



Greencoat Renewables PLC

2019 Full Year Results

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2019 Highlights

Power generation 4% below budget, due primarily to higher than budgeted curtailment	1,154GWh Power generation
Strong cash generation with dividend cover of 1.7x ¹	€48.8m¹ Net cash generation
2020 target dividend 6.06c per share	€29.2m / 6.03c per share Dividends paid in the period
Invested €152m across 4 transactions	€1,017m Gross asset value
Increased capacity by 20%	462MW Net generating capacity
NAV per share of 103.1c, a decrease of 0.3c per share	€650.0m Net asset value
Oversubscribed issuance of €273m in 2019	350m² Share issuance programme launched
€367m outstanding borrowings	46% / 36% 2019 Average / 31 December, 2019
Significant carbon free electricity generated	274,762 homes Equivalent to powering

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

²Of which 111m shares issued in December 2019 hence 239m shares

SECTION I

Operational Performance



Diversified portfolio underpinned by 10+ years' REFIT and strong operating performance



Key	Wind Farm	Turbines	REFIT end	% Interest	GRP Net MW
1	Knockacummer	Nordex	Dec 2027	100%	100.0
2	Killhills	Enercon	Mar 2030	100%	36.8
3	Glanaruddery	Vestas	Dec 2032	100%	36.3
4	Lisdowney	Enercon	Nov 2031	100%	9.2
5	Tullynamoyle II	Enercon	Dec 2032	100%	11.5
6	Knocknalour	Enercon	Aug 2028	100%	9.2
7	Ballybane	Enercon	2023 - 2032	100%	48.3
8	Raheenleagh	Siemens	Jul 2031	50%	17.6
9	Cloosh Valley	Siemens	Jul 2032	75%	81.0
10	Sliabh Bawn	Siemens	Dec 2031	25%	16.0
11	Monaincha	Nordex	Sept 2029	100%	36.0
12	Garranereagh	Enercon	Dec 2027	100%	9.2
13	Gortahile	Nordex	July 2025	100%	20.0
14	Killala	Siemens	July 2032	100%	17.0
15	Beam Hill	Vestas	Merchant	100%	14.0
	Total (at 31/12)				462.1
16	Letteragh	Enercon	Dec 2032	100%	14.1
	Total				476.2

- Wind speed broadly on budget
- Constraint/ Curtailment higher than expected
- Turbine Availability on budget

- Portfolio scale continues to open commercially viable opportunities for enhancing performance
- Combination of: economies of scale, Greencoat methodology, and technology innovation

Asset Optimisation

➡ Revenue enhancing

- **Turbine analysis and optimization:** Portfolio review followed by deep-dive for 5 sites. Turbine upgrade installations in Q1 2020. Forestry management opportunities in discussion
- **DS3 (System services):** New services contracted in 2019 DS3 tender. Total of 8 sites now have DS3 contracts

Contractual Management

➡ Cost reduction

- **I-SEM Balancing Fee:** Renegotiated I-SEM balancing services pricing on 9 sites with annual savings of over €1m over the portfolio
- **O&M Level Contracts:** Commenced discussions and received proposals on portfolio level O&M contracts
- **Asset Management contracts:** Asset Management tender issued for block of 6 sites to consolidate service providers

Active Management

➡ NAV enhancing

- **Business Rates:** leading industry engagement with the Valuation Office to reduce rates, alongside IWEA
- **Dispatch Down:** Proactive participation with the industry Dispatch Down working group to address recent increases
- **Community:** Enhanced engagement with local community; new community funds and communication with landowners

Active ESG Programme to Deliver Sustainable Returns

Environmental

- Over 430,000 CO2 tonnes offset, equivalent to over 274,762 homes
- 100% habitat management plans implemented on sites where this was required

Social

- €674,200 committed to c. 90 community projects
- Activated 3 new community funds in 2019
- Include social risks in evaluations of our site management plans

Governance

- Experienced, independent and diverse Board
- 4th Independent Director (Marco Graziano) appointed to the Board in January 2020

CSR Awards Winner

Awarded Best Community Programme at the 2019 Chambers Ireland CSR Awards for The Galway Wind Park Project and Cloosh Valley Windfarm



Sustainable Energy Award Sponsor

Sponsorship of the special award for Sustainable Energy at the 2020 BT Young Scientist and Technology exhibition



IWEA Award

Awarded the best 'Wind Energy in the community' award at the IWEA Irish Wind Industry Awards 2020



