# The Renewables Infrastructure Group

Investor Update / Share Issuance Programme

March 2019

# Contents

# Introduction

A leading London-listed renewables investment company

TRIG
The Renewables Infrastructure Group

- **TRIG is invested in 63 wind, solar and battery projects** in the UK & Europe, with 1,323MW of power output capacity
- **London-listed investment company** (IPO in 2013) established in Guernsey with an independent board of non-executive directors

Investor Returns[1]

- **28 February 2019 NAV of 111.6p[1]**
- **FY 2019 dividend target of 6.64p[2]** per share
- **Equivalent to a cash yield of c. 5.6%[3]**
- **Annualised TSR of 9.2% since IPO[4]**

Differentiators

- **Substantial, diversified portfolio** across technologies, regulatory markets and geographies
- **Strong liquidity & Cost efficient** (2018 OCR:1.12%)
- **Experienced management combination:** advised by **InfraRed** as Investment Manager & **RES** as Operations Manager

1. On an ex-dividend basis. The Ordinary Shares went ex-dividend on 14 Feb 2019: a dividend of 1.625 pence per Ordinary Share was declared for the 3 months to 31 Dec 2018 and will be paid on 29 March 2019.
2. These are not profit forecasts. There can be no assurance that targets will be met or that the Company will make any distributions or that investors will recover all or any of their investments.
3. The annual cash yield is based on target aggregate dividends for 2019 and share price of 118.8p at 6 March 2019.
4. Total shareholder return based on share price and dividends paid from IPO to 6 March 2019.

# Proposed New Equity Issue

## Launch of 2019 Share Issuance Programme

- March 2019: Initial Issue of up to 150m shares (to raise £171m gross proceeds)[1]
- 114p initial issue price per ordinary share
- Initial Issue to include Placing, Open Offer, Offer for Subscription and Intermediaries Offer
- c.131m of New Ordinary Shares reserved for Open Offer on a 1 for 9 basis, providing pre-emption for existing shareholders
- Capital raised will be used to repay acquisition facility and meet outstanding commitments.
- Acquisition facility expected to be £222m drawn following Jädraås & Ersträsk Phase 1 completion
- Share Issuance Programme: the above is part of a programme under which up to 450m of New Shares could be issued over a 12 month period.

### Benefits of the Issue

**All Shareholders (existing and new)**

- Repayment of revolving acquisition facility providing funding flexibility
- Scale economies, including from tiered management fee
- Enhanced secondary market liquidity as a result of a larger and more diversified shareholder base

**Existing Shareholders**

- Issue at premium to current NAV per share - NAV accretive
- Open Offer reserves a portion of the Issue exclusively for Existing Shareholders
- Excess Application Facility provides opportunity to subscribe for more than basic entitlement

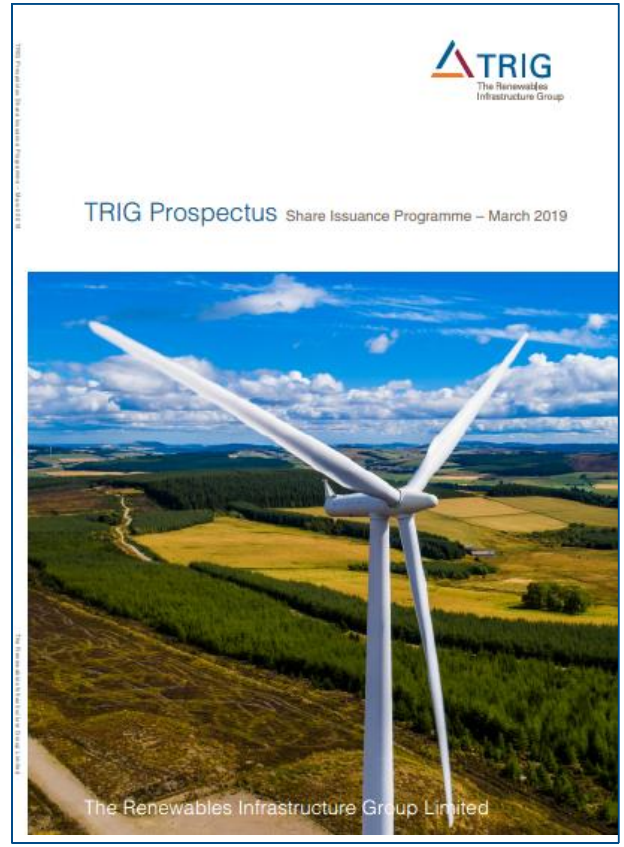
**New Shareholders**

- Opportunity to invest at a small discount to market price[2]
- New Ordinary Shares offer a prospective cash dividend yield of c.5.8%[3]

1. The Board have reserved the right to increase the size of the Initial Issue in the event that overall demand for the New Ordinary Shares exceeds the target size, provided that the maximum amount raised under the Initial Issue will not exceed outstanding commitments and amounts drawn under the Revolving Acquisition Facility.
2. Based on the Issue price of 114p and the closing market price of 118.8p at 6 March 2019
3. Based on 6.64p target dividend guidance for the financial year ending 31 December 2019 and the Issue price of 114p.

# Timetable for March 2019 Share Issuance

| | |
|---|---|
| Prospectus published | 7 March |
| Latest time and date for applications under the Offer, Offer for Subscription and Intermediaries Offer | 11am, Tue 26 March |
| Extraordinary General Meeting | 10am, Wed 27 March |
| Latest time and date for orders under the Placing | 3pm, Wed 27 March |
| Results of the initial issue announced | Thurs 28 March |
| Admission of New Ordinary Shares to the Main Market of the LSE | Mon, 1 April |



# Financial Highlights – 2018

## Strong NAV and earnings growth

- ▲ **31 December 2018 NAV per share: 108.9p** (Dec 2017: 103.6p) **(28 February 2019: NAV per share: 111.6p)[1]**
- ▲ **Earnings per share: 11.7p** (2017: 9.8p)
- ▲ **Investment Commitments totalling £348m**
- ▲ **New equity raised of £236m**
- ▲ **NAV total return[2]: 11.6%** for 2018

## Dividends

- ▲ **Achieved target 2018 aggregate dividend: 6.50p per share**
- ▲ **2019 target dividend: 6.64p** (2.2% increase on 2018)

1. Ex div of 1.625 per Ordinary Shares declared in respect of the three months to 31 December 2018, payable on 29 March 2019. New Ordinary Shares under the Initial Issue will not rank for this dividend which went ex 14 February 2019.
2. Total return based on growth in NAV plus distributions paid

