

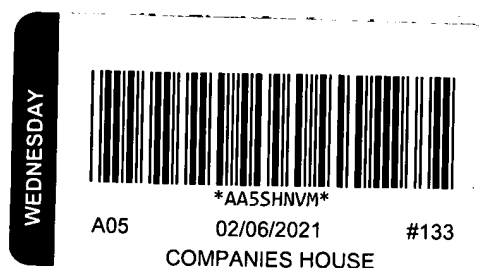


Annual Report and Audited Financial Statements

For the year ended 31 December 2020

The Renewables Infrastructure Group (UK) Limited

Registered number: 08506871



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Strategic Report

The Directors present their Strategic Report for the year ended 31 December 2020, which has been prepared in compliance with s414C of the Companies Act 2006.

This Strategic Report has been prepared for The Renewables Infrastructure Group (UK) Limited ("the Company" or "TRIG UK") and its portfolio of investments, and therefore gives greater emphasis to those matters which are significant to the group when viewed as a whole.

Business review

The principal activity of the Company during the year was the undertaking of investment activities on behalf of its parent, The Renewables Infrastructure Group Limited ("TRIG Ltd"). The Company invests in a portfolio of investments predominantly in the subordinated loan stock, ordinary equity and mezzanine debt investment of renewable energy infrastructure companies. The principal activity of those project finance companies is the development and management of solar parks, on-shore and offshore wind farms and battery storage. The Company, TRIG Ltd and the portfolio of investments are known collectively as the TRIG group ("the Group").

Results and performance

The Company's results for the year under review are detailed in the profit and loss account in these financial statements.

The Company has prepared financial statements for the year to 31 December 2020. The Company's financial statements have been prepared in accordance with Financial Reporting Standard 102 ("FRS 102") issued by the Financial Reporting Council ("FRC").

The profit before tax for the year was £26.5m (2019: £93.3m) and Total Operating Income was £47.1m (2019: £110.3m). Administrative expenses of £18.2m (2019: £14.2m) include all operating expenses and £16.7m (2019: £14.1m) management fees paid to the Investment and Operations Managers (see Note 19). Cash received from the portfolio by way of distributions, including interest and capital repayments, was £nil (2019: £nil).

At 31 December 2020, the Company had 75 projects comprising of 45 wind projects, 28 solar PV projects, one battery storage project and one mezzanine debt investment in its investment portfolio, which are all measured at fair value in accordance with FRS 102 section 9.9. As at 31 December 2020, the fair value of the Company's investments was £849.8m (2019: £746.7m) reflecting the increase in the value of investments and new acquisitions in the year.

A decrease in power price forecast during 2020 decreased the valuation of the portfolio by £137.2m, however, overall the valuation increased by £467.8m. Some of the factors offsetting this decline includes using longer solar asset life assumptions in line with technical advice, reduced maintenance costs obtained on renewal of contracts, improved power purchase agreement terms, reduction of discount rates post-construction and reduced grid costs following removal of Balancing Services Use of System ('BSUoS').

The valuation uses updated power price forecasts for each of the markets in which the Company invests, namely the GB market, the Single Electricity Market of Ireland, France and Germany (which sits within the main continental European power market) and Sweden (which sits in the Nordic electricity market). More details can be found in section 2.8 of TRIG Ltd's annual report which is available from their website www.trig-ltd.com.

The Company's cash as at 31 December 2020 was £0.3m (2019: £0.1m).

Combined share capital and share premium of £573.5m (2019: £495.3m) represents TRIG Ltd's 100% investment in the Company. Shares were issued during the year to fund acquisitions made by the Company.

Revolving credit facility (RCF) and ESG

The Group has access to a revolving credit facility (RCF) which was refinanced and increased from £340m to £500m in December 2020. This new loan is one of the first ESG linked SONIA loans of its kind and sets the Group ambitious but achievable targets as noted below. This underlines the Group's commitment to sustainability and helps align its interests with those of its debt and equity investors. The interest charged in respect of the renewed RCF will be linked to the Group's ESG performance from 2021 onwards. It will incur a premium or reduction to its margin and commitment fee based on performance against defined sustainability targets. Those targets include:

- **Environmental:** increase in the number of homes powered by clean energy from TRIG's portfolio
- **Social:** increase in the number of community funds supported by TRIG
- **Governance:** maintaining a low Lost Time Accident Frequency Rate (LTAFR) The LTAFR is a key metric monitored by asset owners that measures the number of personnel injured and unable to perform their normal duties for seven days or more for each hundred thousand hours worked

The inclusion of this target aligns the cost of the renewed RCF with a key metric for the Group: safety at work. Performance against these targets will be measured annually from 2021 with the cost of the RCF being amended in the following year. The facility is available until 31 December 2023 with the option to extend for a further 24 months, at the date of signing these financial statements, the facility was £134m drawn.

The Sustainability KPI's for the year can be seen below:

Key Performance Indicator (KPI)	2020
KPI 1: Number of homes capable of being powered	1,228,260
KPI 2: Number of community funds	33
KPI 3: Reportable lost time accidents per 100,000 hours worked	0.52

- KPI 1 – number of homes capable of being powered: this means TRIG's energy generation equivalent for number of homes being able to be powered, specific to the then current electricity household consumption within TRIG's region for a given year.
- KPI 2 – number of community funds: this means the number of funds available in TRIG's portfolio. A community fund should have a defined use of proceeds, geographical target area, value and recipients.
- KPI 3 – reportable lost time accidents per 100,000 hours worked: this means Lost Time Accident Frequency Rate (LTAFR) for every 100,000 hours worked and is calculated as number of accident occurred in any given period divided by number of hours worked times 100,000.

Strategy

The Company invests principally in operational assets which generate electricity from renewable energy sources, with a particular focus on onshore and offshore wind farms and solar PV parks.

Key performance indicators ("KPIs")

The Board monitors the progress of the Group by reference to the following KPIs:

- Directors' portfolio valuation at year end which was measured at £849.8m (2018: £746.7m), a 13.8% increase from prior year.
- Profit before tax of £26.5m (2019: profit £93.3m), reflecting a lower uplift in portfolio valuation than prior year.
- Power generation – Power generation varies with weather patterns amongst other factors. For the year ended 31 December 2020, against the "P50" central estimate for energy production (see note 4 for further details), power generation was up by 1.3% (2019: down by 4.4%).
- Availability - Availability for the portfolio as a whole was in line with expectations.

Principal risks and uncertainties

Portfolio energy productivity

The principal risk to energy production is the available incidence of solar energy and wind power to generate output. The incidence of solar energy and wind power is not under the control of the Directors, however, they aim to maximise availability and minimise the effect of downtime by scheduling repairs and maintenance activities at times of low light and low wind. While short-term variability of the production levels of a single asset may be material, the longer-term variability is minimised by constructing a technologically and geographically diverse portfolio. The production performance is measured in terms of yield factors and availability targets over time, and the Board notes that the Group is on track with both these measures for the year to 31 December 2020.