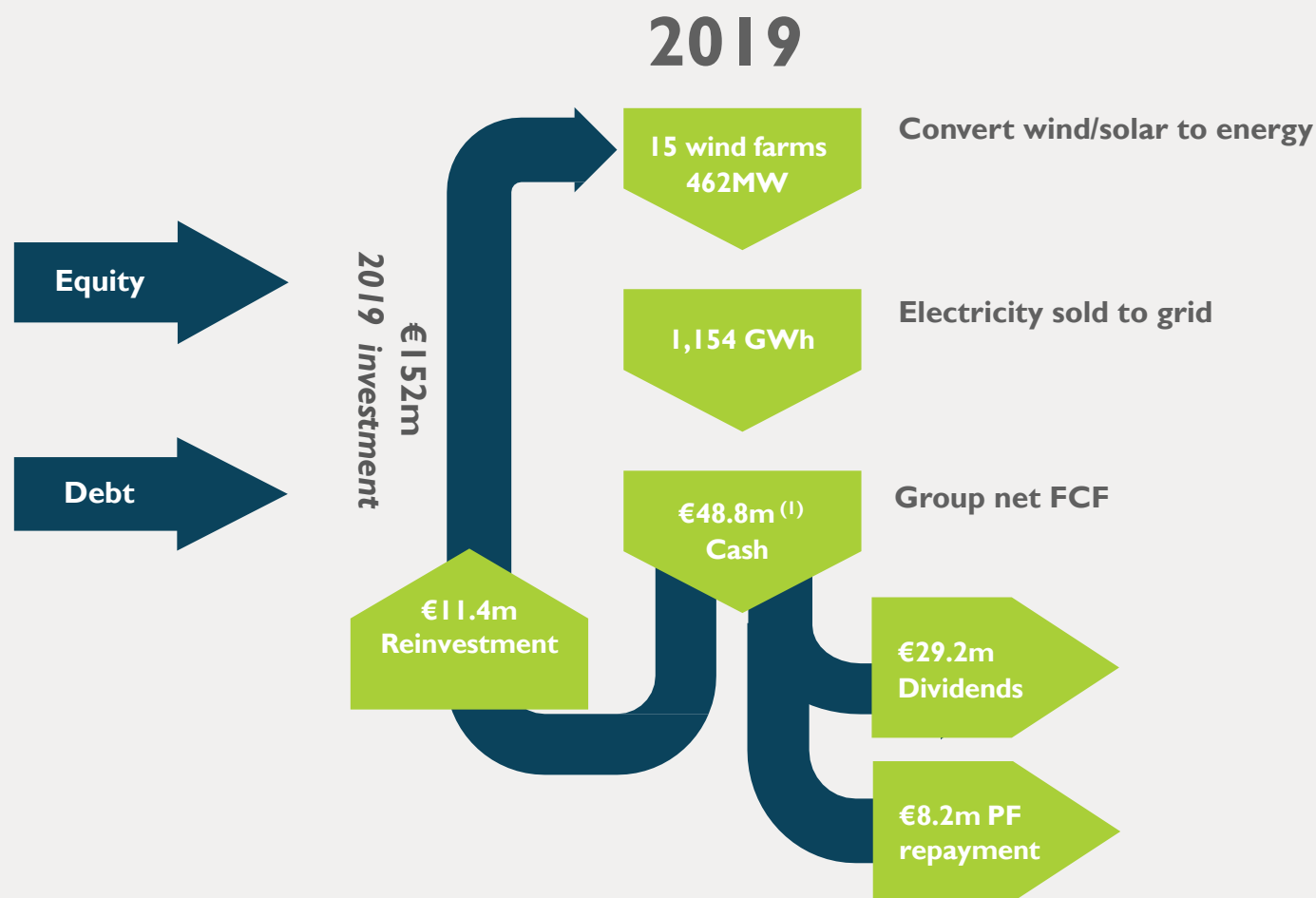
SECTION 2

Financial Performance



Greencoat Renewables – Simple and Robust Business Model

Greencoat Renewables Model



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

Financial Performance (1/2)

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

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

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

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

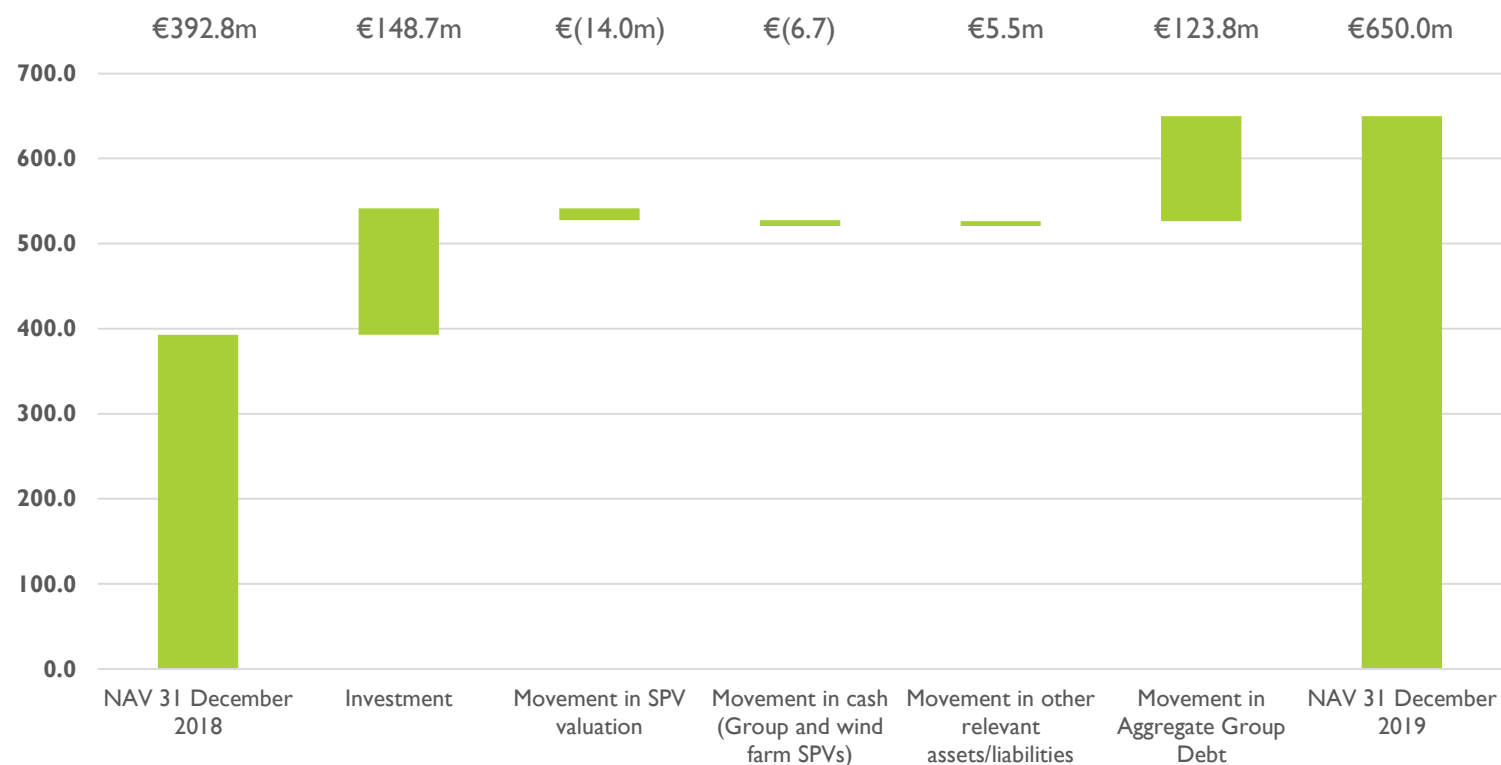
Financial Performance (2/2)

