not related to investments acquired in the current year as well as accrual adjustments from previous years.

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

Company as at 31 December 2020	Loans €'000	Equity interest €'000	Total €'000
Opening balance	**551,968**	**96,829**	**648,797**
Loans advanced to Holdco (note 19)	6,900	–	**6,900**
Loans repaid by Holdco. (note 19)	(38,520)	–	**(38,520)**
Loans repaid by wind farm SPVs (note 19)	(2,658)	–	**(2,658)**
Capital contribution to Group companies (note 19)	–	113,075	**113,075**
Unrealised movement in fair value of investments	–	18,313	**18,313**
	517,690	**228,217**	**745,907**

Company as at 31 December 2019	Loans €'000	Equity interest €'000	Total €'000
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**

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 2020.

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.

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 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 0.2 per cent from 31 December 2019 reflecting market valuations observed through 2020. The blended discount rate as at 31 December 2020 remains within 6 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 for both Irish and French assets.

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.

Long term power price forecasts are provided by leading market consultants, 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 €57/MWh (2030) to approximately €62/MWh (2040) in Ireland and approximately €50/MWh (2030) to approximately €55/MWh (2040) in France. 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 technical durability of the wind farm components and commercial aspects of each investment, including the renewals of site leases, planning permission and grid connection agreements.

The base case valuation assumption for Irish wind farm portfolio is that all grid connection conditions have been appropriately satisfied for the wind farms to considered exempted developments, which do not require specific planning permission. The independent planning authorities in Ireland may deem these as developments rather than exempted developments, which would require the appropriate planning permission. This could potentially impair the fair value of the affected investments due to any potential costs to regularise planning, which are expected to be immaterial.

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

Sensitivity analysis

The fair value of the Group's investments is €944,352,444 (2019: €850,106,884). 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	(20,824)	(2.8)
		- 0.25 per cent	21,528	2.9
Energy yield	P50	10 year P90	(62,049)	(8.4)
		10 year P10	61,713	8.3
Power price	Forecast by leading consultant	- 10 per cent	(50,271)	(6.8)
		+ 10 per cent	50,271	6.8
Inflation rate	2.00 per cent	- 0.5 per cent	(35,854)	(4.4)
		+ 0.5 per cent	39,781	4.9
Asset Life	30 years	- 5 years	(84,281)	(11.3)
		+ 5 years	68,235	9.2

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 2020 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 2020
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%
Carrickallen Wind Limited	Ireland	Riverside One, Sir John Rogerson's Quay, Dublin 2	50%
Cloosh Valley Wind Farm Holdings DAC	Ireland	6th Floor, South Bank House, Barrow Street, Dublin 4	75%
Cnoc Windfarms Limited	Ireland	Riverside One, Sir John Rogerson's Quay, Dublin 2	100%
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%
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%
Lisdowney Wind Farms Limited	Ireland	Riverside One, Sir John Rogerson's Quay, Dublin 2	100%
Meenaward Wind Farm Limited (2)	Ireland	Riverside One, Sir John Rogerson's Quay, Dublin 2	100%

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

Investment	Place of Business	Registered Office	Ownership Interest as at 31 December 2020
Monaincha Sigatoka Wind Holdings DAC [3]	Ireland	Riverside One, Sir John Rogerson's Quay, Dublin 2	100%
Parc Eolien Des Tournevents SAS [4]	France	20, Avenue de la Paix, 67000 Strasbourg, France	100%
Parc Eolien Des Courtibeaux SAS [5]	France	20, Avenue de la Paix, 67000 Strasbourg, France	100%
Raheenleagh Power DAC	Ireland	Two Gateway, East Wall Road, Dublin 3	50%
Seahound Wind Developments Limited [6]	Ireland	Riverside One, Sir John Rogerson's Quay, Dublin 2	100%
Sliabh Bawn Wind Holdings DAC	Ireland	Dublin Road, Newtownmountkennedy, Co. Wicklow	25%
Société d'Exploitation du Parc Eolien du Tonnerois [7]	France	20, Avenue de la Paix, 67000 Strasbourg, France	100%
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 investment in Beam Hill Extension is held through Meenaward Wind Farm Limited
(3) The Group's investments in Monaincha and Garranereagh are held through Monaincha Sigatoka Wind Holdings DAC
(4) The Group's investment in Pasilly is held through Parc Eolien Des Tournevents SAS
(5) The Group's investment in Saint Martin is held through Parc Eolien Des Courtibeaux SAS
(6) The Group's investment in Letteragh is held through Seahound Wind Developments Limited
(7) The Group's investment in Sommette is held through Société d'Exploitation du Parc Eolien du Tonnerois

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.