# Additions to the Portfolio

## 500 MW of incremental capacity since Jan 2018

| Date Acquired | Project | Technology | Location | Revenue Type[2] | Net Capacity (MW) | Total Consideration (£m) | Total Invested to date (£m) | Future Commitments (£m) |
|---|---|---|---|---|---|---|---|---|
| Jan 2018 | Clahane | Onshore Wind | Ireland | FiT | 55.0 | £64.4 | £64.4 | - |
| May 2018 | Rosières | Onshore Wind | France | CfD/FiT | 17.6 | £16.0 | £16.0 | - |
| | Montigny | Onshore Wind | France | CfD | 14.2 | £13.0 | £13.0 | - |
| Jun 2018 | Solwaybank | Onshore Wind | UK | CfD | 30.0 | £81.8 | £48.8 | £33.0 |
| Dec 2018 | Ersträsk | Onshore Wind | Sweden | Hedged to 2020[4] | 171.8 | £171.6 | £46.2 | £125.4 |
| FY 2018 | | | | | 288.6 | £348.0[1] | £143.4 | £158.4 |
| Feb 2019[3] | Jädraås | Onshore Wind | Sweden | Hedged to 2023[4] | 212.9 | £177.2 | | £177.2 |

- Additions comprise a combination of revenue types, including unsubsidised, yet at portfolio level power price sensitivity remains unchanged – see appendix for sensitivity analysis
- Access to broader investment opportunities helps maintain returns in an increasingly competitive market

1. Totals include £1.2m of other investments
2. The main revenue type during the subsidy period, typically 15 or 20 years from start of operations. Thereafter all revenues are wholesale power market
3. Due to complete March 2019
4. The Swedish assets receive green certificates for 15 years under the Swedish renewables regulatory framework, but these are not expected to be a significant proportion of total revenues. Both projects have power price hedging for a portion of their generation for the duration indicated.

# Growth & Funding

## Enhancing diversification & scale advantages

### Equity Issuance

- ▲ £236m raised over 2018
- ▲ Share Issuance programme launched for 2019

### Revolving Acquisition Facility

- ▲ Committed facility increased from £240m to £340m
- ▲ Extended to Dec 2021, margin reduced to 190 bps
- ▲ Expected to be £222m drawn following Jädraås & Ersträsk Phase 1 completion

### Portfolio Evolution

| | Feb 2019 | Dec 2018 | Dec 2017 | Dec 2016 |
|---|---|---|---|---|
| **Projects** | 63 | 62 | 57 | 53 |
| **Net capacity** | 1,323MW | 1,110MW | 821MW | 710MW |
| **Portfolio Value** | £1,686m[1] | £1,473m[1] | £1,081m | £819m |
| **Portfolio gearing** | 33%[2] | 35%[3] | 38% | 40% |
| **Wind/Solar mix** | 85%/14% | 83%16% | 74%/24% | 70%/30% |
| **UK/Europe split** | 66%/34% | 72%/28% | 87%/13% | 85%/15% |
| **Construction exposure** | 5% | 6% | 2% | 2% |


Clahane, Rep. of Ireland


Montigny, France


Ersträsk, Sweden

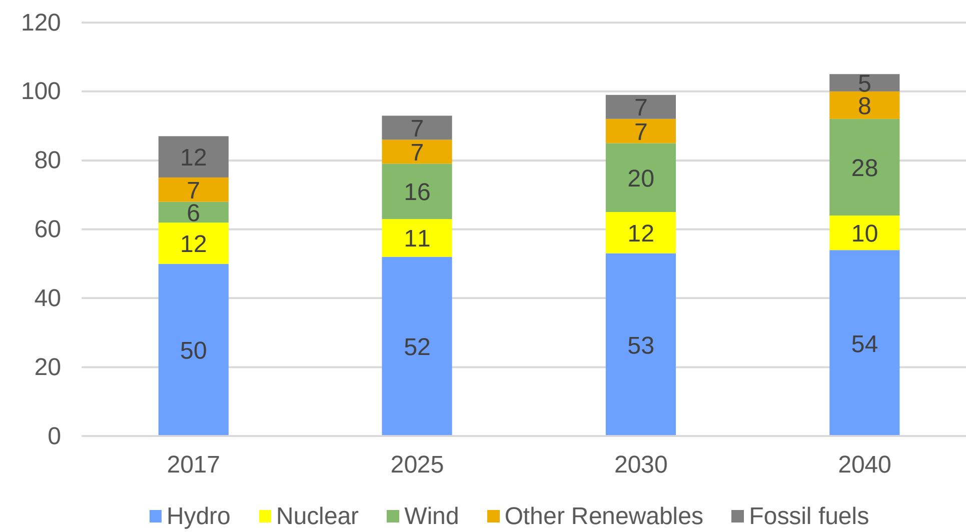
1. Portfolio values as at 31 December 2018 and 28 February 2019 include committed investments.
2. Relates to Portfolio value as at 28 February 2019 of £1,351m.
3. Relates to the Portfolio value as at 31 December 2018 of £1,269m.

# Nordic Renewables Market Fundamentals

## Growth market

- ▲ Broad political support for renewables, low regulatory risk (largely un-subsidised)
- ▲ Significant wind development expected:
  - ambitious renewable targets
  - large amounts of flexible hydropower, aids integration of wind power
  - land availability and strong wind resource means developments are at grid parity
- ▲ Nordpool[2] provides a mature and liquid power market (roughly the size of the UK), with good availability of hedges
- ▲ Prices are influenced by hydrology as well as interconnected markets
- ▲ Low correlation to UK power prices and wind speeds

**Nordic market - forecast generation and capacity in GW[1]**




**Monthly wind speed correlation 2000-2017**

| | GB | Ireland | Sweden | France |
|---|---|---|---|---|
| GB | 100% | | | |
| Ireland | 97% | 100% | | |
| Sweden | 63% | 59% | 100% | |
| France | 62% | 56% | 36% | 100% |

**5 year monthly power price correlation 2013-2018[3]**

| | GB | Ireland | Sweden | France |
|---|---|---|---|---|
| GB | 100% | | | |
| Ireland | 74% | 100% | | |
| Sweden | 66% | 56% | 100% | |
| France | 71% | 54% | 37% | 100% |

1. Poyry
2. The Nordic market comprises mostly Finland, Norway, Sweden and Denmark
3. Period relates to Jan 2013 - June 2018

# Jädraås

## TRIG's largest investment to date acquired on 28 February 2019


- Acquisition of 100% interest in a 212.85MW wind farm located in Eastern Sweden, due to complete pre-Initial Admission
- Acquired from Arise AB & Platina for €206.6m/£177.2m
- Operational since May 2013
- Revenues:
  - Majority of revenues from power sales: hedging agreements in place for 5 years covering c.70% of expected generation
  - 15-year green certificates
- No project debt
- Return enhancing
- The project benefits from a 15 year O&M Contract with Vestas. Asset management services provided by RES after a hand-over period