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

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

- (1) Consolidated Statement of Cash Flows
- (2) Note 9 to the Financial Statements (excludes acquired cash)
- (3) €18,942k cashflows reflect residual capital expenditure from acquired SPVs and REFIT working capital movements with the PSO relating to wind farm SPVs
- (4) €18,942k cashflows reflect residual capital expenditure from acquired SPVs and REFIT working capital movements with the PSO relating to wind farm SPVs plus €8,212k repayment of SPV level debt (note 9 to the Financial Statements)
- (5) €139k facility arrangement fees plus €36k professional fees (note 13 to the Financial Statements) plus €152k decrease in other finance costs payable (note 12 to the Financial Statements)

Net Asset Value



Shares in issue

380,000,000

630,619,469

NAV/ share (cent)

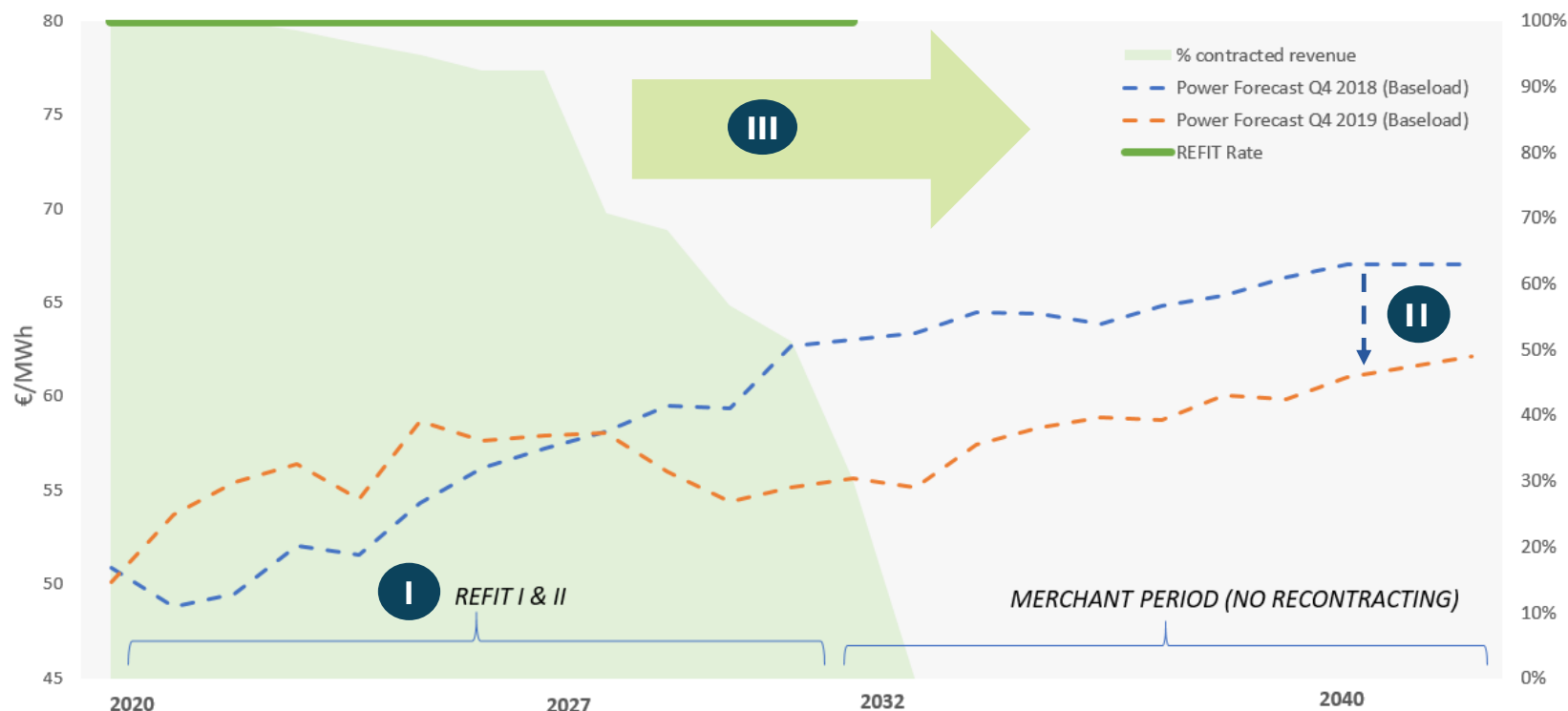
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103.1

Key Considerations

- NAV decreased by 0.3c over the period, with key drivers
 - 5c significant reduction in power price forecast
 - 1c CPI
 - +2c PPA contractual savings
 - +3c reduction in blended discount rate of 0.3% to reflect market valuation
- Blended (unlevered) portfolio discount rate remaining in 6-7% range
 - Higher portfolio discount rate than at listing
 - 0.3% reduction vs 1.1% reduction in long term Irish government bond yield rate since listing

REFIT helps protects GRP from wholesale power price volatility



I REFIT Protection

- 97% of revenue contracted under REFIT until 2027
- Gradually migrating to 100% merchant revenue by 2032

II Power Price Decline in 2019

Material decline in power price curve during 2019 (c. 8%), driven by:

- Lower gas price (increased forecasted supply of LNG)
- Lower carbon price (Germany led)
- Higher renewables penetration projected in Ireland / UK

III Contracting Upside

- Emergence in Ireland and Europe of Corporate PPA and power hedging market
- Providing opportunity to recontract on medium term basis once out of REFIT

SECTION 3

2019 Acquisitions



2019 Investments



High quality portfolio

- Strategic partnerships and long-term opportunity
- High load factors
- Experienced operators
- Long-term O&M contracts

A Gortahile, 20MW

- County Laois – 8 Nordex N90 2.5MW turbines
- Project operational since August 2010
- Contracted under REFIT I

B Killala 17MW

- County Mayo – 5 Siemens 3.4MW turbines
- Project operational since July 2019
- Contracted under REFIT II

C Beam Hill 14MW

- County Donegal – 8 Vestas V66 1.75MW turbines
- Project operational since November 2006
- Merchant power price

D Cloosh Valley +27MW

- County Galway – 56 Enercon E92 turbines
- Project operational since November 2019
- Contracted under REFIT II

