

# AQUILA EUROPEAN RENEWABLES PLC

Quarterly Factsheet | Q1 2024

**AQUILA**  
CAPITAL



## Key Statistics

Listing:	<b>London Stock Exchange</b>
Ticker:	<b>AERI</b>
ISIN/WKN:	<b>GB00BK6RLF66</b>
Investment Advisor:	<b>Aquila Capital Investment-gesellschaft mbH</b>
2024 target dividend in EUR cts/share <sup>1</sup> :	<b>5.79</b>

## Key Performance Figures<sup>2</sup>

as at 31 March 2024

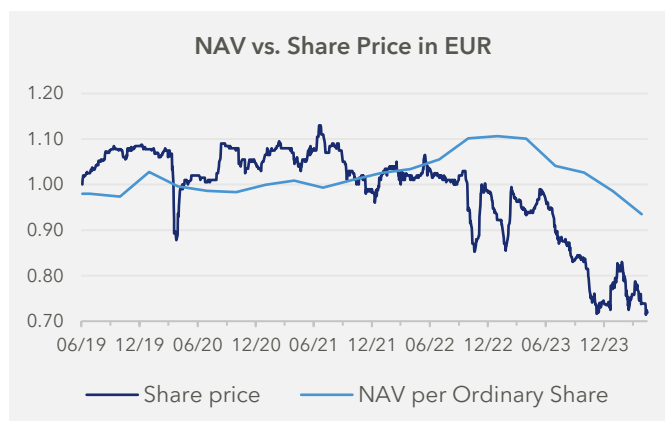
Share price in EUR	NAV per share in EUR (unaudited)	NAV in mEUR million (unaudited)	GAV in mEUR (unaudited)
<b>0.7400</b>	<b>0.9350</b>	<b>353.5</b>	<b>549.5</b>
No. of shares on issue in millions	Market capitalisation in mEUR	Discount to NAV per share in %	Total shareholder return over quarter in % <sup>3</sup>
<b>378.1</b>	<b>279.8</b>	<b>(20.9%)</b>	<b>(4.0%)</b>
Total shareholder return since IPO in % <sup>3,4</sup>	NAV total return over quarter in % <sup>3</sup>	NAV total return since IPO in % <sup>3,4</sup>	Dividend (YTD) for 2024 in EUR cts/share <sup>5</sup>
<b>(4.7%)</b>	<b>(3.7%)</b>	<b>17.1%</b>	<b>1.4475</b>
Dividend (Q1) approved in EUR cts/share	Dividend yield (2024) <sup>6</sup>	Dividend (Q1) record date	Dividend (Q1) payment date
<b>1.4475</b>	<b>7.8%</b>	<b>17.05.2024</b>	<b>14.06.2024</b>

## Investment Strategy and Objective

Aquila European Renewables Plc's (the Company) objective is to provide investors with an attractive long-term, income-based return in EUR through a diversified portfolio of wind, solar PV and hydropower investments across continental Europe and Ireland.

Through diversification of generation technologies, the seasonal production patterns of these asset types complement each other to balance cash flow, while geographic diversification serves to reduce exposure to any one single energy market.

In addition, a balance is maintained between government supported revenues, fixed price power purchase agreements (PPAs) and market power price risk.



### Overview

The Company has completed a significant transformation of its portfolio, both in terms of growth in operating capacity, as well as achieving a more balanced mix between both wind and solar PV technologies. The result is a more efficient balance sheet and a diversified operating portfolio which offers strong cash flow to support a progressive dividend, which remains well covered. The Company also maintains a modest gearing level, currently at 35.7% of Gross Asset Value (GAV). The Board has committed to consider a broad range of options for the future of the Company and that review is underway. The Board expects to update shareholders no later than the end of Q2 2024.

### Dividends

- Target dividend guidance for 2024 of 5.79 cents per Ordinary Share (+5.0% vs. 2023).<sup>1</sup>
- Dividend approved for Q1 2024 of 1.4475 cents per Ordinary Share.