Future wholesale electricity prices

The Group is exposed to changes in the wholesale price of electricity for a proportion of its revenues. The impact of future power prices can be partially mitigated through the portfolio mix and growth strategy. The portfolio valuation is based on wholesale power price forecast in three different European markets with differing future pricing dynamics.

Government support for renewables

Geographically, the Company focuses its investments on the UK and Northern Europe where there is a strong emphasis on delivering versus challenging renewable energy deployment targets for 2020 and showing consistency in grandfathering prior subsidy commitments to operating plants.

Impact of COVID-19

Since the start of 2020 an outbreak of coronavirus (which causes Covid-19) has spread to become a global pandemic, which in conjunction with the public health responses of various governments, has led to uncertainty in the market. The directors of the Company continue to follow advice given by the national and international agencies (including the World Health Organisation and Public Health England) to ensure best practices are followed.

To date there has not been a material impact on the ability of the Company to carry out its operations. Restrictions imposed by governments on public health grounds have impacted the consumption of electricity, and consequently electricity prices, however these measures are currently expected to be transitory and in place for the shortest period practicable, ultimately with a recovery to previous levels expected at this time. Consequently, the directors do not believe that there is a significant risk to the value of the Company's investments, operations or its overall business as a result of the Covid-19 pandemic but will continue to monitor any future developments.

Section 172(1) statement

The Company, as an intermediate holding company, has no employees, customers or suppliers and as such the directors primarily consider the interests of the ultimate parent company, TRIG Ltd, with regard to performing their duties on matters set out under Section 172 of the Companies Act 2006. The key board decisions approved during the year related to approval of the annual report and were in line with the strategic goals of both the Company and the parent company.

The Company adopted the policies and procedures of its parent company for its operations during the year. These are described in more detail in the TRIG Ltd annual report which is available at www.trig-ltd.com. Details of the policies can be found within the TRIG Ltd's financial statements.

Financial risk management

Risk is managed on a group basis. Information on the use of financial instruments by the Group, its management of financial risk and its exposure to cash flow risk (addressed under the headings of 'Credit risk', 'Liquidity risk' and 'Market risk') are disclosed in Note 4 of TRIG Ltd's financial statements, which are available from their website www.trig-ltd.com.

Most other risks under consideration, whether meteorological, economic or regulatory, are generally either closely associated with the three factors discussed above or are of a purely financial nature, for example the impact of interest rates or tax rates. The impact of these is discussed further in TRIG Ltd's financial statements.

Future developments in business

The Company seeks to benefit from steady income from the investments in its efficiently managed portfolio as well as to capitalise on the investment opportunities for renewables infrastructure and to provide an efficient conduit for the Group's institutional and other investors seeking an attractive, yield-based, risk-adjusted return.

With an extensive pipeline of diverse acquisition opportunities, strong support from our parent company, TRIG Ltd, and a positive year to date, we look forward to continuing to deliver on expectations.

The Group's parent, TRIG Ltd, reports governance against the Association of Investment Companies (the "AIC") Code of Corporate Governance updated in February 2019. This AIC code has been endorsed by the Financial Reporting Council. TRIG Ltd is a member of the AIC, benefitting from the on-going development of best practices in the industry and also playing a meaningful role as a flag-bearer of the renewables sector of the infrastructure investment market.

Directors' Report

The Directors present their Annual Report and audited financial statements for the year ended 31 December 2020.

Incorporation

The Company, incorporated in England and Wales on 26 April 2013, is the single, direct subsidiary of TRIG Ltd, a closed ended investment company incorporated in Guernsey and whose shares are publicly traded on the London Stock Exchange under a premium listing.

Principal activity

In accordance with CA2006 s414, further information regarding the Company's principal activity is found within the Strategic Report.

Dividends

The Directors declared no dividends in the current year or preceding year.

Results for the year

The results for the year are set out in the profit and loss account on page 10.

Directors

The Directors who held office during the year to 31 December 2020 and to the date of this report were:

C Gill
W R Crawford
J Entract
J Bains
R Ruffle
D Joyce
P R P George

The Directors did not receive any remuneration in respect of their services to the Company during the year.

Company Secretary

E Mendes

Registered office

Level 7, One Bartholomew Close, Barts Square, London, EC1A 7BL

Donations

The Company made no political donations during the current year or preceding year.

Going concern review

The financial position of the Company, its liquidity position and borrowing facilities, as well as the Company's business activities and factors likely to affect its future development and position, are described in the Strategic Report.

TRIG Ltd and its subsidiaries ("TRIG Group") is in a net asset position and has access to a revolving credit facility (RCF) which was extended and increased from £340m to £500m during the year. The facility is available until 31 December 2023 with the option to extend for a further 24 months, at the date of signing these financial statements, the facility was £134m drawn. Considering all relevant factors, including the review of the Company's cash flow forecasts, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for at least 12 months from the date of approval of these financial statements. Accordingly, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

The impact of Brexit on the company to date has been limited with forecast inflation and foreign exchange fluctuations being considered as part of the valuation of investments. Since the start of 2020, an outbreak of coronavirus (which causes Covid-19) has spread to become a global pandemic and has caused widespread economic disruption. The Directors have also considered the impact of Covid-19 on going concern, including the potential impact of lower power

Directors' Report (continued)

prices in the future and the impact on liquidity. The impact of lower power prices due to lower demand, as a result of Covid-19, has been incorporated into the assessment/valuation.

While the situation is still evolving and uncertain, the Directors expect the impact on the Company to be low given the long-term Power Purchase Agreements (PPA's) in place and the impact of lower energy prices to be temporary. To date, there has not been a material impact on the ability of the Company to carry out its operations. The Directors have however, performed stress testing for a worse-case scenario and in this case the TRIG Group would still retain sufficient cash even if power prices were to significantly reduce. Taking all of the above into account and the ability to use the Company's revolving credit facility (RCF) to fund working capital if necessary, the Directors have therefore concluded that the use of the going concern assumption remains appropriate.

Disclosure of information to the Auditor

The Directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware and that each Director has taken all the steps that he ought to have taken as a Director to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information. The confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Subsequent Events

Details on events after the balance sheet date are discussed in note 18 to the accounts.

Independent auditor

Deloitte LLP is deemed to be reappointed in accordance with an elective resolution made under section 487 of the Companies Act 2006.