2020 Subsequent Acquisition: Letteragh Wind Farm

Letteragh wind farm – 14.1MW



Seller	Local Developer
Size	14.1MW
Turbines	Enercon E92
COD	December 2019
PPA	SSE
Turbine O&M	Enercon
O&M Management	Statkraft

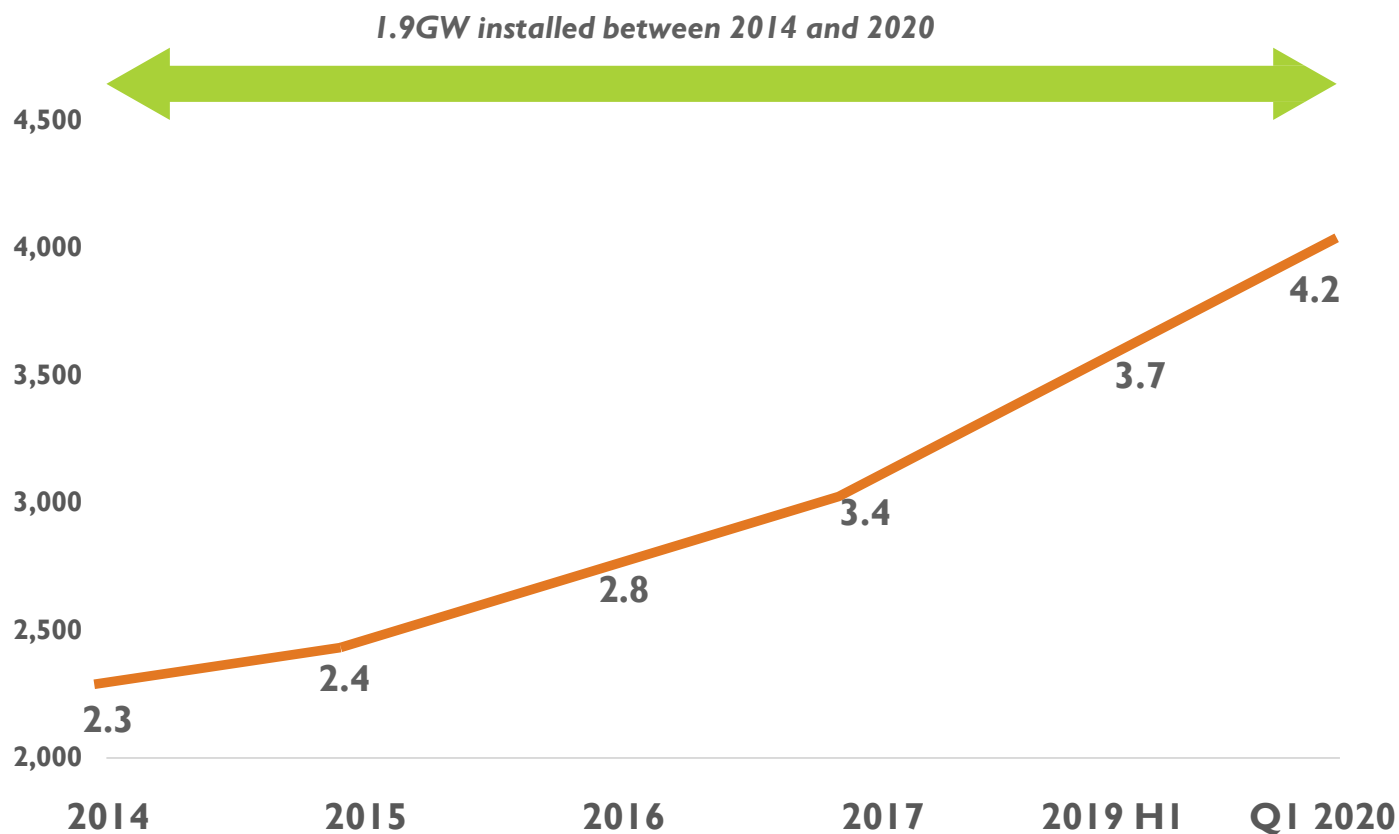
- Continuing the strategy to consolidate the small and medium size REFIT assets
- High load factor site (>35%)
- REFIT 2 until 2032, limiting the exposure to power price
- Located in Co. Clare

SECTION 3

Outlook & Pipeline



Republic of Ireland Cumulative Installed Wind Power 2014-2020 (GW)



- Market growth has developed as planned
- REFIT has remained a very stable policy
- Market now repositioning for RESS auctions