Jädraås, Sweden

# Ersträsk

## First investment in Nordics, enhancing diversification

- Dec 2018, acquisition of 75% interest in a 229.1MW [1] wind farm in Northern Sweden from Enercon
- Payments made on completion of phases – no construction risk

| | Capacity[1] | Completion | Consideration |
|---|---|---|---|
| Phase 1 | 61 MW | Feb 2019 | £46m |
| Phase 2 | 168 MW | Due Q1 2020 | £126m |
| | 229MW | | £172m |

- Revenues:
  - Majority of revenues from power sales: short term hedging agreements in place [2]
  - 15-year green certificates
- No project debt
- Return enhancing
- The project benefits from a long term O&M Contract with Enercon
- Increases portfolio diversification:
  - Regulations
  - Turbine supplier
  - Power prices
  - Weather

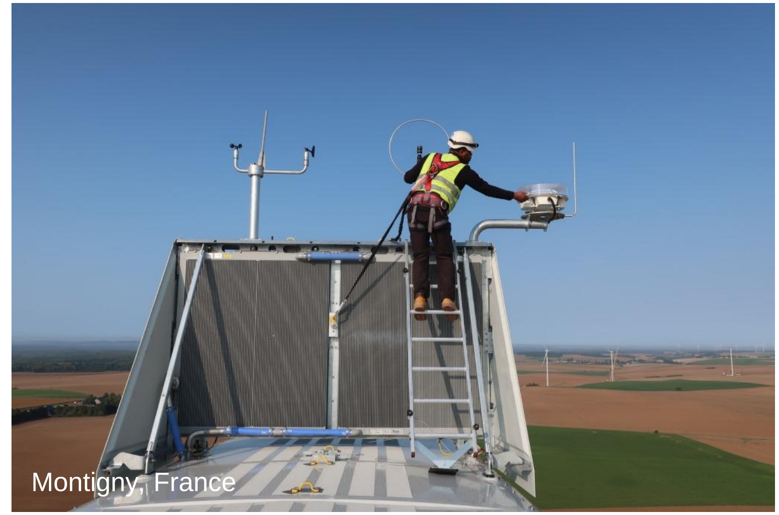

Ersträsk, Sweden

1. Gross capacity for 100% of the wind farm. TRIG's interest is 75% of this.
2. Hedging agreements in place for the next 2 years for all of Phase 1 and a portion of Phase 2 expected generation

# Market Developments: Asset Lives

## Asset life assumption increased to 29 years for wind portfolio

- TRIG's approach is to consider asset lives on a project-by-project basis, taking into account expectations on:
  - Structural durability
  - Likelihood of obtaining planning and lease extensions where needed
  - Maintenance costs
  - Asset downtime
  - Power price capture rates for any additional life
- In February the Managers' undertook a detailed technical review of the wind portfolio to consider if longer lives should be assumed
- Average asset live for wind portfolio increased from 26 years to 29 years for the 28 Feb 2019 NAV. (Solar unchanged at 30 years)
- Sensitivity analysis indicates that a change in asset life of a year would change the NAV per share by c.1.0p



# Market Developments: Offshore Wind

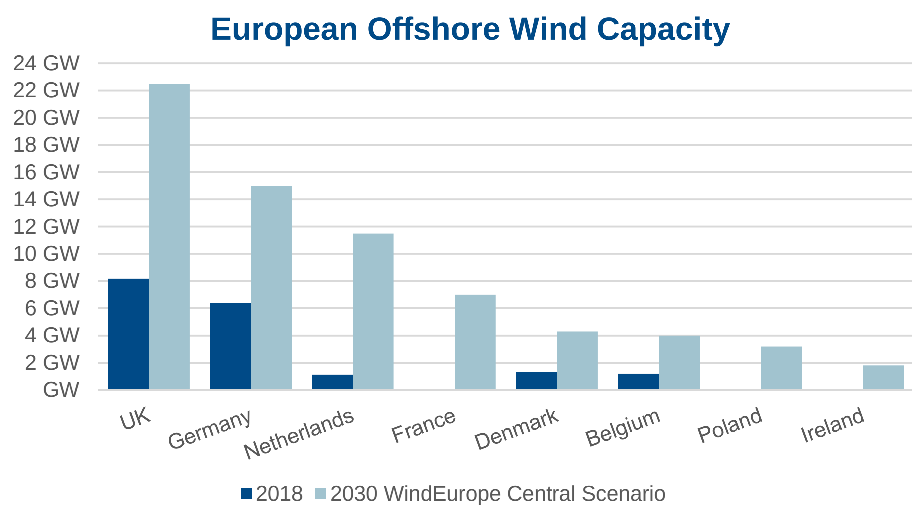
Offshore Wind market has matured rapidly

## Offshore wind

- The offshore wind industry has matured significantly, to the point where risks are viewed as comparable with onshore wind.
  - Top 5 countries have installed >18GW
  - Cumulatively, over €65bn has been invested since TRIG's IPO in 2013
  - Industry forecasts a further c50GW by 2030[1]
- UK developments now dominated by Offshore – 2.1GW installed in 2018

The Board intends to put a proposal to shareholders at the AGM in May to amend the investment policy such that Offshore Wind is treated equally to Onshore Wind & Solar.

If passed, Offshore Wind would no longer be included in the investment limit of 20% of Portfolio Value in technologies other than Onshore Wind and Solar.




Sheringham Shoal, England *Credit: Alan O Neil ©Eqinor*

1. Source WindEurope.

# Market Developments: Market Evolution

Grid parity altering the shape of the European renewables market

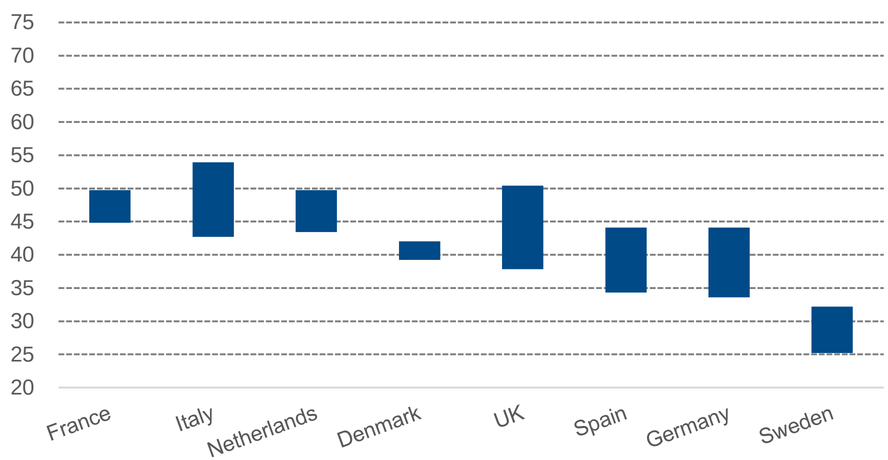
## Maintaining technological diversification