Strategic report

The following information has been disclosed in the Strategic Report;

- Business review
- Key performance indicators
- Principal risks and uncertainties
- Financial risk management
- Future developments in the business

Approved by the board and signed on behalf of the Board by
Authorised signatory



P R P George
Director
26 May 2021

Directors Responsibilities Statement

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that year. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company 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 financial statements comply with the Companies Act 2006. 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.

Independent auditor's report to the members of The Renewables Infrastructure Group (UK) Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of The Renewables Infrastructure Group (UK) Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 December 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the profit and loss account;
- the balance sheet;
- the statement of changes in shareholders' equity;
- the cash flow statement; and
- the related notes 1 to 20.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) 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 company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, 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.

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 company's ability to continue as a going concern for a period of at least twelve months from 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.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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.

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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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.

Responsibilities of directors

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 the directors 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 company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have 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 (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the 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 FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory framework that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included the UK Companies Act; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team including relevant internal specialists such as tax and valuations specialists regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud in the fair value of investments, and our specific procedures performed to address it are described below:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management concerning actual and potential litigation and claims;

- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance; and
- challenging management's procedures for the identification of related party transactions by reviewing management's related party listing for any omissions through the course of our work.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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.



Anthony Matthews FCA (Senior Statutory Auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
London, United Kingdom
26 May 2021

Profit and loss account

For the year ended 31 December 2020

	Note	Year ended 31 December 2020 £'000's	Year ended 31 December 2019 £'000's
Investment income	5	-	-
Dividend income	5	-	-
Other income	5	231	-
Gain on investments	5	46,920	110,297
Total operating income		47,151	110,297
Administrative expenses	6	(18,186)	(14,187)
Acquisition costs		(742)	(1,930)
Operating profit for the year		28,223	94,180
Finance costs	7	(1,715)	(887)
Profit before tax		26,508	93,293
Income tax credit/(expense)	8	-	-
Profit and Total Comprehensive Income for the year		26,508	93,293

All results are derived from continuing operations.

There is no other comprehensive income or expense apart from those disclosed above and consequently a statement of other comprehensive income has not been prepared.

Balance sheet

As at 31 December 2020

	Note	As at 31 December 2020 £'000's	As at 31 December 2019 £'000's
Non-current assets			
Investments at fair value through profit or loss	9	849,797	746,727
Total non-current assets		849,797	746,727
Current assets			
Debtors – due within one year	10	5,018	2,363
Cash and cash equivalents		274	98
Total current assets		5,292	2,461
Creditors: Amounts falling due within one year	11	(6,189)	(4,996)
Net current liabilities		(897)	(2,535)
Total assets less current liabilities		848,900	744,192
Creditors: Amounts falling due after more than one year	12	-	-
Net assets		848,900	744,192
Equity			
Called up share capital	13	275,289	275,277
Share premium	13	298,177	219,989
Retained reserves		275,434	248,926
Shareholders' funds		848,900	744,192

The accompanying Notes are an integral part of these financial statements.

The financial statements were approved and authorised for issue by the Board of Directors on 26 May 2021, and signed on its behalf by:



P R P George
Director

Statement of changes in shareholders' equity

For the year ended 31 December 2020

	Called up share capital £'000's	Share Premium £'000's	Retained reserves £'000's	Total equity £'000's
Shareholders' equity at beginning of year	275,277	219,989	248,926	744,192
Profit for the year	-	-	26,508	26,508
Ordinary shares issued	12	78,188	-	78,200
Shareholders' equity at end of year	275,289	298,177	275,434	848,900

For the year ended 31 December 2019

	Called up share capital £'000's	Share Premium £'000's	Retained reserves £'000's	Total equity £'000's
Shareholders' equity at beginning of year	275,276	32,000	155,633	462,909
Profit for the year	-	-	93,292	93,292
Ordinary shares issued	1	187,989	-	187,990
Shareholders' equity at end of year	275,277	219,989	248,926	744,192

Cash flow statement

For the year ended 31 December 2020

	Notes	Year ended 31 December 2020 £'000's	Year ended 31 December 2019 £'000's
Net cash flows from operating activities	14	(16,917)	(16,212)
Cash flows from investing activities			
Purchases of investments	9	(56,150)	(170,000)
Acquisition costs		(645)	(1,796)
Net cash used in investing activities		(56,795)	(171,796)
Cash flows from financing activities			
Proceeds from issue of share capital during year	13	78,200	187,990
Arrangement fees paid		(4,270)	(39)
Net cash flows from financing activities		73,930	187,951
Net increase/(decrease) in cash and cash equivalents		218	(57)
Cash and cash equivalents at beginning of year		98	106
Exchange (loss)/gains on cash		(42)	49
Cash and cash equivalents at end of year		274	98

Notes to the Audited Financial Statements for the year ended 31 December 2020

1. General information

The Renewables Infrastructure Group (UK) Limited (the "Company") is a private company, limited by shares registered in England and Wales and incorporated in the United Kingdom under the Companies Act 2006. The address of the registered office is given in the Directors' Report on page 4. The nature of the Company's operations and its principal activities are set out in the Strategic Report.

These financial statements are presented in pounds sterling, the functional currency, because that is the currency of the primary economic environment in which the Company operates. Foreign operations are included in accordance with the policies set out in Note 2.

These financial statements are separate financial statements. The Company has adopted FRS 102 and does not consolidate the investments it holds in accordance with FRS 102 section 9.9. This is explained further in Note 2(c).

2. Key accounting policies

(a) Basis of preparation

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, and in accordance with Financial Reporting Standard 102 ("FRS 102") issued by the Financial Reporting Council ("FRC").

The principal accounting policies adopted are set out below.

(b) Going concern

The financial position of the Company, its liquidity position and borrowing facilities, as well as the Company's business activities and factors likely to affect its future development and position, are described in the Strategic Report.

The Group has the necessary financial resources to meet its obligations. The Group benefits from a range of long-term contracts with various major UK and European utilities and well-established suppliers across a range of infrastructure projects. In addition, it maintains a working capital component of £30m as part of its revolving acquisition facility (currently sized at £500m and limited to 30% of Portfolio Value). The facility was renegotiated and extended from £340m to £500m in December 2020 at lower rates to support the Company's investments in new acquisitions. The facility is available for a 3-year term and the larger size of the facility reflects the increased scale of acquisitions being made by the Company. The facility was £40m drawn at 31 December 2020 and £134m at the date of signing these financial statements.

The Group's project-level financing is non-recourse to the Company and is limited to 50% of Gross Portfolio Value. As a consequence, the Directors believe that the Group is well placed to manage its business risks successfully. The directors do not believe that there is a significant risk to the business as a result of the Covid-19 pandemic but will continue to monitor any future developments.

Having performed the assessment of going concern, the Directors considered it appropriate to prepare the financial statements of the Company on a going concern basis. The Company has sufficient financial resources and liquidity and is well placed to manage business risks in the current economic environment and can continue operations for a period of at least 12 months from the date of these financial statements.