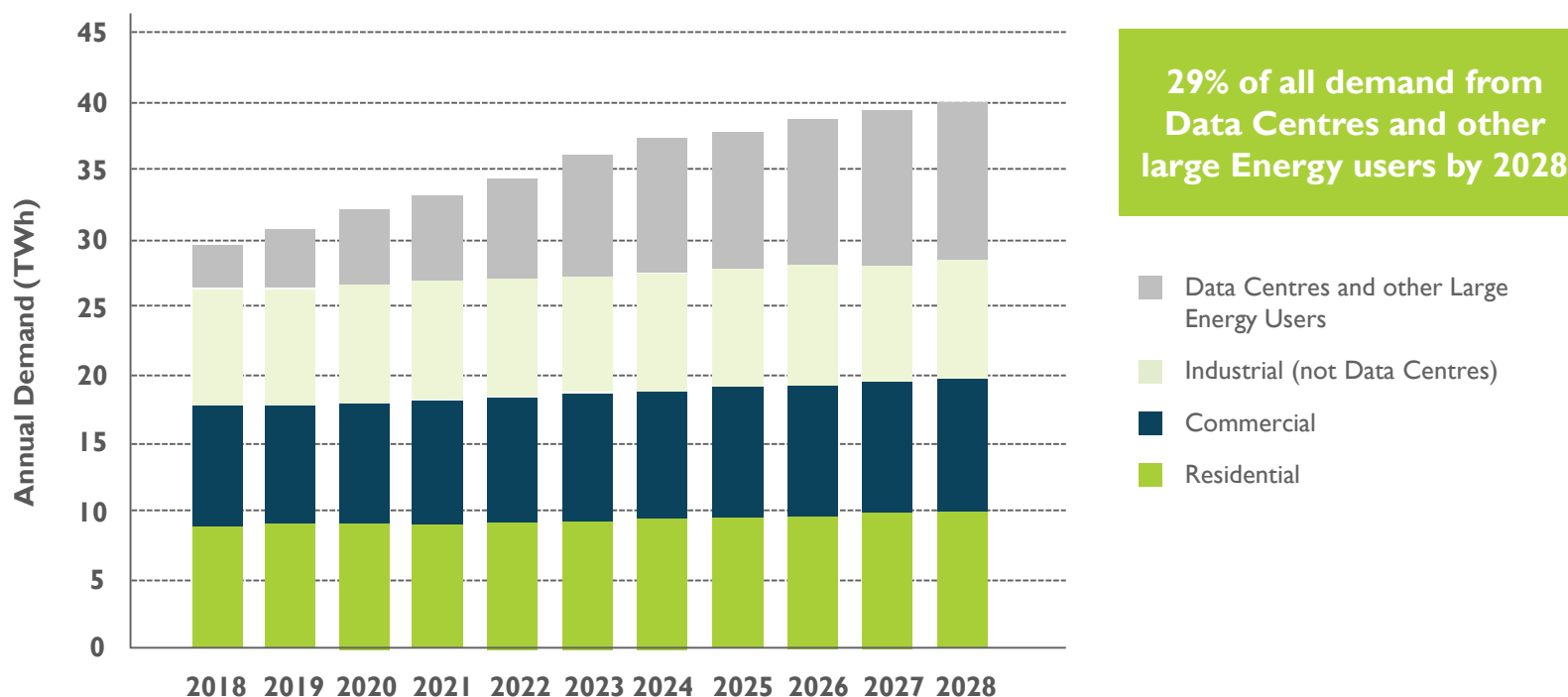
c.€8-9bn¹ operational assets by 2020

Datacentre Growth in Ireland – Corporate PPA Opportunity

Strong power demand growth driven by a robust pipeline of new datacentre loads

Datacentre in Ireland - to increase Irish electricity demand by c. 30% by end of decade

Total Electricity Requirement forecast for Ireland 2019 - 2028



- 29% of electricity in Ireland expected to come from datacenters by 2028
- Many datacenters are owned by multinational technology companies
- Evidence in Europe of fast growing Corporate PPA opportunity

Climate Action Plan (2020 – 2030)

2020

Estimated renewable capacity

- 4.5 GW onshore
- No offshore
- No solar

2030

Estimated renewable capacity

- 8.2 GW onshore
- 3.5 GW offshore
- 1.5 GW Solar

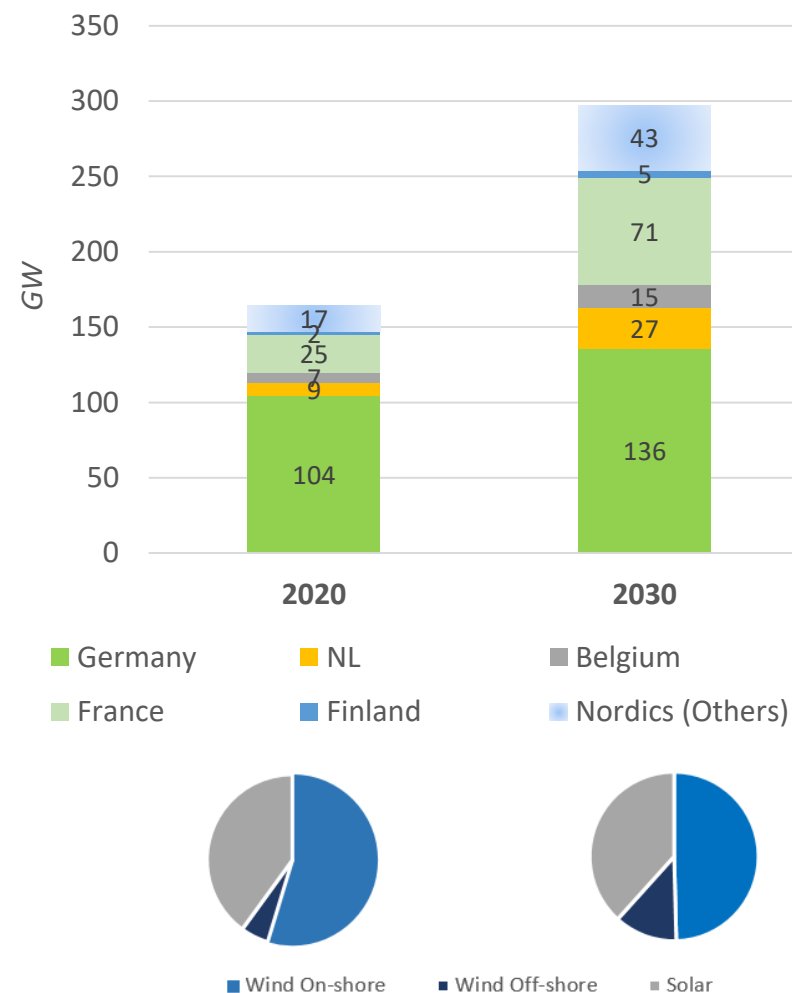
RESS Auction (2020)

- First RESS auction scheduled to take place in H2 2020
- Projects are expected to go through pre-qualifying process in H1 2020
- Up to 3,000 GWh (equivalent to c. 900MW of wind) expected to be allocated
- Project delivery timeline by end of 2022
- Mix of wind and solar (with separate solar allocation in auction)
- Opportunity for GRP to support developers through auction and provide “forward sale” exit