- Falling costs mean that solar (as well as wind) can be viable without subsidies in the best locations – moving the investment focus from subsidies to underlying economics, broadening TRIG's opportunity set

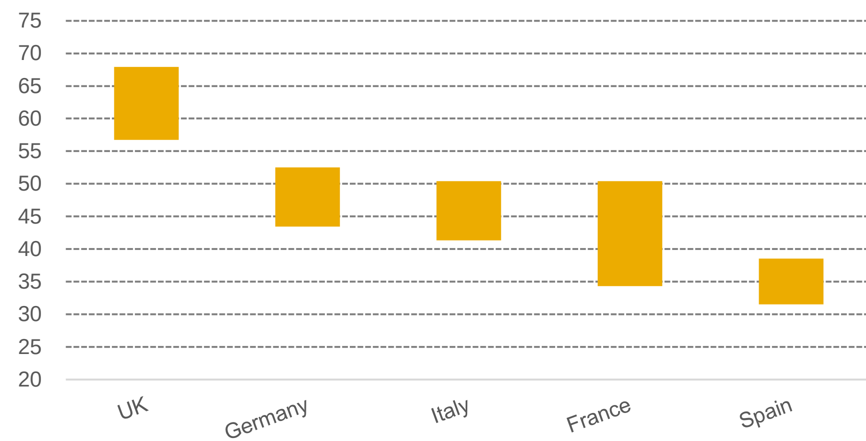
- Battery storage is also being considered with increased development activity in the UK

- Overriding objective is to maintain overall portfolio quality, enhance diversification and protect returns

**Onshore Wind at grid parity across Europe - LCOE ranges (£/MWh)** [1]




**Southern European Solar at grid parity - LCOE ranges (£/MWh)** [1]




1. Source Bloomberg New Energy Finance, Feb 2019. LCOE (Levelised Cost of Energy) is the NPV of the unit-cost of electricity over the lifetime of the generating asset.

# Portfolio Operations

Altahullion, N. Ireland

# Operational Overview

Diversified portfolio delivers strong performance despite low wind levels

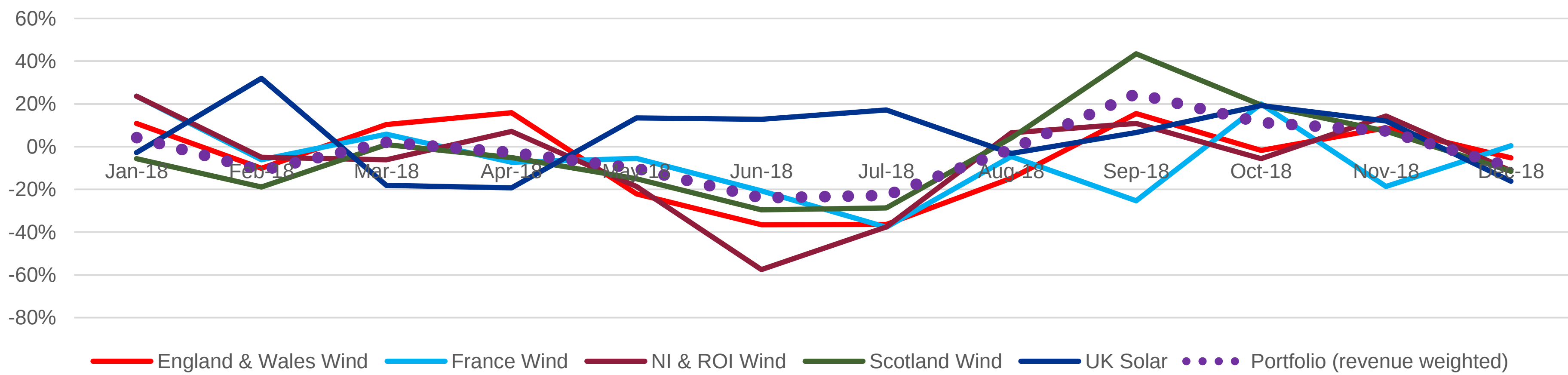
## 2018 generation: 2,011 GWh[1]

- Portfolio continues to perform well
- 14% increase over 2017 due to increased capacity
- Total generation 3.7% below budget due to low wind, partially offset by good irradiation

## Operational Highlights

- Clahane extension, Rosières & Montigny, and Broxburn construction successfully completed
- Solwaybank and Ersträsk progressing well
- Strong solar management, 11% increase in production
- Successful pro-active major component replacements during low wind periods

**Wind and Solar resource variation to long term average**




1. Includes compensated production. Pro rata to equity ownership.

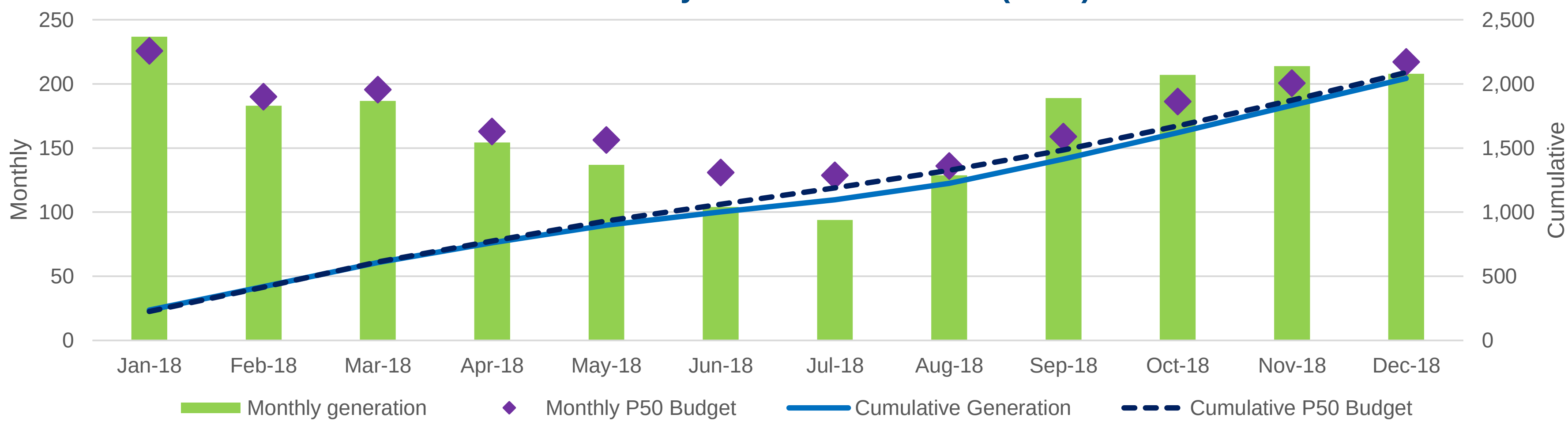
# Operational Detail

Diversification sustaining performance close to long-term expectations

- Good UK wind generation relative to available resource
- Benefits of diversification - strong performance from solar +4.5% over budget