### Financial and Operational Highlights<sup>7</sup>

- The Company's Net Asset Value (NAV) as at 31 March 2024 was EUR 353.5 million or 93.5 cents per Ordinary Share (31 December 2023: EUR 372.5 million or 98.5 cents per Ordinary Share). Over Q1 2024, this represents a NAV total return of -3.7% (-5.0 cents per Ordinary Share plus a dividend of 1.3775 cents per Ordinary Share).
- Key drivers of the NAV movement in Q1 2024 were:
  - o Decrease in European, especially Iberian, short-term power price forecasts relative to Q4 2023, mirroring lower commodity prices and demand due to mild winter weather conditions, partially offset by increase in Nordic mid-to-long term forecast prices driven by expectation of higher carbon prices and slower wind buildout due to higher investment costs (-4.3 cents per Ordinary Share);
  - o Marginal decrease in risk-free rates across the portfolio (+2.1 cents per Ordinary Share);
  - o Higher balancing costs for Nordic assets, new generation tax in Spain and increased social cost assumptions in Portugal (-2.4 cents per Ordinary Share).
- Total portfolio production was -6.2%<sup>7</sup> below budget, primarily due to lower irradiation for the solar portfolio, particularly during the month of March, and under-performance at the wind portfolio due to lower-than-forecast average wind resource in Norway and Finland. Production at the Greek wind farm Desfina was broadly in line with budget, while the Danish wind portfolio was above plan. Production at the hydro portfolio was significantly above budget due to higher-than-forecast water

availability, continuing a strong positive trend since June 2023.

- Total weighted average technical availability for the quarter decreased to 96.4% (Q4 2023: 97.3%), largely due to low technical availability at the Norwegian wind farm The Rock and the Finnish wind farm Olhava as a result of halts in production due to icing-related technical issues. The O&M provider is expected to fix remaining technical issues with The Rock's anti-icing system before the next winter season.
- Compensation for The Rock's availability in 2023 under the O&M agreement is expected to be received in the second quarter of 2024. Technical availability for The Rock rose significantly in March to 96.0% and is expected to improve over the remainder of the year.
- The spring reindeer migration across The Rock's site was successfully completed without issue and recent dialogue with the local Sami community was constructive, both are encouraging developments given the upcoming court hearing in late May.
- As at 31 March 2024, AER had surplus liquidity of EUR 71.6 million (cash plus Revolving Credit Facility (RCF)).<sup>8</sup>
- As at 31 March 2024, the Company had total debt of EUR 196.0 million (including RCF, drawn to EUR 26.1 million).
- The Company's euro-denominated debt, including the RCF, had a total weighted average interest rate of 3.6%.
- The closing of the previously announced EUR 50.0 million Spanish solar PV debt financing for the assets Albeniz, Tiza and Greco in January 2024 resulted in an increase in the portfolio discount rate from 7.2% to 7.3%. Net proceeds from the debt facility were used to partially repay the RCF.
- The asset life of a number of turbines within the Greek wind farm Desfina (40 MW capacity) was extended from 25 to 30 years following the completion of external due diligence, resulting in a marginal increase in the asset's valuation.
- A sensitivity of NAV against discount rates, inflation and power prices is shown below:

Assumption	Impact on NAV per Ordinary Share	
Discount rate	+0.5%	-5 cents
	-0.5%	+5 cents
Inflation	+0.5%	+5 cents
	-0.5%	-4 cents
Power price	+10.0%	+11 cents
	-10.0%	-11 cents

### CO<sub>2</sub> Equivalent Avoidance

- A total of 78.1k tonnes of CO<sub>2</sub>eq was avoided in the first quarter of 2024.<sup>9</sup>

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- The renewable energy produced in the first quarter of 2024 would be equivalent to the average energy consumption of approximately 76.6k households in the EU.