Continental European Renewable Opportunities

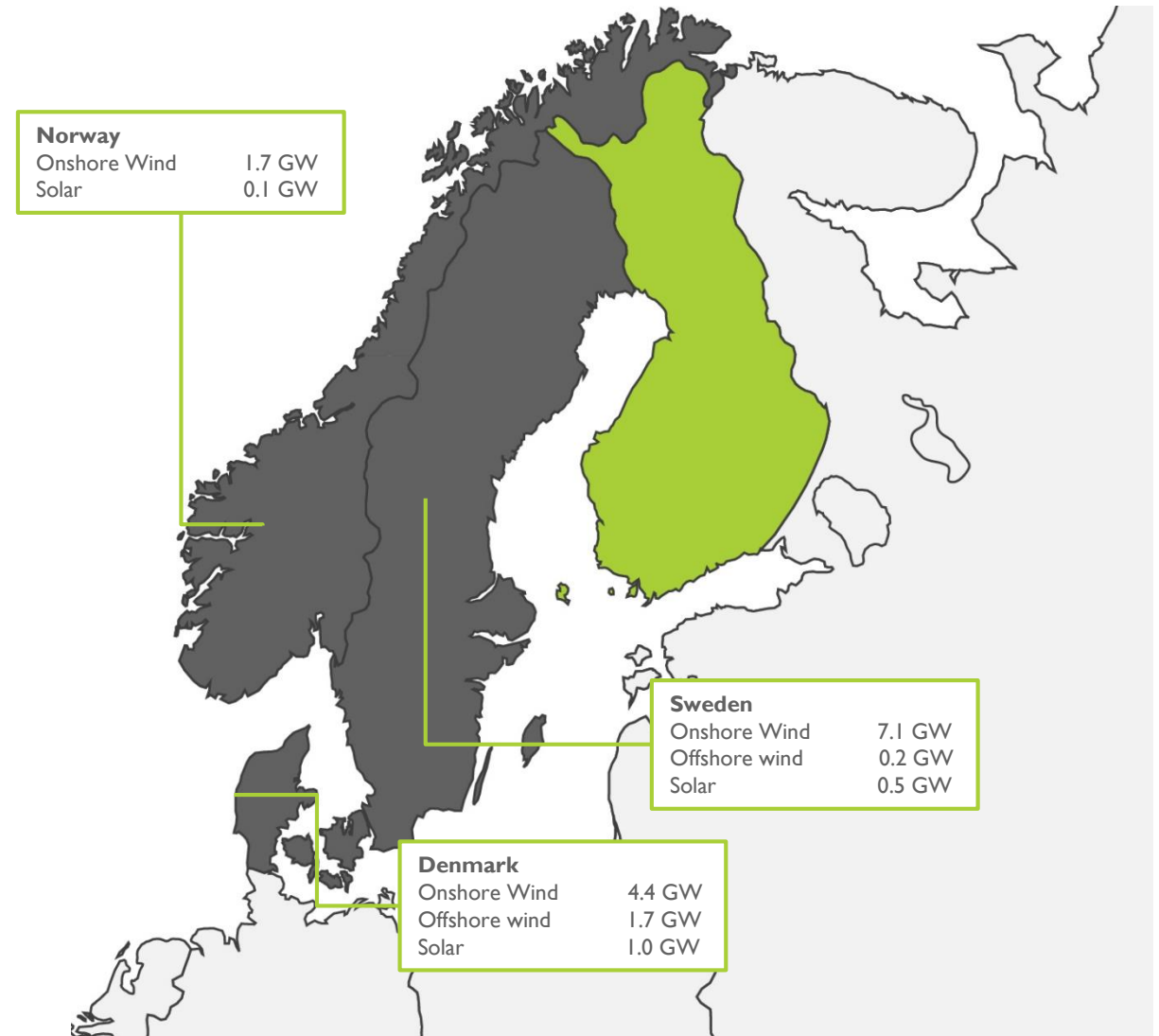
- Greencoat Renewables now positioned to access very large pool of assets to seek best value
 - 30x the size of Ireland
 - Compelling growth profile with in excess of 150GW new built by 2030
- Diversification without currency risk unique to Greencoat Renewables
 - Weather systems
 - Power markets
 - Regulatory
- Access to range of power price market options, including corporate PPA, hedging and merchant
 - Ability to contract merchant cash flow
- Leveraging existing Greencoat Capital strategic relationships with significant inbound origination already occurring

Wind and Solar Capacity (GW)



Nordics market fully integrated and Euro denominated revenue

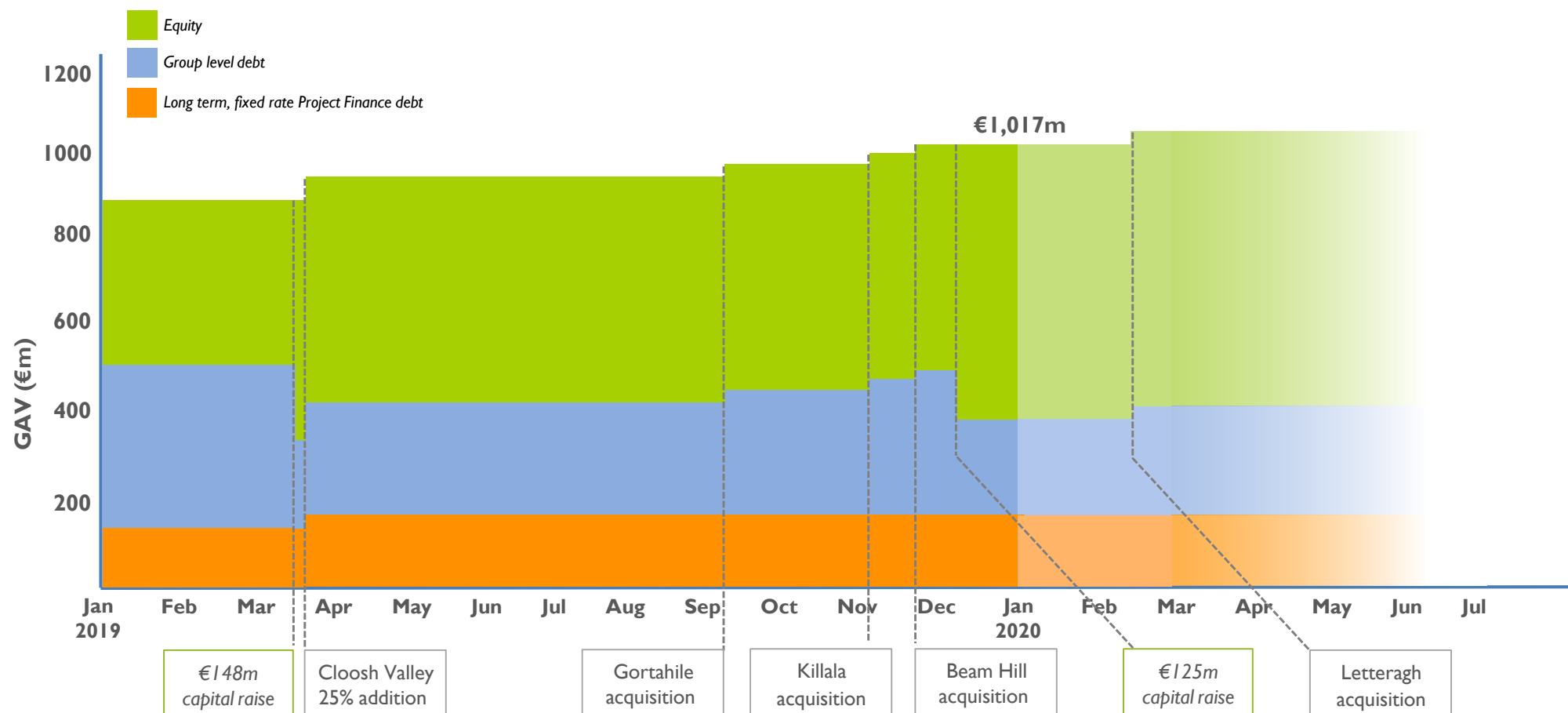
- Euro equivalent market with 19GW of existing capacity (including Finland)
 - Strong interconnection between Nordics and Europe
 - c75% of the region's wholesale electricity is traded on Nord Pool (euro denominated)
- Lowest on-shore wind LCOE for new build
- Access to range of power price market options, including corporate PPA, hedging and merchant
- Attractive growth in electricity demand driven by increased data usage and electrification of transport and heavy industry
 - 7GW of additional capacity expected in the next 5 years
- GC relationship with many of the key utilities and large scale developers
- Plan to amend Investment Policy at April AGM