Notes to the Consolidated Financial Statements
For the year ended 31 December 2020 continued

11. Receivables

Group	31 December 2020 €'000	31 December 2019 €'000
Accrued income	3,774	2,959
Sundry receivables	218	180
VAT receivable	58	127
Prepayments	45	77
	4,095	**3,343**

Company	31 December 2020 €'000	31 December 2019 €'000
Due from wind farm SPVs	3,713	2,939
Prepayments	34	28
VAT receivable	25	22
Accrued income	–	26
	3,772	**3,015**

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 28 February 2021, the current balance outstanding is €nil.

12. Payables

Group	31 December 2020 €'000	31 December 2019 €'000
Investment management fee payable	1,685	1,410
Acquisition costs payable	1,389	1,007
Other payables	1,325	722
Loan interest payable	556	124
Commitment fee payable	224	36
Share issue costs payable	57	171
Other finance costs payable	7	–
	5,343	**3,470**

Company	31 December 2020 €'000	31 December 2019 €'000
Investment management fee payable	1,685	1,410
Other payables	569	419
Share issue costs payable	157	171
	2,411	**2,000**

13. Loans and borrowings

The Company did not hold any loans or borrowings at 31 December 2020 (2019: €nil).

Group at 31 December 2020	31 December 2020 €'000	31 December 2019 €'000
Opening balance	206,000	362,031
Revolving Credit Facility		
Drawdowns	362,074	80,900
Repayments	(553,074)	(236,931)
Finance costs capitalised during the year	(2,897)	–
Amortisation	725	–
Term debt facilities		
Drawdowns	200,000	–
Finance costs capitalised during the year	(2,120)	–
Amortisation	100	–
Closing balance	**210,808**	**206,000**
Reconciled as:		
Current liabilities	**–**	**206,000**
Non-current liabilities	**210,808**	**–**

	For the year ended 31 December 2020 €'000	For the year ended 31 December 2019 €'000
Loan interest	2,900	5,266
Professional fees	1,139	36
Amortised facility arrangement fees	825	139
Commitment fees	531	584
Other facility fees	48	–
	5,443	**6,025**

In relation to non-current 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.

On 2 April 2020, the Group placed a new €300 million revolving credit facility with CIBC, RBC and Santander with a refreshed 3-year tenor and a margin of 1.3 per cent per annum plus EURIBOR. The Group is obliged to pay a quarterly commitment fee of 0.46 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 2020, the principal balance of the facility was €15,000,000 gross of capitalised facility arrangement fees (2019: €206,000,000), accrued interest was €5,284 (2019: €123,600) and the outstanding commitment fee was €223,662 (2019: €36,540).

13. Loans and borrowings (continued)

On 7 October 2020, the Group entered into new 5-year term debt arrangements with CBA, NAB and Natwest with associated interest rate swaps. Details of the Group's term debt facilities and associated interest rate swaps are set out in the below table:

Provider	Maturity date	Loan margin %	Swap fixed rate %	Loan principal €'000	Accrued interest at 31 December 2020 €'000
CBA	7 October 2025	1.55	(0.399)	75,000	206
NAB	7 October 2025	1.55	(0.399)	75,000	206
Natwest	7 October 2025	1.55	(0.396)	50,000	138
				200,000	**550**

These loans contain swaps that are contractually linked. Accordingly they have been treated as single fixed rate loan agreements, which effectively set interest payable at fixed rates.

All borrowing ranks pari passu with a debenture over the assets of Holdco, Holdco 1 and Holdco 2 and a floating charge over Holdco, Holdco 1 and Holdco 2's bank accounts.

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.

In November 2019, 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 has recently been constructed and the Group paid further consideration of €6.7 million in January 2021 to the existing developer after the final turbine became operational.

The following wind energy true-ups remain outstanding and the maximum adjustments are as follows: Letteragh: €2,500,000 and, Killala: €2,000,000.

During the year, the wind energy true up for Knocknalour was also agreed which resulted in no net payment.

In December 2020, the Group entered into an agreement to acquire the Cloghan and Taghart wind farms for a headline consideration of €123 million. The investment is scheduled to complete in late 2022 once the wind farms are fully operational.

15. Share capital – ordinary shares

At 31 December 2020, 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 2020	Opening balance	630,619,469	6,306	385,669	**391,975**
10 December 2020	Issued and paid	110,619,469	1,106	123,894	**125,000**
10 December 2020	Less share issue costs	–	–	(2,087)	**(2,087)**
31 December 2020		**741,238,938**	**7,412**	**507,476**	**514,888**

15. Share capital – ordinary shares (continued)

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**

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.