(c) Basis of consolidation

In accordance with FRS 102 section 9.9, subsidiaries that are held as part of an investment portfolio shall be measured at fair value with changes in fair value recognised in profit or loss. As the Company treats its 75 investments as a

Notes to the Audited Financial Statements for the year ended 31 December 2020

homogenous investment portfolio, all subsidiaries are measured at fair value through profit and loss, as opposed to being consolidated on a line by line basis.

(d) *Financial instruments*

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

Financial assets and liabilities

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a finance transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Company, despite having retained some significant risks and rewards of ownership, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Fair value measurement

The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated by using a valuation technique.

The Directors consider the equity and loan stock to share the same investment characteristics and risks and they are therefore treated as a single unit of account for valuation purposes and a single class for disclosure purposes.

Loans and borrowings

Borrowings are recognised initially at fair value of the consideration received, less transaction costs, and are subsequently measured at amortised cost.

Other

Other non-derivative financial instruments are measured at amortised cost using the effective interest method less any impairment losses.

(e) *Impairment*

Financial assets

Financial assets, other than those at fair value through profit or loss, are assessed for indicators of impairment at each balance sheet date. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset. An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate. Significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share

Notes to the Audited Financial Statements for the year ended 31 December 2020

similar credit risk characteristics. All impairment losses are recognised in the profit and loss account. An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. For financial assets measured at amortised cost the reversal is recognised in the profit and loss account.

(f) Investment income

Income from investments relates solely to returns from the Company's subsidiaries. This is recognised as it accrues by reference to the principal outstanding and the effective interest rate applicable and dividends when these are received.

(g) Income tax

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax is based on the taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is provided in full using the balance sheet liability method on temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes, except for differences arising on:

- the initial recognition of goodwill;
- the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting or taxable profit; and
- investments in subsidiaries and jointly controlled entities where the Company is able to control the timing of the reversal of the difference and it is probable that the difference will not reverse in the foreseeable future.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted at the reporting date.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(h) Foreign exchange gains and losses

Transactions entered into by the Company in a currency other than its functional currency are recorded at the rates ruling when the transactions occur. Foreign currency monetary assets and liabilities are translated at the rates ruling at the balance sheet date. Exchange differences arising on the retranslation of unsettled monetary assets and liabilities are recognised immediately in the profit and loss account.

3. Critical accounting judgements, estimates and assumptions

The preparation of financial statements in accordance with FRS 102 requires management to make judgements, estimates and assumptions in certain circumstances that affect reported amounts. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

Key source of estimation uncertainty: Investments at fair value through profit or loss

FRS 102 section 10.2 establishes a single source of guidance for fair value measurements and disclosures about fair value measurements. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Board base the fair value of the investments on information received from the Investment Manager. Fair value is calculated on a discounted cash flow basis.

Notes to the Audited Financial Statements for the year ended 31 December 2020

Fair values for those investments for which a market quote is not available, in this instance being all investments, are determined using the income approach, which discounts the expected cash flows at the appropriate rate. In determining the discount rate, regard is had to relevant long-term government bond yields, specific risks associated with the technology (on-shore wind and solar) and geographic location of the underlying investment, and the evidence of recent transactions. The investments at fair value through profit or loss, whose fair values include the use of level 3 inputs, are valued by discounting future cash flows from investments in both equity (dividends and equity redemptions) and subordinated loans (interest and repayments) to the Group at an appropriate discount rate.

The weighted average discount rate applied in the December 2020 valuation was 6.7% (2019: 7.25%). The discount rate is considered one of the most significant unobservable inputs through which an increase or decrease would have a material impact on the fair value of the investments at fair value through profit or loss which are further discussed in Note 4 under sensitivities of the TRIG Ltd accounts.

The other material impacts on the measurement of fair value are the forward looking power price curve, energy yields, operating costs and macro-economic assumptions (including rates of inflation) which are further discussed in Note 4 under sensitivities of the TRIG Ltd accounts.

The Investment Manager, when considering the assumptions to apply to the valuation of the investments at 31 December 2019 takes into account several key assumptions including whether these were impacted by the expected exit of the UK from the European Union which subsequently occurred on 31 January 2020.

Key Judgements

By virtue of the Company's status as an investment fund, and in conjunction with FRS 102 section 2.2 for investment entities, investments are designated upon initial recognition to be accounted for at fair value through profit or loss.

The Directors consider that the carrying value amounts of financial assets and financial liabilities recorded at amortised cost in the financial statement are approximately equal to their fair values.

4. Financial instruments

Fair value estimation

The following summarises the significant methods and assumptions used in estimating the fair values of financial instruments:

Non-derivative financial instruments

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. The Company uses the income approach, which discounts the expected cash flows attributable to each asset at an appropriate rate to arrive at fair values. In determining the discount rate, regard is had to relevant long-term government bond yields, the specific risks of each investment and the evidence of recent transactions.

Derivative financial instruments

The fair value of financial instruments inputs other than quoted prices traded in active markets is based on quoted market prices at the balance sheet date. The quoted market price used for financial assets held by the Company is the current bid price. Note 2 discloses the methods used in determining fair values on a specific asset/liability basis. Where applicable, further information about the assumptions used in determining fair value is disclosed in the notes specific to that asset or liability.

Notes to the Audited Financial Statements for the year ended 31 December 2019

Classification of financial instruments

	31 December 2020 £'000s	31 December 2019 £'000s
Financial assets		
Designated at fair value through profit or loss:		
Investments	849,797	746,727
Other receivables	5,018	2,363
Cash and cash equivalents	274	98
Financial assets at fair value	855,089	749,188
Financial liabilities		
At amortised cost:		
Bank loans	-	-
Other payables	6,189	4,996
Financial liabilities at amortised cost	6,189	4,996

The Directors believe that the carrying values of all financial instruments are not materially different to their fair values.

Fair value hierarchy

The fair value hierarchy is defined as follows:

- 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 asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	As at 31 December 2020			Total
	Level 1 £'000s	Level 2 £'000s	Level 3 £'000s	£'000s
Investments at fair value through profit or loss	-	-	849,797	849,797
	-	-	849,797	849,797
	As at 31 December 2019			Total
	Level 1 £'000s	Level 2 £'000s	Level 3 £'000s	£'000s
Investments at fair value through profit or loss	-	-	746,727	746,727
	-	-	746,727	746,727

Notes to the Audited Financial Statements for the year ended 31 December 2020

Level 3

Valuation methodology

The Directors have satisfied themselves as to the methodology used, the discount rates and key assumptions applied, and the valuation. All investments are at fair value through profit or loss and are valued using a discounted cash flow methodology.