Capital Structure



Capital Structure to Drive Growth



€380m RCF

- €206m drawn
- Syndicate of 5 banks
- Cost of debt c. 2%

Total gearing 36%

- €366m total debt
- 2019 weighted average of 46%

Debt structure

- Floating (RCF) – 20%
- Long term fixed (SPV project level debt) – 16%

Refinancing programme in progress

> To increase long term debt %

SECTION 5

Conclusion



Delivering on Strategy – Milestones since IPO



ATTRACTIVE DIVIDEND:

- Total annual dividend of 6.03c paid for 2019 financial year
- Robust dividend cover of 1.7x⁽¹⁾



ACQUISITION OF VALUE-ACCRETIVE ASSETS:

- Invested in thirteen wind farms, diversifying the portfolio and increasing capacity from 137MW to 462MW
- Demonstrated ability to transact across the market



DELIVER OPERATIONAL EXCELLENCE:

- Asset availability above budget
- Ongoing operational improvements as the portfolio scales



STRUCTURED FOR GROWTH AND RETURNS:

- Average gearing of 46% for 2019
- €140m headroom under RCF post Letteragh transaction



Listing

Assets:
2 wind farms

Capacity
137MW

NAV per share:
€98c

Dividends paid:
€0.0c

31 December 2019

Assets:
15 wind farms

Capacity
462MW

NAV per share:
€103.1c

Dividends paid:
€13.1c

¹Dividend cover is gross of SPV level debt repayment and was 1.4x net of SPV level debt repayment