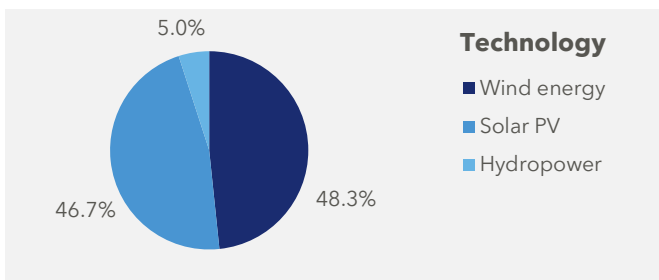
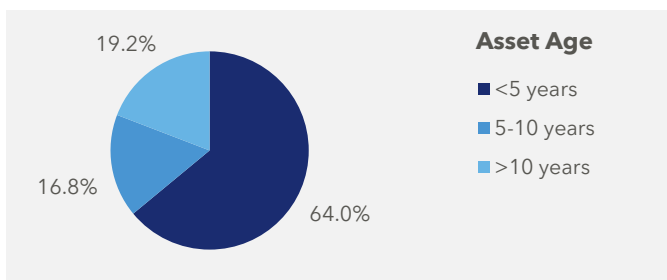
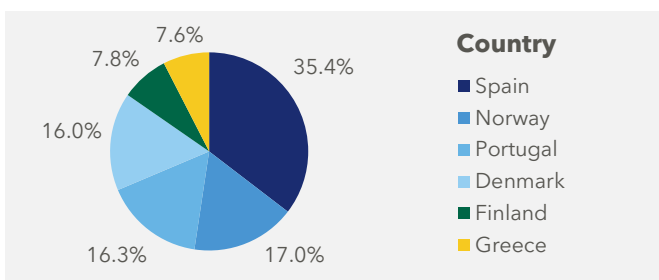
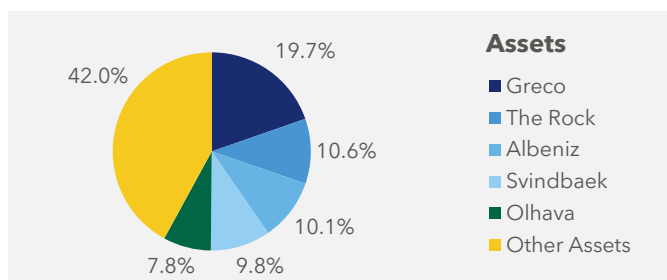
## Market Development

- The Nordics electricity system spot price traded at an average of 58.3 EUR / MWh in Q1 2024 against 57.8 EUR / MWh in Q4 2023, an increase of 1.0%.
- Spot prices in Iberia on average traded at 44.8 EUR / MWh in Q1 2024, when compared to an average of 75.3 EUR / MWh in Q4 2023, a decrease of 40.5%.
- As at 31 March 2024, power price forecasts for 2024 were revised down in the Nordics by 31.3% and by 33.1% in

Iberia from the levels forecasted in the fourth quarter of 2023, mirroring lower natural gas prices.

- Power price forecasts over the next 5 years were revised down in the Nordics by 16.9% and by 16.8% in Iberia, relative to the fourth quarter of 2023.
- The valuation methodology continues to assume an average of at least two power price curves from independent market analysts over the lifetime of each asset.

## Portfolio Breakdown Based on Fair Value<sup>10</sup> as at 31 March 2024



## AIFM

FundRock Management Company (Guernsey) Limited

## Administrator

Apex Listed Companies Services (UK) Limited

## Contact

AER-Contact@aquila-capital.com

## Investment Advisor

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

## Portfolio Map



## Notes

1. Subject to the portfolio performing in line with expectations.
2. All calculations which use Ordinary Shares exclude shares held in treasury.
3. Calculation includes dividends paid during the period.
4. Total shareholder return is based on an opening share price of EUR 1.00 and NAV total return is based on an opening NAV after launch expenses of EUR 0.98 per Ordinary Share, as at the Initial Public Offering (IPO) date of 5 June 2019.
5. Cumulative with respect to Q1 2024 in EUR cents per share.
6. Dividend yield is calculated by dividing the target annual dividend per share of EUR 5.79 cents per share for 2024 by the market share price as at 31 March 2024.
7. Production and revenue performance as well as technical availability are subject to further change.
8. Cash includes cash positions of Aquila European Renewables Plc and its wholly owned subsidiary, Tesseract Holdings Limited.
9. The CO<sub>2</sub> equivalent avoidance is an approximation and does not necessarily reflect the exact impact of the renewable energy projects. The cited sources of information are believed to be reliable and accurate, however, the completeness, accuracy, validity and timeliness of the information provided cannot be guaranteed and Aquila Capital accepts no liability for any damages that may arise directly or indirectly from the use of this information.
10. Allocation is based on fair value of the assets, equal to EUR 377.2 million (excluding cash and any other fund level items), unless stated otherwise.

## Disclaimer

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