Economic assumptions

The Investment Manager has carried out market valuations of the investments as at 31 December 2020 and at 31 December 2019. The Directors have satisfied themselves as to the methodology used, the discount rates applied, and the valuation.

The following economic assumptions were used in the discounted cash flow valuations at:

	31 December 2020	31 December 2019
UK inflation rates (other than ROC's)	2.75%	2.75%
Inflation applied to UK ROC Income	2.75%	3.0% 2020, 2.75% thereafter
Ireland, France, Sweden and Germany inflation rates	2.00% thereafter	1.75% 2019-2020, 2.00% thereafter
UK deposit interest rates	0.25% to March 2023, 1.0% thereafter	1.00% to 31 December 2021, 2.00% thereafter
Ireland, France, Sweden and Germany deposit interest rates	0.0% to March 2023, 0.5% thereafter	1.00% to 31 December 2021, 2.00% thereafter
UK corporation tax rate	19.00%	19.00%
France corporation tax rate	28%; reducing to 25% by 2022	33.3% + 1.1% above €763,000 threshold, reducing to 25% by 2022
Ireland corporation tax rate	12.5% active rate, 25% passive rate	12.5% active rate, 25% passive rate
Swedish corporation tax rate	21.4% for 2020, 20.6% thereafter	21.4% for 2020, 20.6% thereafter
Applicable German corporation tax	15.8%	15.8%
Euro/sterling exchange rate	1.1191	1.1827
Energy yield assumptions	P50 case	P50 case

The P50 output is the estimated annual amount of electricity generation (in MWh) that has a 50% probability of being exceeded – both in any single year and over the long term – and a 50% probability of being under achieved. Hence the P50 is the expected level of generation over the long term.”

5. Total operating income

	Year ended 31 December 2020 Total £'000s	Year ended 31 December 2019 Total £'000s
Investment income	-	-
Dividend income	-	-
Other income	231	-
Gains on investments	46,920	110,297
	47,151	110,297

Notes to the Audited Financial Statements for the year ended 31 December 2020

6. Administrative expenses

	Year ended 31 December 2020 Total £'000s	Year ended 31 December 2019 Total £'000s
Fees payable to the Company's auditor for the audit of the Company's accounts	6	5
Investment and management fees (Note 19)	16,745	14,063
Other costs	1,434	119
	18,186	14,187

Non-audit fees of £12,000 has been agreed to be paid to the Company's auditor with respect to agreed upon procedures performed over the Company's ESG KPI's in relation to the Company's debt facility.

The Company had no employees during the current or preceding year.

No director received any form of remuneration in lieu of their services to the Company in the current or prior year.

7. Finance costs

	Year ended 31 December 2020 Total £'000s	Year ended 31 December 2019 Total £'000s
Other finance costs	1,715	887
Total finance costs	1,715	887

8. Income tax

	Year ended 31 December 2020 Total £'000s	Year ended 31 December 2019 Total £'000s
Corporation tax	-	-
Total tax on profits	-	-

The applicable tax rate from 01 April 2020 of 19% was announced in the March 2020 Budget and was subsequently substantively enacted on 17 March 2020.

In the March 2021 Budget, it was announced that legislation will be introduced in the Finance Bill 2021 to increase the main rate of UK corporation tax from 19% to 25%, effective 01 April 2023. If enacted this will impact the forecast cash flows of the underlying investments based in the UK and therefore the fair value of investments. We have yet to determine the impact of these proposed changes.

Notes to the Audited Financial Statements for the year ended 31 December 2020

The charge for the year can be reconciled to the profit before tax in the profit and loss account as follows:

	Year ended 31 December 2020	Year ended 31 December 2019
	Total	Total
	£'000s	£'000s
Profit before tax on continuing operations	26,508	93,292
Tax at the UK corporation tax rate of 19%	5,037	17,726
Tax effect of income not taxable in determining taxable profit	(8,915)	(20,956)
Tax effect of interest not deductible in determining taxable profit	3,878	3,231
Tax expense for the year	-	-

9. Investments at fair value through profit or loss

	31 December 2020	31 December 2019
	£'000s	£'000s
Brought forward	746,727	466,658
Investments in the year	56,150	170,000
Distributions received	-	-
Dividend income	-	-
Other Movements	-	(228)
Gain on valuation	46,920	110,297
Carrying amount at year end	849,797	746,727
This is represented by:		
Less than one year	-	-
Greater than one year	849,797	746,727
Carrying amount at year end	849,797	746,727

The gains on revaluation of investments are unrealised.

The Investment Manager has carried out fair market valuations of the investments as at 31 December 2020. The Directors have satisfied themselves as to the methodology used, the discount rates applied, and the valuation. The Investment Manager is experienced in the method of valuations on a discounted cash flow basis and is considered to be an expert in this process.

Notes to the Audited Financial Statements for the year ended 31 December 2020

Details of the Company's investments at 31 December 2020 and at 31 December 2019 are as follows:

Name	Registered Office	31 December 2020		31 December 2019	
		Country	Ownership Interest	Country	Ownership Interest
Wind farms					
Roos Energy Limited	2	UK	100%	UK	100%
Grange Renewable Energy Limited	2	UK	100%	UK	100%
Hill of Towie Limited	2	UK	100%	UK	100%
Green Hill Energy Limited	2	UK	100%	UK	100%
Forss Wind Farm Limited	2	UK	100%	UK	100%
Altahullion Wind Farm Limited	2	UK	100%	UK	100%
Lendrum's Bridge Wind Farm Limited	2	UK	100%	UK	100%
Lough Hill Wind Farm Limited	2	UK	100%	UK	100%
MHB Wind Farms Limited	7	Republic of Ireland	100%	Republic of Ireland	100%
CEPE de Haut Languedoc SARL	3	France	100%	France	100%
CEPE du Haut Cabardes SARL	3	France	100%	France	100%
CEPE de Cuxac SARL	3	France	100%	France	100%
CEPE des Claves SARL	3	France	100%	France	100%
CEPE Rosieres SARL	3	France	100%	France	100%
CEPE Montigny La Cour SARL	3	France	100%	France	100%
MC Power Limited	2	UK	100%	UK	100%
Tallentire Energy Limited	2	UK	100%	UK	100%
Earlseat Windfarm Limited	2	UK	100%	UK	100%
Taubeg Limited	7	Republic of Ireland	100%	Republic of Ireland	100%
Crystal Rig Windfarm Limited*	4	UK	49%	UK	49%
Roths Wind Limited*	4	UK	49%	UK	49%
Paul's Hill Wind Limited*	4	UK	49%	UK	49%
Crystal Rig II Limited*	4	UK	49%	UK	49%
Roths II Limited*	4	UK	49%	UK	49%
Mid Hill Wind Limited*	4	UK	49%	UK	49%
Freasdail Energy Limited	2	UK	100%	UK	100%
Solwaybank Energy Limited	2	UK	100%	UK	100%
Erstrask Wind AB	10	Sweden	-	Sweden	75%
Pallas Windfarm Limited	7	Republic of Ireland	100%	Republic of Ireland	100%
Pallas Energy Supply Limited	7	Republic of Ireland	100%	Republic of Ireland	100%
Neilston Community Wind Farm LLP	9	UK	100%	UK	100%
Garreg Lwyd Energy Limited	2	UK	100%	UK	100%
Scira Offshore Energy Limited	8	UK	14.7%	UK	14.7%

