

THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION.
For immediate release

5 September 2024

Aquila European Renewables plc

Disposal of Norwegian wind farm at a premium to carrying value

Aquila European Renewables plc ("AER" or "the Company"), the London-listed investment company advised by Aquila Capital Investmentgesellschaft mbH ("Investment Adviser"), today announces that it has entered into a sale and purchase agreement with Sunnhordland Kraftlag AS ("SKL") to sell its 25.9% interest in Tesla for consideration of approximately EUR 27.1 million^[1].

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

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

Ian Nolan, Chairman, of the Company commented: "The sale is a further sign of the Board's ongoing commitment to secure greater appreciation of the value inherent in the portfolio. The Board continues to explore a range of initiatives to help address the issues facing the listed renewable energy sector and secure recognition in the Company's share price of the underlying value of the Company's portfolio. Whilst it is pleasing to note the level of interest in this particular asset, and the uplift in valuation that is expected to be achieved, it is clear that different technologies in differing geographies display very variable levels of liquidity and pricing visibility. The Board continues to assess these issues and others as part of its ongoing considerations and looks forward to updating the market further in due course."

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About AER

The objective of Aquila European Renewables plc is to provide investors with an attractive long-term, income-based return in EUR through a diversified portfolio of onshore wind, solar PV and hydropower investments across continental Europe and Ireland. As a result of the diversification of energy generation technologies, the seasonal production patterns of these asset types complement each other, providing a balanced cash flow profile, while the geographic diversification serves to reduce exposure to any one single energy market. In addition, a balance is maintained between government supported revenues, fixed price power purchase agreements and market power price risk.

Further details can be found at: www.aquila-european-renewables.com

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Inside Information

The information contained within this announcement is deemed by Aquila European Renewables plc to constitute inside information as stipulated under the Market Abuse Regulations (EU) No.596/2014 (as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018). On the publication of this announcement via a Regulatory Information Service, such information is now considered to be in the public domain.

The person responsible for making this announcement is Jennifer Thompson of Apex Listed Companies Services (UK) Limited, the Company Secretary.

^[1] The actual purchase price received will be subject to certain adjustments depending on the date of closing.

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