16. Net assets per share

Group and Company	31 December 2020	31 December 2019
Net assets - €'000	748,813	650,000
Number of ordinary shares issued	741,238,938	630,619,469
Total net assets – cent	**101.0**	**103.1**

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

Group	For the year ended 31 December 2020 €'000	For the year ended 31 December 2019 €'000
Operating profit for the year	19,511	24,359
Adjustments for:		
Movement in fair value of investments (note 4)	1,034	(10,685)
Gain on adjustment to purchase price of investments (note 4)	–	(2,923)
Investment acquisition costs	1,940	1,397
Capitalised loan interest (note 9)	(1,339)	–
Finance costs capitalised during the period	(5,017)	–
Amortisation of finance costs (note 13)	825	–
(Increase)/decrease in receivables (note 11)	(752)	2,858
Increase in payables	2,222	263
Net cash flows from operating activities	**18,424**	**15,269**

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

Company	For the year ended 31 December 2020 €'000	For the year ended 31 December 2019 €'000
Operating profit for the year	14,068	17,172
Adjustments for:		
Movement in fair value of investments (note 4)	(18,313)	(20,560)
Increase in receivables (note 11)	(758)	(990)
Increase in payables	396	492
Net cash flows from operating activities	**(4,607)**	**(3,886)**

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.

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 €54,040 (2019: €1,030,000) based on amounts drawn under the facility at 31 December 2020. 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.

18. Financial risk management (continued)

Interest rate risk (continued)

The Group's interest and non-interest bearing assets and liabilities as at 31 December 2020 are summarised below:

Group	Interest bearing		Non-interest bearing €'000	Total €'000
	Fixed rate €'000	Floating rate €'000		
Assets				
Cash at bank	–	16,417	100	**16,517**
Other receivables (note 11)	–	–	4,095	**4,095**
Investments (note 9)	401,536	–	542,816	**944,352**
	401,536	**16,417**	**547,011**	**964,964**
Liabilities				
Other payables (note 12)	–	–	(5,343)	**(5,343)**
Loans and borrowings (note 13)	(197,980)	(12,828)	–	**(210,808)**
	(197,980)	**(12,828)**	**(5,343)**	**(216,151)**

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

Group	Interest bearing		Non-interest bearing €'000	Total €'000
	Fixed rate €'000	Floating rate €'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)**

18. Financial risk management (continued)

Interest rate risk (continued)

The Company's interest and non-interest bearing assets and liabilities as at 31 December 2020 are summarised below:

Company	Interest bearing		Non–interest bearing €'000	Total €'000
	Fixed rate €'000	Floating rate €'000		
Assets				
Cash at bank	–	1,445	100	**1,545**
Other receivables (note 11)	–	–	3,772	**3,772**
Investments (note 9)	–	–	745,907	**745,907**
	–	**1,445**	**749,779**	**751,224**
Liabilities				
Other payables (note 12)	–	–	(2,411)	**(2,411)**
	–	**–**	**(2,411)**	**(2,411)**

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

Company	Interest bearing		Non–interest bearing €'000	Total €'000
	Fixed rate €'000	Floating rate €'000		
Assets				
Cash at bank	–	88	100	**188**
Other receivables (note 11)	–	–	3,015	**3,015**
Investments (note 9)	–	–	648,797	**648,797**
	–	**88**	**651,912**	**652,000**
Liabilities				
Other payables (note 12)	–	–	(2,000)	**(2,000)**
	–	**–**	**(2,000)**	**(2,000)**

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.

18. Financial risk management (continued)

Credit risk (continued)

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

Group	31 December 2020 €'000	31 December 2019 €'000
Other receivables (note 11)	4,095	3,266
Cash at bank	16,517	6,020
Loan investments (note 9)	505,552	435,336
	526,164	**444,622**

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

Company	31 December 2020 €'000	31 December 2019 €'000
Other receivables (note 11)	3,772	3,015
Cash at bank	1,545	188
Loan investments (note 9)	630,765	551,968
	636,082	**555,171**

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

Group	Rating	31 December 2020 €'000
Northern Trust	A+	1,438
AIB	BBB+	13,640
Santander	BBB	1,439
		16,517

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

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

Company	Rating	31 December 2020 €'000
Northern Trust	A+	1,438
AIB	BBB+	107
		1,545

18. Financial risk management (continued)

Credit risk (continued)

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

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 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 2020 and 31 December 2019:

Group - 31 December 2020	Less than 1 year €'000	1 - 5 years €'000	5+ years €'000	Total €'000
Assets				
Other receivables (note 11)	4,095	–	–	**4,095**
Cash at bank	16,517	–	–	**16,517**
Loan investments	16,201	48,418	505,552	**570,171**
Liabilities				
Other payables (note 12)	(5,343)	–	–	**(5,343)**
Loan and borrowings	(3,295)	(226,922)	–	**(230,217)**
	28,175	**(178,504)**	**505,552**	**355,223**

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**

Notes to the Consolidated Financial Statements
For the year ended 31 December 2020 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 2020 and 31 December 2019:

Company - 31 December 2020	Less than 1 year €'000	1 - 5 years €'000	5+ years €'000	Total €'000
Assets				
Other receivables	3,772	–	–	**3,772**
Cash at bank	1,545	–	–	**1,545**
Loan investments	–	–	630,765	**630,765**
Liabilities				
Other payables	(2,411)	–	–	**(2,411)**
	2,906	**–**	**630,765**	**633,671**

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**

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.

19. Related party transactions

During the year, the Company advanced interest-free loans to Holdco of €6,900,000 (2019: €268,446,764), and Holdco made repayments of €38,520,000 (2019: €29,450,000). The Company also provided a capital contribution to Holdco 2 of €113,074,417 (2019: nil). During the year, the Company also received shareholder loan repayments from Knockacummer f €1,994,445 (2019: €1,846,867) and Killhills of €663,187 (2019: €1,447,246).

During the year, the Company also paid remuneration to the Directors as disclosed in the Directors' Remuneration Report on pages 33 to 34. The Directors' interests in Company Shares as at 31 December 2020 are also disclosed on page 31 of the Directors' Report. The table below shows the number of Company shares acquired by the Directors:

	For the year ending 31 December 2020	For the year ending 31 December 2019
Rónán Murphy	22,123	45,819
Kevin McNamara	–	18,327
Emer Gilvarry	–	18,327
Marco Graziano	65,000	n/a
	87,123	**82,473**

The below tables shows the Group's dividend and management fee income from wind farm SPVs:

	For the year ending 31 December 2020		For the year ending 31 December 2019	
	Management Fee income €'000	Dividend Income €'000	Management Fee income €'000	Dividend Income €'000
Cloosh Valley	–	8,988	–	3,950
Ballybane	494	2,750	434	–
Raheenleagh	–	1,100	–	–
Beam Hill	204	773	118	–
Lisdowney	90	600	78	–
Carrickallen	–	500	–	–
Monaincha	352	400	305	–
Knocknalour	90	200	78	–
Knockacummer	1,000	–	871	–
Killhills	381	–	336	–
Glanaruddery	355	–	307	–
Gortahile	195	–	169	–
Killala	166	–	144	–
Letteragh	138	–	–	–
An Cnoc	112	–	–	–
Tullynamoyle II	112	–	97	–
Garranereagh	90	–	78	–
	3,779	**15,311**	**3,015**	**3,950**

19. Related party transactions (continued)

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

	Loans at 1 January 2020 [(1)] €'000	Loans advanced in the year €'000	Loan interest capitalised €'000	Loan repayments €'000	Loans at 31 December 2020 €'000	Accrued interest at 31 December 2020 €'000	Total €'000	2020 interest on shareholder loan investment €'000
Knockacummer	120,329	–	–	(3,827)	116,502	2,061	118,563	3,242
Monaincha	69,668	–	373	(4,767)	65,274	–	65,274	1,596
Glanaruddery	51,310	–	213	(3,490)	8,033	163	48,196	1,077
Ballybane	41,773	–	218	(2,883)	39,108	–	39,108	942
Killala	27,006	–	–	(300)	26,706	–	26,706	834
Letteragh	–	29,979	–	(4,629)	25,350	–	25,350	814
Killhills	24,946	–	175	(50)	25,071	–	25,071	484
An Cnoc	–	17,547	–	–	17,547	69	17,616	69
Kostroma	16,473	–	104	–	16,577	–	16,577	360
Gortahile	19,632	–	102	(3,395)	16,339	1	16,340	423
Tullynamoyle II	16,239	–	80	(1,808)	14,511	–	14,511	353
Garranereagh	13,659	–	74	–	13,733	–	13,733	312
Carrickallen	–	13,598	–	(100)	13,498	–	13,498	268
Sommette	–	13,590	–	(983)	12,607	319	12,926	433
Lisdowney	11,282	–	–	(659)	10,623	–	10,623	325
Beam Hill Extension	–	9,140	–	–	9,140	20	9,160	20
Pasilly	–	9,020	–	(150)	8,870	89	8,959	301
Cloosh Valley	7,015	–	–	–	7,015	–	7,015	–
Sliabh Bawn	9,224	2,161	–	(4,506)	6,879	27	6,906	27
Knocknalour	6,522	–	–	(727)	5,795	–	5,795	198
Saint Martin	–	3,543	–	–	3,543	82	3,625	111
Raheenleagh	168	–	–	(168)	–	–	–	–
	435,246	**98,578**	**1,339**	**(32,442)**	**502,721**	**2,831**	**505,552**	**12,189**

(1) Excludes accrued interest at 31 December 2019 of €90,210.