| Technology | Region | Electricity production (GWh) 2018 | Performance vs. P50 estimates | |
|---|---|---|---|---|
| | | | 2018 | 2017 |
| **Wind** | **GB** | 1,301 | -4.2% | +5.6% |
| | **NI & ROI** | 322 | -5.3% | -5.1% |
| | **France** | 211 | -4.8% | +0.4% |
| **Solar PV** | **UK & France** | 178 | +4.5% | -5.1% |
| **Total portfolio** | | **2,011** | **-3.7%** | **+2.5%** |

**Portfolio Monthly Production vs. P50[1] (GWh)**




1.“P50” is the long-term average expected production – the central estimate used in budgeting production.

# Optimising Asset Performance

Active targeting of value-enhancing initiatives

### Technical

*Increasing the amount of energy produced & reducing associated costs*

- ▲ Solar works performed over winter months, with enhanced monitoring
- ▲ Turbine uprating
- ▲ Utilising strategic spares held on site to minimise downtime
- ▲ Refurbishing components at lower cost than purchasing new
- ▲ Owner-focussed condition monitoring enables early, lower-cost intervention

### Commercial

*Increasing the value of the energy produced & reducing associated costs*

- ▲ Pro-active replacement of FiT's with higher value fixed-price PPAs
- ▲ Forward pricing contracts with innovative structures
- ▲ Optimising O&M contractual scopes and structures
- ▲ Leveraging portfolio purchasing power to obtain enhanced contractual terms


Hill of Towie, Scotland


Altahullion, N. Ireland

# Environment, Social & Governance

A commitment to responsible investing

**TRIG and the Environment** *Minimising impact on the local and global environment*

▲100% Renewable energy generator, committed to environmental sustainability

▲Powering 650,000 homes, avoiding 550,000 tonnes of $CO_2$ emissions annually

▲Promoting complementary land use

**TRIG and the Community** *Supporting social projects serving local community needs*

▲Financial contributions to communities and social projects > £1m in 2018

▲Community funds administered locally enabling local spending decisions

▲Engaging local contractors wherever possible

**TRIG and Governance** *Pursuing best-in-class corporate governance*

▲TRIG was rated best out of 350 UK companies for gender diversity by the L&G Future World Gender in Leadership UK Index Fund

▲InfraRed has achieved the top A+ rating from PRI[1] for the last four years

▲RES follows four sustainability principles: Business, Reputation, Environment & Social

Agrinergie Solar greenhouses, La Réunion

Local contractors building a foundation, Solwaybank

1. Principles of Responsible Investment - an investor initiative in partnership with UNEP Finance Initiative and UN Global Compact

# Brexit Preparedness

## Brexit expected to have low impact

| Major Brexit Risks | Key Mitigants |
|---|---|
| Workforce skills shortage | • Managers well resourced<br>• Wide range of subcontractors in place mitigates individual asset risks |
| Supply chain failure | • All key suppliers reviewed for approach to anticipated challenges and uncertainties<br>• Additional spares being stored both side of Irish border |
| Revenue disruption – GB | • Potential disruption to interconnectors with the UK outside the Internal Energy Market, but UK a net importer - tighter supply positive for GB wholesale prices |
| Revenue disruption – SEM[1] | • No immediate impact on electricity generation and flow is anticipated<br>• Significant support for cross border interconnection to ensure the "lowest-cost pathway to decarbonisation" |
| Revenue disruption – lower carbon taxes outside EU ETS[2] | • Replacement Carbon Price Support expected (Budget announcement Nov 2018)<br>• Carbon taxes support decarbonisation targets and generate tax revenues |

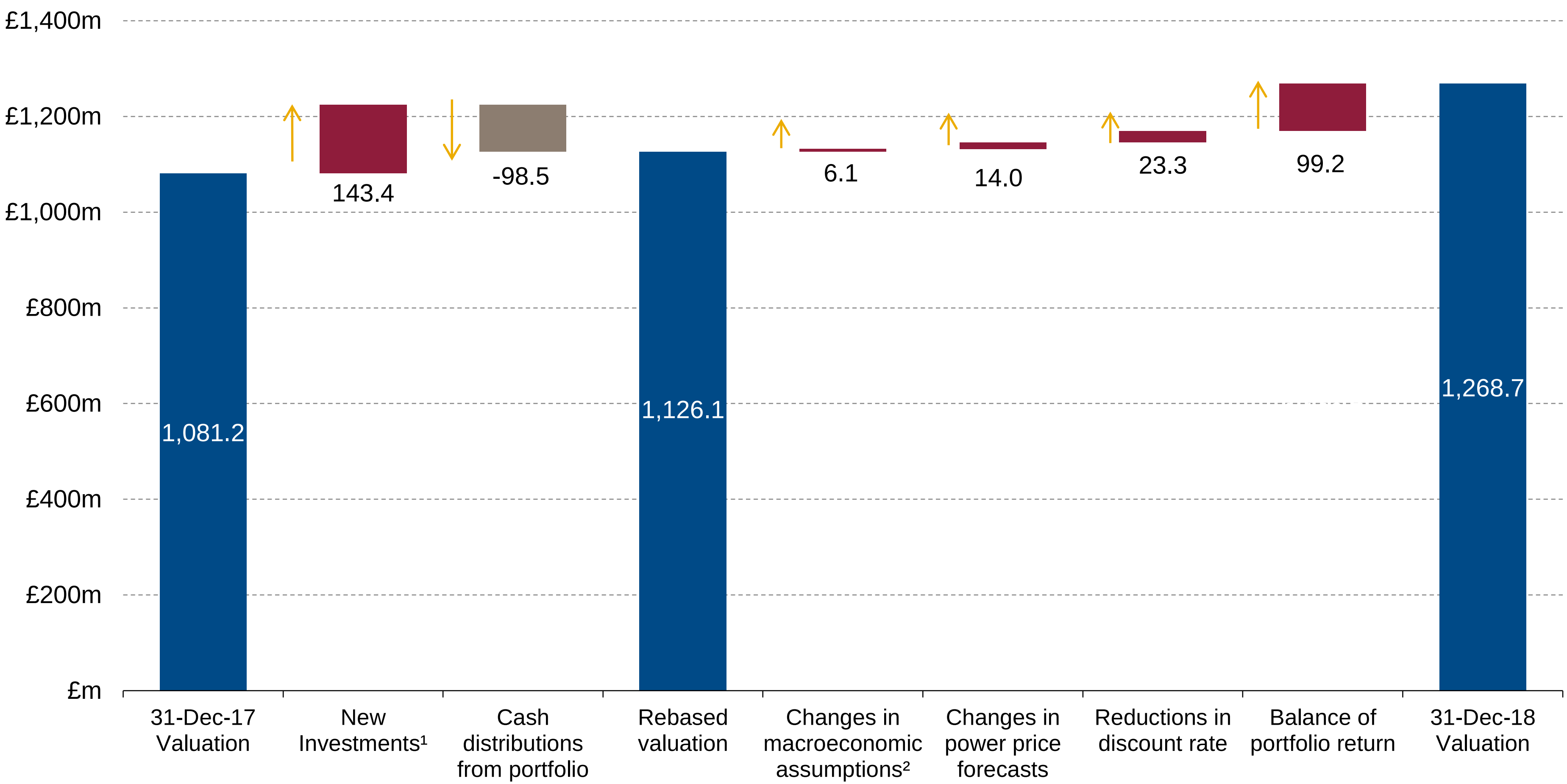
1. Single Electricity Market (SEM) is the wholesale electricity market for the island of Ireland
2. European Union Emissions Trading System