Sirocco Wind Holding AB	11	Sweden	100%	Sweden	100%
Jadraas Vindkraft AB	11	Sweden	100%	Sweden	100%
Hallasen Kraft AB	11	Sweden	100%	Sweden	100%
Energies Entre Tille et Venelle SAS	3	France	100%	France	100%
Energie du Porcien	3	France	33.5%	France	27.7%
Eolienne de Rully	3	France	41.9%	France	34.6%
Parc Eolien de Fontaine Macon	3	France	41.9%	France	34.6%
Parc Eolien de Vignes	3	France	41.9%	France	34.6%
Energie Eolienne Somme II	3	France	37.3%	France	30.8%
Parc Eolien Nodex XXI SAS	3	France	100%	France	100%
Little Raith Wind Farm Limited	2	UK	100%	UK	100%
Gode Wind 1 Offshore Wind Farm GmbH	12	Germany	25%	Germany	25%
Blary Hill Energy Limited	2	UK	100%	-	-
Merkur Offshore Service GmbH	15	Germany	24.6%	-	-
Haut Vannier SAS	16	France	100%	-	-
East Anglia One Limited	17	UK	14.3%	-	-
Solar parks					
CEPE de Puits Castan SARL	3	France	100%	France	100%
Churchtown Farm Solar Limited	5	UK	100%	UK	100%
East Langford Solar Limited	5	UK	100%	UK	100%
Manor Farm Solar Limited	5	UK	100%	UK	100%
Sunsave 12 (Derriton Fields) Limited	2	UK	100%	UK	100%
Sunsave 25 (Wix Lodge) Limited	2	UK	100%	UK	100%
Parley Court Solar Park Limited	2	UK	100%	UK	100%
Egmere Airfield Solar Park Limited	2	UK	100%	UK	100%
Penare Farm Solar Park Limited	2	UK	100%	UK	100%
BKS Energy Limited	2	UK	100%	UK	100%
Hazel Renewables Limited	2	UK	100%	UK	100%
Kenwyn Solar Limited	2	UK	100%	UK	100%
FPV Broussan	3	France	48.9%	France	48.9%
FPV Chateau	3	France	48.9%	France	48.9%
FPV du Plateau	3	France	48.9%	France	48.9%
SECP Borgo	3	France	48.9%	France	48.9%
SECP Olmo 2	3	France	48.9%	France	48.9%
FPV Pascialone	3	France	48.9%	France	48.9%
FPV Santa Lucia	3	France	48.9%	France	48.9%
FPV Agrinerie	3	France	48.9%	France	48.9%
FPV d'Export	3	France	48.9%	France	48.9%
Agrisol 1A Services	3	France	48.9%	France	48.9%

SECP Chemin Canal	3	France	48.9%	France	48.9%
FPV Ligne des Quatre Cents	3	France	48.9%	France	48.9%
FPV Ligne des Bambous	3	France	48.9%	France	48.9%
Heliade Bellevue	3	France	48.9%	France	48.9%
SECP Creully	3	France	48.9%	France	48.9%
FPV du Midi	3	France	51.0%	France	51.0%
Battery Storage					
UK Energy Storage Services Limited	2	UK	100%	UK	100%
Holding companies					
Wind Farm Holdings Limited	2	UK	100%	UK	100%
Lendrum's Bridge (Holdings) Limited	6	UK	100%	UK	100%
MHB Wind Farms (Holdings) Limited	7	Republic of Ireland	100%	Republic of Ireland	100%
Verrerie Photovoltaïque SAS	8	France	100%	France	100%
Akuo Tulip Assets SAS	8	France	48.9%	France	48.9%
The Renewables Infrastructure Group (France) SAS	3	France	100%	France	100%
Trafalgar Wind Holdings Limited	1	UK	100%	UK	100%
European Investments (SCEL) Limited	2	UK	100%	UK	100%
European Investments (Cornwall) Limited	2	UK	100%	UK	100%
European Investments Tulip Limited	2	UK	100%	UK	100%
European Investments Solar Holdings Limited	1	UK	100%	UK	100%
European Investments Solar Holdings 2 Limited	1	UK	100%	UK	100%
European Investments (Earlseat) Limited	2	UK	100%	UK	100%
Sole e Aria 1	3	France	48.9%	France	48.9%
Sole e Aria 2	3	France	48.9%	France	48.9%
Sole e Aria 3	3	France	48.9%	France	48.9%
Fred. Olsen Wind Limited*	4	UK	49%	UK	49%
Fred. Olsen Wind Holdings Limited*	4	UK	49%	UK	49%
Offshore Wind Investments Group Limited	1	UK	100%	UK	100%
European Storage Investments Group Limited	1	UK	100%	UK	100%
European Wind Investments Group Limited	1	UK	100%	UK	100%
Irish Wind Investments Group Limited	1	UK	100%	UK	100%

Carbon Free Limited	9	UK	100%	UK	100%
Carbon Free Neilston Limited	9	UK	100%	UK	100%
NDT Trading Limited	9	UK	100%	UK	100%
Scandinavian Wind Investments Group Limited	1	UK	100%	UK	100%
European Wind Investments Group 2 Limited	1	UK	100%	UK	100%
Energies Entre Tille et Venelle Holdings SAS	3	France	100%	France	100%
Fujin SAS	3	France	41.9%	France	34.6%
European Wind Investments Group 3 Limited	1	UK	100%	UK	100%
German Offshore Wind Investments Group (Holdings) Limited	1	UK	100%	UK	100%
German Offshore Wind Investments Group Limited	1	UK	100%	UK	100%
GOW01 Investor LuxCo Sarl	13	Luxembourg	50%	Luxembourg	50%
Gode Wind 1 Investor Holding GmbH	14	Germany	50%	Germany	50%
Merkur Offshore Wind Farm Holdings Limited	1	UK	100%	UK	100%
Offshore Wind Investments Group 2 Limited	1	UK	100%	-	-
Offshore Wind Investments Group 3 Limited	1	UK	100%	-	-
Offshore Wind Investments Group 4 Limited	1	UK	100%	-	-
Verneuil Holdings Limited	1	UK	71.7%	-	-
Bilbao Offshore Investment Limited	18	UK	35.85%	-	-
Bilbao Offshore Holding Limited	18	UK	35.85%	-	-
Beatrice Offshore Windfarm HoldCo Limited	19	UK	17.5%	-	-
Haut Vannier Holding SAS	16	France	100%	-	-
Merkur Offshore GP GmbH	20	Germany	24.6%	-	-
Merkur Offshore Investments Holdings GmbH & Co KG	20	Germany	24.6%	-	-
Merkur Offshore Holdings GmbH	21	Germany	24.6%	-	-
Merkur Offshore GmbH	21	Germany	24.6%	-	-