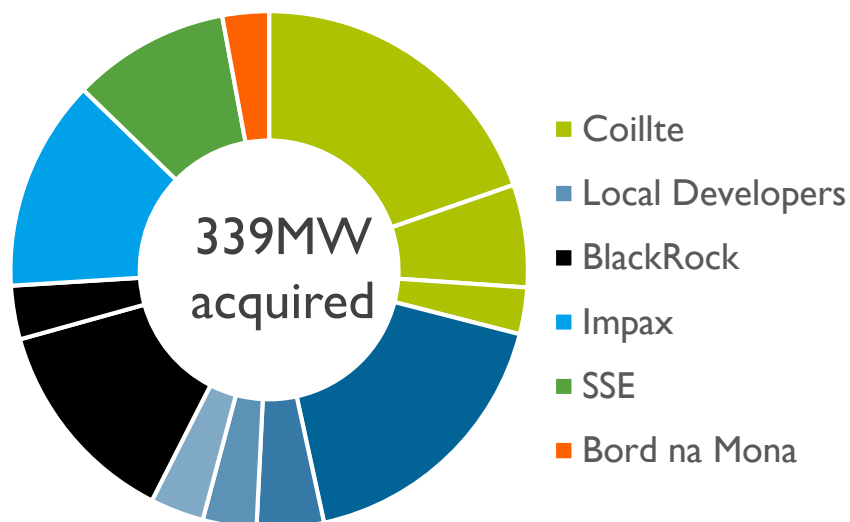
Appendix



Irish Secondary Wind Market Overview

Secondary Market since listing

>1.1GW priced

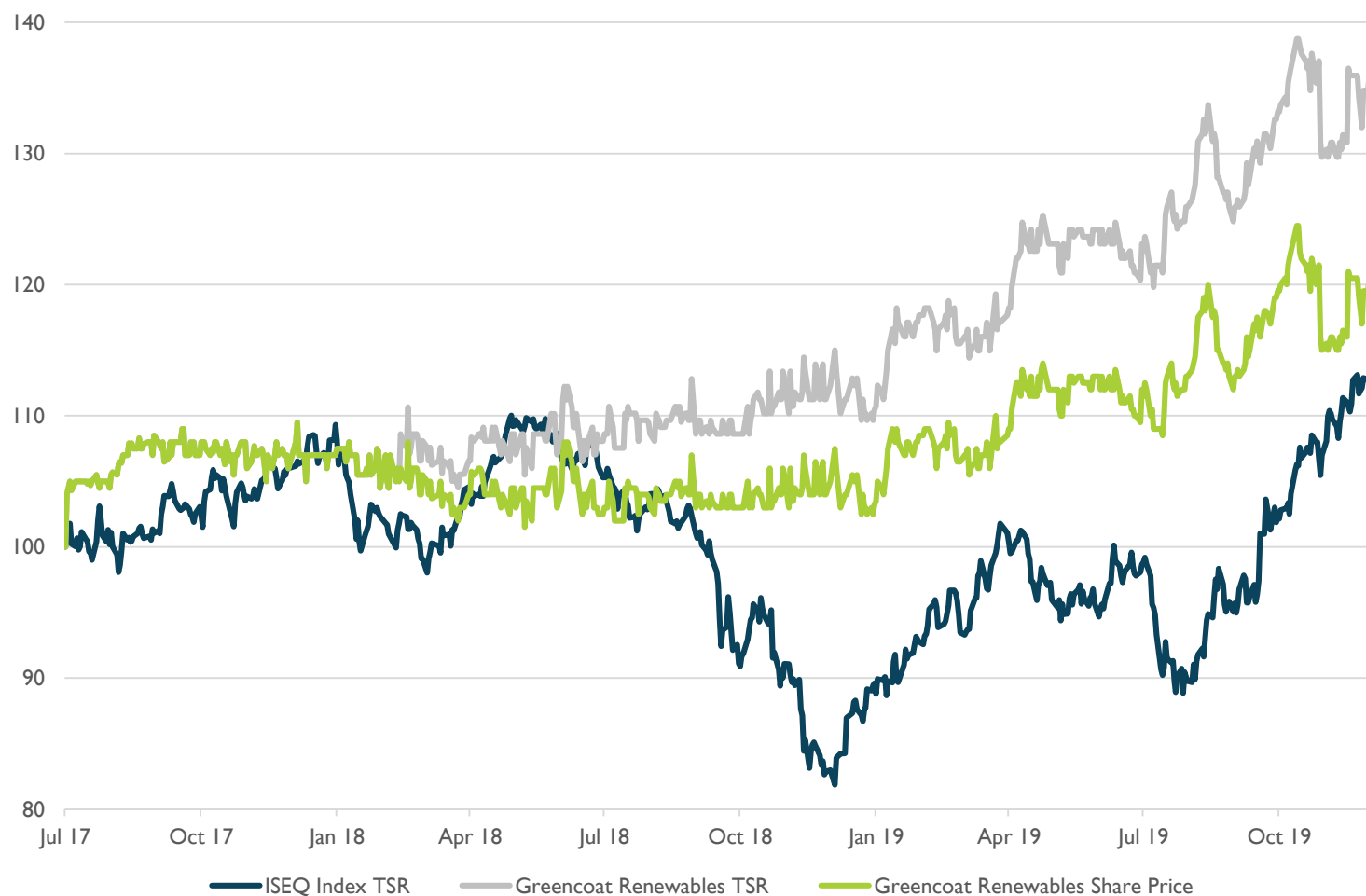


- Secondary wind market remains active and growing
- Incidence of off-market and bilateral transactions increasing
- A lot of developers focused on getting projects through construction

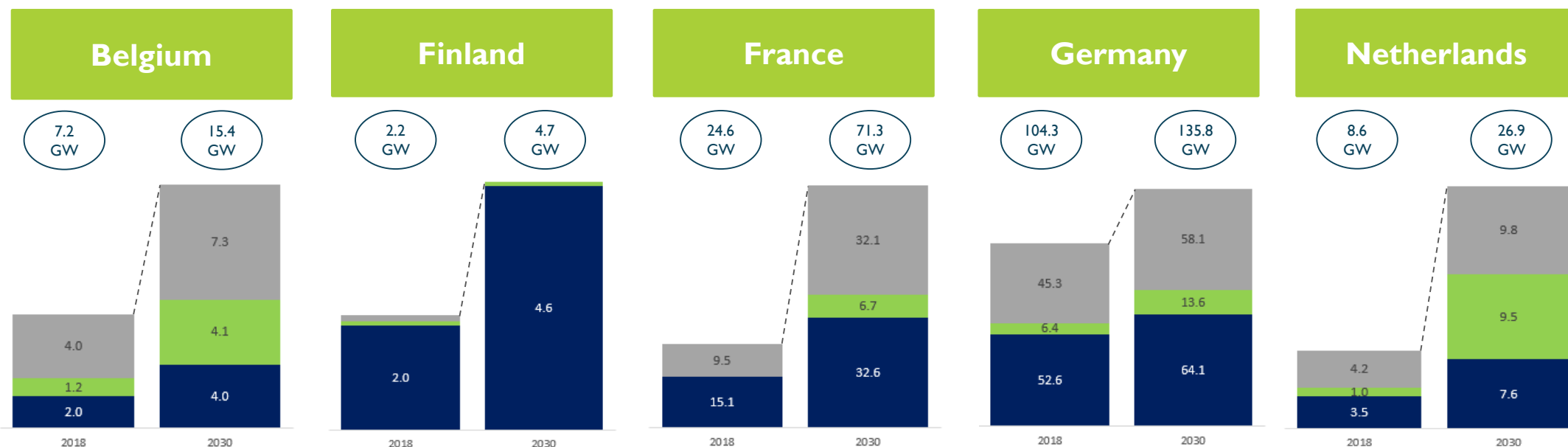
Greencoat reputation as attractive counterparty following 14 transactions in 2 years

Greencoat Renewables – Uncorrelated Returns

- **TSR of 33.7%**
(118.5 share price)
since IPO
(13.8% annualised)
- **Dividends paid**
of 13.1c



Targeted Approach to European Markets



■ Onshore wind ■ Offshore wind ■ Solar photovoltaic

Overview: Primarily mix of onshore and solar. Growing offshore market opportunity

Correlation to Irish wind speeds: Medium

Tariff regime: Varied across country

Overview: Primarily onshore wind market. Substantial corporate PPA market emerging

Correlation to Irish wind speeds: Low

Tariff regime: Mix of FIT, Corporate PPA and merchant

Overview: Mix of onshore and solar. Substantial growth emerging in solar and onshore and offshore wind

Correlation to Irish wind speeds: Medium

Tariff regime: Mostly 15/20-year FIT, CFD

Overview: Mix of onshore, offshore and solar. Growing offshore market opportunity

Correlation to Irish wind speeds: Medium

Tariff regime: Mostly 12/15 year FIT, CFD

Overview: Mix of onshore, offshore and solar. Growing offshore market opportunity

Correlation to Irish wind speeds: Medium

Tariff regime: Mostly 15 year FIT (ie SDE+)



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