# 2018 Financials

Broxburn, Scotland

# Portfolio Valuation Bridge

## Valuation improvement in the year to 31 December 2018

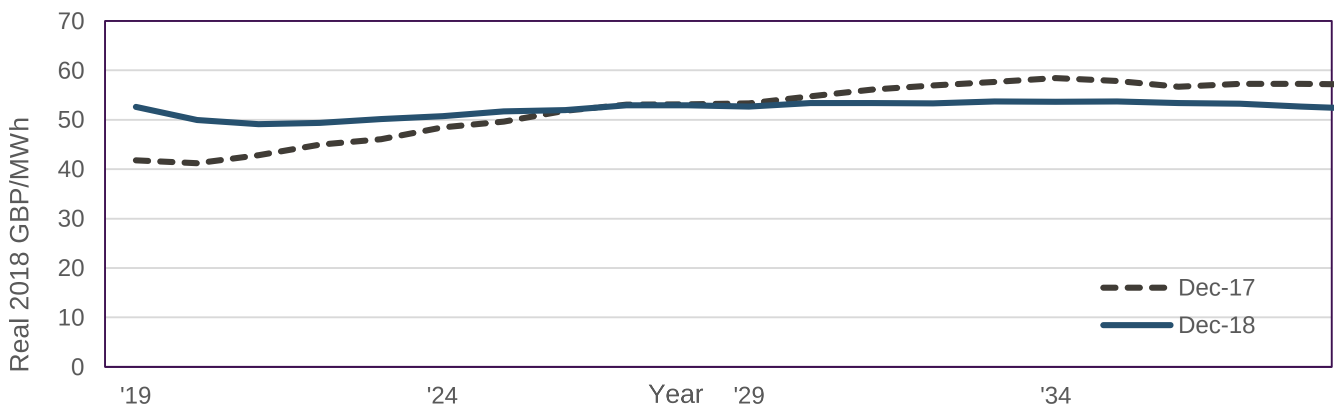



1. This is the total invested during 2018, with future commitments of £204.6m mostly due over 2019/2020 (total consideration £348m.

2. This comprises a £2.5m gain attributable to changes in inflation assumptions and a £3.6m foreign exchange gain (the net gain for the Company was £2.7m after the impact of foreign exchange hedges held at Company level).

# Valuation – Key Assumptions at 31 Dec 2018

| | | As at 31 Dec 2018 | As at 31 Dec 2017 |
|---|---|---|---|
| **Discount Rate** | Weighted average | 7.6% | 8.0% |
| **Power Prices** | Weighted by market (See power curve on slide 9) | Based on third party forecasts | Based on third party forecasts |
| **Inflation** | UK | 2019: 3.20% (ROCs only)<br>2020: 3.00% (ROCs only)<br>Long-term: 2.75% | 2018: 3.40% (ROCs only)<br>2019: 2.90% (ROCs only)<br>Long-term: 2.75% |
| | France & Rep. of Ireland | 2019: 1.75%<br>2020: 1.75%<br>Long-term: 2.00% | 2018: 1.50%<br>2019: 1.75%<br>Long-term: 2.00% |
| **Foreign Exchange** | EUR / GBP | 1.112 | 1.125 |




## Blended power curve (real)[1]

- Power curve increased in the short-term on the back of commodity prices
- Long-term forecasts are slightly down at the long end, due to more cautious gas price projections and greater renewables build out
- A key determinant of long-term cash flows and dividends

1. Power price forecasts used in the Directors' valuation for each of GB, the Single Electricity Market of Ireland and France are based on analysis by the Investment Manager using data from leading power market advisers. In the illustrative blended price curves, the power price forecasts are weighted by P50 estimates of production for each of the projects in the Company's 31 December 2018 portfolio. Forecasts are shown net of assumptions for PPA discounts and cannibalisation.

# Summary of 2018 Financial Statements

Strong Results - NAV per share up 5.3p on good valuation gains

## Income Statement

| | Year to 31 Dec 2018 £m | Year to 31 Dec 2017 £m |
|---|---|---|
| **Total operating income** | **142.8** | **105.7** |
| Acquisition costs | (1.5) | (0.8) |
| **Net operating income** | **141.3** | **104.9** |
| Fund expenses | (12.7) | (11.0) |
| Foreign exchange gains/(losses) | (0.8) | (1.8) |
| Finance costs | (4.6) | (1.9) |
| **Profit before tax** | **123.2** | **90.2** |
| **Earnings per share[1]** | **11.7p** | **9.8p** |
| **Ongoing Charges Percentage** | **1.12%** | **1.11%** |

## Balance Sheet

| | 31 Dec 2018 £m[2] | 31 Dec 2017 £m |
|---|---|---|
| **Portfolio value** | **1,268.7** | **1,081.2** |
| Working capital | (1.7) | (2.8) |
| Debt | - | (106.4) |
| Cash | 16.9 | 10.8 |
| **Net assets** | **1,283.9** | **982.8** |
| **NAV per share** | 108.9p | 103.6p |
| *Shares in issue* | *1,179.3m* | *948.3m* |