* Denotes the "Fred. Olsen portfolio"

Name	Country	31 December 2020		31 December 2019	
		Ownership	Mezzanine debt	Ownership	Mezzanine debt
Phoenix SAS	France	-	100%	-	-

The investments in subsidiaries are all stated at fair value. The principal activity of the companies under the heading 'Wind farms' during the year was the operation of wind farms to generate electricity. The principal activity of the companies under the heading 'Solar parks' during the year was the operation of solar parks to generate electricity. The principal activity of the company under the heading 'Battery storage' during the year was the operation of a battery storage facility to store electricity.

The principal activity of the companies under the heading 'Holding companies' during the year was the holding of investments.

Registered Offices

The registered offices for the investments, as per the table above, are listed in the table below.

No.	Address of Registered Office
1	Level 7, One Bartholomew Close, Barts Square, London, EC1A 7BL, UK
2	Beaufort Court, Egg Farm Lane, Kings Langley, WD4 8LR, UK
3	330 Rue Du Mourelet, Zi de Courtine, 84000, Avignon, France
4	2 nd Floor, 64-65 Vincent Square, London, SW1P 2NU, UK
5	13 Berkeley Street, Mayfair, London W1J 8DU, UK
6	Unit C1 & C2 Willowbank Business Park, Millbrook, Larne, BT40 2SF, UK
7	6 th Floor 2 Grand Canal Square, Dublin 2, 662881, Ireland
8	Wind Farm Place, Edgar Road, Walsingham, Norfolk, NR22 6EJ
9	Third Floor, Stv, Pacific Quay, Glasgow, United Kingdom, G51 1PQ
10	Arlovsvagen 9, 211 24 Malmo, Sweden
11	Box 4501, SE-203 20 Malmo, Sweden
12	Van-der-Smissen-Strasse 9, 22767 Hamburg
13	6 Rue Eugene, Ruppert, Luxembourg
14	Grüneburgweg 58-62, 60322, Frankfurt Am Main, Hessen, Germany
15	Am Sandtorkai 74, 20457 Hamburg, Germany
16	1 rue des Arquebusiers, 67000, Strasbourg, France
17	3 rd Floor, 1 Tudor Street, London, EC4Y 0AH, UK
18	3, 4 th Floor More London Riverside, London, SE1 2AQ, UK
19	Inveralmond House, 200 Dunkeld Road, Perth, PH1 3AQ, UK
20	Neuer Wall 88, c/o Watson Farley & Williams LLP, 20354 Hamburg, Germany
21	Am Sandtorkai 74, 4. OG, D-20457 Hamburg, Germany

10. Debtors

	31 December 2020	31 December 2019
	£'000s	£'000s
Other debtors	627	758
Debt arrangement costs*	4,390	1,605
Total debtors	5,018	2,363

* These are capitalised debt arrangement fees which relate to the Company's revolving acquisition facility, the higher costs in the year are due to the renewal of the facility. The drawn balance in the company's subsidiary, TRIG FC, was £40m at 31 December 2020 (£nil at 31 December 2019).

Notes to the Audited Financial Statements for the year ended 31 December 2020

11. Creditors: Amounts falling due within one year

	31 December 2020	31 December 2019
	£'000s	£'000s
Amounts owed to parent undertakings	5	-
Management fees	4,826	4,529
Other payables	1,358	467
Total creditors	6,189	4,996

12. Creditors: Amounts falling due after more than one year

Interest on long-term borrowings from parent undertakings accrues at interest rates between 6.63% and 8.39% per annum. During the year, interest totalling £nil (2019: £nil) was charged to the profit and loss account, of which £nil (2019: £nil) remained payable at the balance sheet date.

13. Share Capital and Share Premium

	31 December 2020	31 December 2019
	£'000s	£'000s
Authorised:		
275,289,196 ordinary shares of £1 each	275,289	275,277
Authorised at 31 December	275,289	275,277
Issued and fully paid:		
275,289,196 ordinary shares of £1 each	275,289	275,277
Issued and fully paid at 31 December	275,289	275,277

The Company issued 12,000 £1 ordinary shares and £78,188,000 share premium (2019: £187,990,000) in order to finance the purchase of investments.

The share premium reserve contains the premium arising on issue of equity shares. As at 31 December 2020 this balance was £298,176,600 (2019: £219,988,600).

Notes to the Audited Financial Statements for the year ended 31 December 2020

14. Cash flow statement

	31 December 2020	31 December 2019
	£'000's	£'000's
Operating profit	28,224	94,180
Adjustments for:		
Interest income	-	-
Dividend income	-	-
Gains on investments	(46,920)	(110,297)
Acquisition costs	742	1,930
Amortisation of debt arrangement costs	1,605	802
Actual finance costs	(195)	-
Operating cash flow before movement in working capital	(16,544)	(13,385)
Changes in working capital:		
Increase in debtors	(1,475)	(1,023)
Increase/(decrease) in creditors	1,102	(1,804)
Cash flow from operations	(16,917)	(16,212)
Cash received from investments	-	-
Cash generated by operations	(16,917)	(16,212)

15. Reconciliation of net cash flow to movement in net debt

	31 December 2020	31 December 2019
	£'000's	£'000's
Net decrease in cash and cash equivalent	176	(8)
Increase in cash from short-term loan from parent	(5)	-
Decrease in cash from repayment of short-term loan to parent	-	3,000
Decrease in cash from payment of management fee from prior year	4,529	3,411
Increase in accrual of management fee due at year end	(4,826)	(4,529)
Other movements	(891)	(78)
Movement in cash in the year	(1,017)	1,796
Net debt at the start of the year	(4,898)	(6,694)
Net debt at the end of the year	(5,915)	(4,898)

Net debt is defined as:

	31 December 2020	31 December 2019
	£'000's	£'000's
Cash and cash equivalents at the end of the period	274	98
Amounts owed to parent undertakings	(5)	-
Management fees	(4,826)	(4,529)
Other payables	(1,358)	(467)
Creditors: amounts falling due after more than one year	-	-
Total net debt	(5,915)	(4,898)

Notes to the Audited Financial Statements for the year ended 31 December 2020

16. Guarantees and other commitments

As at 31 December 2020, the Company and its subsidiaries had provided £58.9m (2019: £36.7m) in guarantees in relation to the projects in the TRIG portfolio.