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 8 January 2021, the Group made a further €6.7 million investment into Killala following the successful construction and commissioning of turbine 6.

On 28 January 2021, the Company announced a dividend of €11.2 million, equivalent to 1.515 cent per share with respect to the quarter ended 31 December 2020, bringing total dividend declared with respect to the year to 31 December 2020 to 6.06 cent per share. The record date for the dividend was 5 February 2021 and the payment date was 26 February 2021.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2020 continued

21. Subsequent events (continued)

On 28 January 2021, the Company held an EGM to seek approval by shareholder resolution to replace CREST with a system operated by Euroclear Bank SA/NV for the electronic settlement of trading in the Company's ordinary shares. The resolutions passed by 100 per cent of the vote.

On 15 February 2021, the Company announced its agreement to acquire the Kokkoneva wind farm in Finland. The transaction is expected to complete in Q2 2022 after the wind farm has become fully operational.

On 26 February 2021, the Company announced its agreement to acquire the Cordal wind farm in Ireland. The transaction is expected to complete in April 2021.

Company Information

Directors (all non-executive)
Rónán Murphy (Chairman)
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
Ocorian Administration (UK) Limited
(formerly 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

Depositary
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 58 staff for the financial year ending 31 December 2020 was £11.9 million, consisting of £8.0 million fixed and £3.9 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 £1.5 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 31 December 2019

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

An Cnoc means Cnoc Windfarms Limited

Ballybane means Ballybane Windfarms Limited

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

Beam Hill means Beam Wind Limited

Beam Hill Extension means Meenaward Wind Farm Limited

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

Board means the Directors of the Company

Carrickallen means Carrickallen Wind Limited

CBA means Commonwealth Bank of Australia

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

CIBC means Canadian Imperial Bank of Commerce

CPI means Consumer Price Index

DCF means Discounted Cash Flow

DS3 means Delivering a Secure, Sustainable Electricity System

EGM means Extraordinary General Meeting of the Company

ESG means the Environmental, Social and Governance

EU means the European Union

Defined Terms
continued

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

FIT means Feed-In Tariff

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 the Company, Holdco, Holdco 1 and Holdco 2

Holdco means GR Wind Farms 1 Limited

Holdco 1 means Greencoat Renewables 1 Holdings Limited

Holdco 2 means Greencoat Renewables 2 Holdings 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

Knocknalour means Knocknalour Wind Farm Holdings Limited and Knocknalour Wind Farm Limited

Kostroma Holdings means Kostroma Holdings Limited

Letteragh means Seahound Wind Developments Limited

Defined Terms
continued

Lisdowney means Lisdowney Wind Farm Limited

Monaincha means Monaincha Wind Farm Limited

NAB means National Australia Bank

Natwest means National Westminster Bank

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

O&M means operations and maintenance

Pasilly means Société d'Exploitation du Parc Eolien du Tonnerois

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

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

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

Sommette means Parc Eolien Des Tournevents SAS

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

Saint Martin means Parc Eolien Des Courtibeaux SAS

TCFD means Task Force on Climate-Related Financial Disclosures

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

Alternative Performance Measures

Performance Measure	Definition
CO_2 emissions reduced per annum	The estimate of the portfolio's annual CO_2 emission reductions, based on the portfolio's estimate generation as at the relevant reporting date.
Homes powered per annum	The estimate of the number of homes powered by electricity generated by the portfolio, based on the portfolio's estimate generation as at the relevant reporting date.
NAV movement per share (adjusting for dividends)	Movement in the ex-dividend Net Asset Value per ordinary share during the year.
NAV per share	The Net Asset Value per ordinary share.
Net cash generation	The operating cash flow of the Group and wind farm SPVs.
Premium to NAV	The percentage difference between the published NAV per ordinary share and the quoted price of each ordinary share as at the relevant reporting date.
Total return (NAV)	The movement in the ex-dividend NAV per ordinary share, plus dividend per ordinary share declared or paid to shareholders with respect to the year.
Total Shareholder Return	The movement in share price, combined with dividends paid during the year, on the assumption that these dividends have been reinvested.

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.