## Cash Flow Statement

| | Year to 31 Dec 2018 £m | Year to 31 Dec 2017 £m |
|---|---|---|
| Cash from investments | 98.5 | 73.0 |
| Operating and finance costs | (14.0) | (9.9) |
| **Cash flow from operations** | **84.5** | **63.1** |
| Debt arrangement costs | (2.8) | (0.2) |
| FX losses | (1.3) | (2.8) |
| Equity issuance (net of costs) | 232.9 | 108.6 |
| Acquisition facility drawn/(repaid) | (106.4) | 106.4 |
| New investments (incl. costs) | (143.9) | (231.1) |
| **Distributions paid** | **(56.9)** | **(51.9)** |
| **Cash movement in period** | **6.1** | **(7.9)** |
| Opening cash balance | 10.8 | 18.7 |
| **Net cash at end of period** | 16.9 | 10.8 |
| **Pre-amortisation cover** | **2.0x[3]** | **1.7x[3]** |
| **Cash dividend cover** | **1.5x[4]** | **1.2x[4]** |

1. Calculated based on the weighted average number of shares during the year being 1,052.9 million shares
2. Columns may not sum due to rounding differences
3. Scheduled project level debt of £29.2m was repaid in the year, therefore the pre-debt amortisation dividend cover ratio was 2.0x (84.5+29.2/56.9)
4. After scrip take-up of 9.9m shares equating to £10.6 million issued in lieu of dividends paid. Without scrip take-up dividends payable would be £67.5m and dividend cover 1.25x.

# Concluding Remarks

Montigny, France

# TRIG: Generating Sustainable Value

Strong NAV growth, earnings and a positive outlook

### Excellent operational and financial results

- Strong cashflow on the back of high achieved power prices, good asset performance & diversification, despite poor wind resource
- Portfolio enhancement initiatives ongoing

### Attractive dividends

- Delivered 6.50p per share distribution target for FY 2018
- Targeting 6.64p per share for FY 2019

### Outlook

- Strong public and political support for renewables, investor appeal
- Grid parity in certain markets making unsubsidised projects viable, broadening markets combined with CfD/FiT projects
- Disciplined approach to portfolio growth, in order to enhance technological and geographic diversification

### Share issuance programme underway

- Launched, with issuance in March 2019


Altahullion, N. Ireland


Marie Gallante, Guadeloupe (Overseas French Territory)

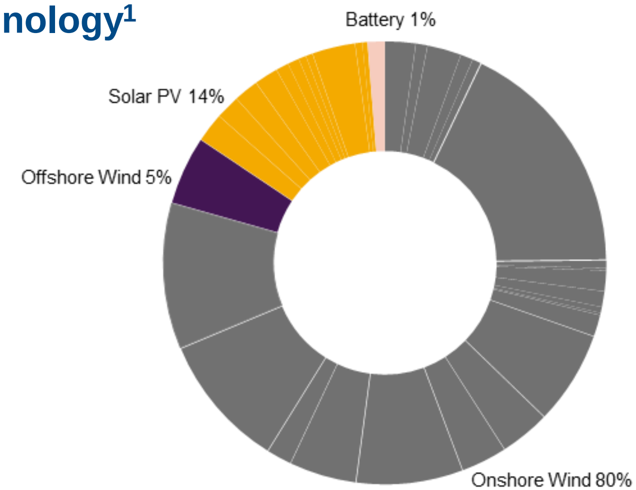
# Appendices

Breeding Wader Management Area

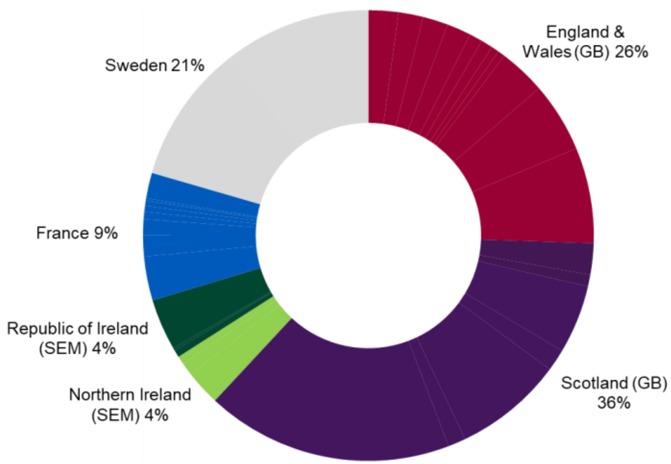
# Portfolio

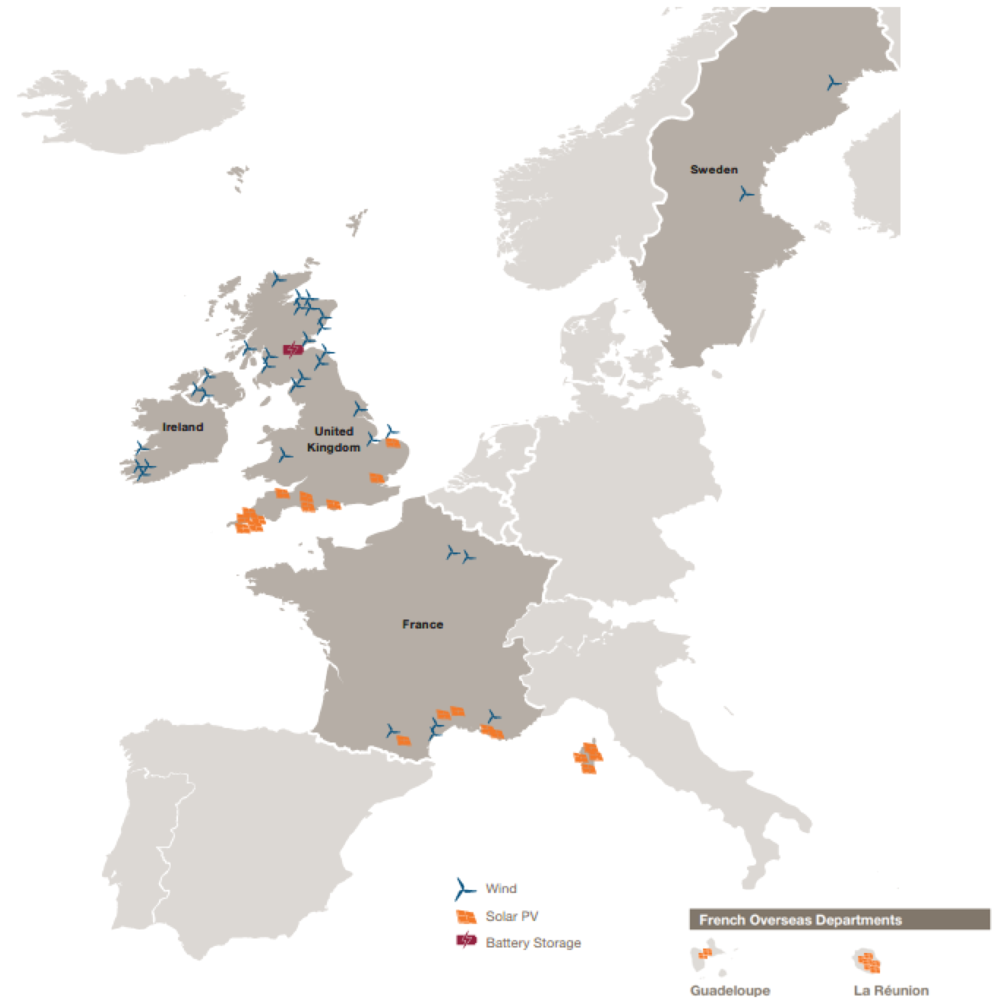
1,323MW net capacity / 63 projects (February 2019)