TRIG Ltd also guarantees the revolving acquisition facility, entered into by TRIG FC and the Company, which it may use to acquire further investments.

As at 31 December 2020 the company has £392m of future investment obligations relating to four wind farms (2019: £350.4m relating to two wind farms).

The Company and its subsidiaries have issued decommissioning and other similar guarantee bonds with a total value of £22.9m (2019: £24.2m).

17. Contingent consideration

The Group has performance-related contingent consideration obligations of up to £0.4m (2019: £32.3m) relating to acquisitions completed prior to 31 December 2020. These payments depend on the performance of certain wind farms and other contracted enhancements. The payments, if triggered, would be due between 2021 and 2026. The valuation of the investments in the portfolio does not assume that these enhancements are achieved. If further payments do become due they would be expected to be offset by an improvement in investment. The arrangements are generally two way in that if performance is below base case levels some refund of consideration may become due.

18. Events after the balance sheet date

On 11 February 2021, the Company completed contracts to acquire Grönhult, a ready-to-build onshore wind farm located in the southwest of Sweden. The Project is being acquired from Vattenfall, the leading Swedish utility and a major developer of renewables, who will also manage the construction process and will provide ongoing asset management services. Construction will begin in Q2 2021 and become operation at the end of Q4 2022. On completion, the Project is expected to represent approximately 3% of TRIG's portfolio value on a fully committed basis and investments in Sweden will account for 10% of TRIG's portfolio.

On 16 March 2021, the Company completed contracts to acquire an equity interest of 17.5% in Beatrice offshore wind farm, located off the north east coast of Scotland. The wind farm was purchased from Copenhagen Infrastructure Partners and has been developed by SSE plc. TRIG has partnered with other investors to invest in this project which is in line with its strategy of partnering with aligned co-investors on larger transactions.

There are no other events after the balance sheet date which are required to be disclosed.

Notes to the Audited Financial Statements for the year ended 31 December 2020

19. Related party and key advisor transactions

Loans from related parties:

	31 December 2020	31 December 2019
	£'000s	£'000s
Amounts owed to parent undertakings	-	-
Amounts owed to parent undertakings, in respect of management fees to be settled in shares	992	992
	992	992

During the year, interest totalling £nil (2019: £nil) was charged to the profit and loss account in respect of the long-term interest-bearing borrowings between the Company and its parent, TRIG Ltd, of which £nil (2019: £nil) remained payable at the balance sheet date.

Key advisor transactions

The Investment Manager to the Group (InfraRed Capital Partners Limited) is appointed by the Investment Management Agreement, dated 5 July 2013 and which was amended to accommodate AIFMD requirements on 11 June 2014, which may be terminated by either party giving not less than 12 months' written notice, no earlier than the fourth anniversary of admission to the London Stock Exchange on 29 July 2013. The Investment Manager is entitled to 65 per cent of the aggregate management fee (see below), payable quarterly in arrears. The Operations Manager to the Group (Renewable Energy Systems Limited) is appointed by the Operations Management Agreement dated 5 July 2013 and which was amended to accommodate AIFMD requirements on 11 June 2014, which may be terminated by either party giving not less than 12 months' written notice, no earlier than the fourth anniversary of admission to the London Stock Exchange on 29 July 2013. The Operations Manager is entitled to 35 per cent of the aggregate management fee (see below), payable quarterly in arrears.

The aggregate management fee payable to the Investment Manager and the Operations Manager is 1 per cent of the Adjusted Portfolio Value in respect of the first £1 billion of the Adjusted Portfolio Value and 0.80 per cent in respect of the Adjusted Portfolio Value between £1 billion and £2 billion, 0.75 per cent in respect of the Adjusted Portfolio Value between £2 billion and £3 billion and 0.70 per cent in respect of the Adjusted Portfolio Value in excess of £3 billion less the aggregate of the Investment Manager advisory fee and the Operations Manager advisory fee, which is payable by TRIG Ltd, totalling £200k per annum.

The Investment Manager fee charged to the profit and loss account for the year was £10,884k (2019: £9,141k), of which £2,484k (2019: £2,289k) remained payable at the balance sheet date. The Operations Manager fee charged to the profit and loss account for the year was £5,861k (2019: £4,922k), of which £1,337k (2019: £1,232k) remained payable at the balance sheet date.

In addition, the Operations Manager also received £9,752k (2019: £7,704k) for services in relation to Asset Management and other services provided to project companies within the portfolio.

In line with the Investment Management Agreement and the Operations Management Agreement, 20 per cent of the Group's aggregate management fees up to an Adjusted Portfolio Value of £1 billion are to be settled in Ordinary Shares. The shares issued to the Managers by the Company relate to amounts due to the Managers by TRIG UK. Accordingly, TRIG UK reimburses the Company for the shares issued.

As at 31 December 2019, 889,550 shares equating to £1,008,216, based on a Net Asset Value ex dividend of 113.34 pence per share (the Net Asset Value at 31 December 2019 of 115.0 pence per share less the interim dividend of 1.66 pence per share) were due, in respect of management fees earned in H2 2019, but had not been issued. The Company issued these shares on 31 March 2020.

Notes to the Audited Financial Statements for the year ended 31 December 2020

On 30 September 2020, the Company issued 893,480 shares, equating to £994,533, based on a Net Asset Value ex dividend of 111.31 pence per share (the Net Asset Value at 30 June 2020 of 113.0 pence per share less the interim dividend of 1.69 pence per share), in respect of management fees earned in H1 2020.

As at 31 December 2020, 885,012 shares equating to £1,005,464, based on a Net Asset Value ex dividend of 113.61 pence per share (the Net Asset Value at 31 December 2020 of 115.3 pence per share less the interim dividend of 1.69 pence per share) were due, in respect of management fees earned in H2 2020, but had not been issued. The Company intends to issue these shares on 31 March 2021.

No director received any form of remuneration in lieu of their services to the Company during the year.

All of the above transactions were undertaken on an arm's length basis.

20. Controlling party

In the opinion of the Directors, the Company's ultimate and immediate parent company and controlling party is TRIG Ltd, a company incorporated in Guernsey (Registered address: East Wing, Trafalgar Court, Les Banques, St Peter Port, Guernsey) and whose shares are listed under a premium listing on the London Stock Exchange. Copies of the financial statements of TRIG Ltd are available from their website www.trig-ltd.com.

Notes to the Audited Financial Statements for the year ended 31 December 2020

DIRECTORS

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J Entract
W R Crawford
J Bains
R Ruffle
P R P George
D Joyce

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