## By Technology[1]




## By Jurisdiction / Power market [1,2]



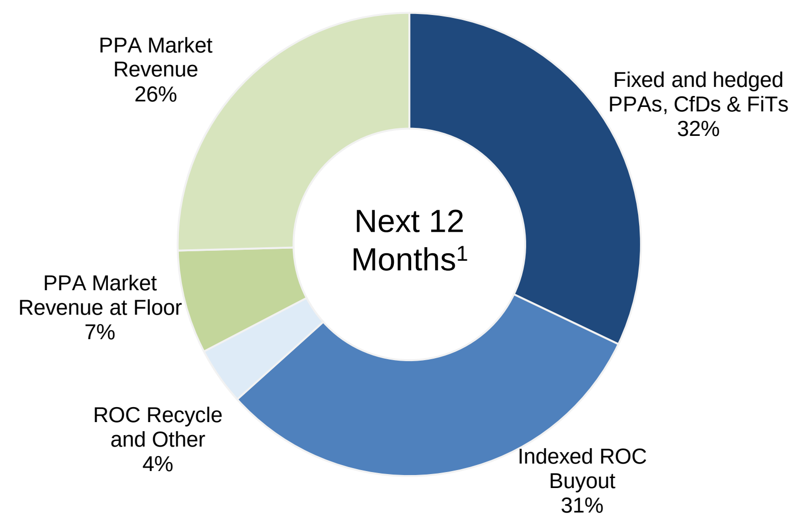




1. Segmentation by portfolio value, including Jadraas and Phase 1 of Ersträsk
2. Northern Ireland and the Republic of Ireland form a Single Electricity Market, distinct from that operating in Great Britain.

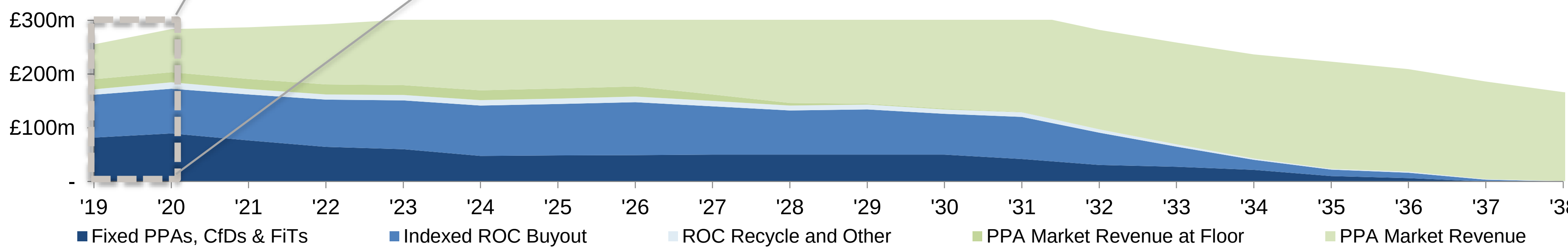
# Revenue Profile

## Medium-term project-level revenues retain a material fixed element

### Project Revenue by Type




**Split of Project Revenues by Contract Type for the Portfolio**



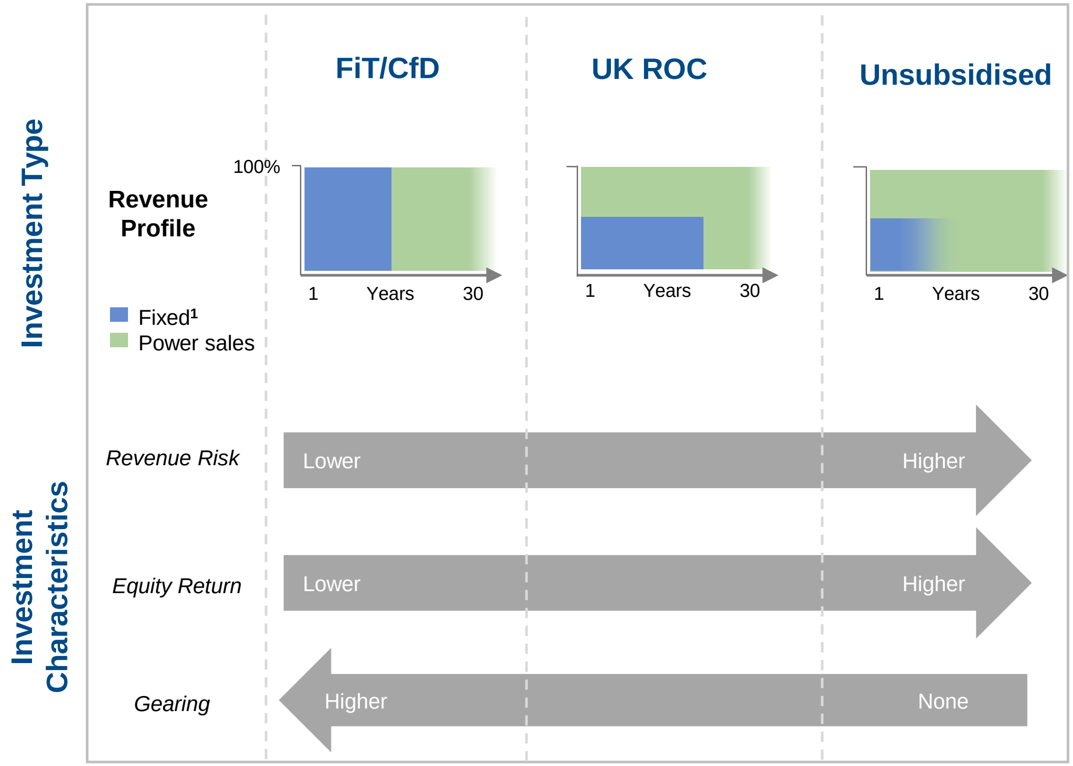

1. Project revenue expected for 12 months to 31 December 2019, including Jadraas and Phase 1 of Ersträsk

# Constructing a Balanced Portfolio

## Understanding the range of revenue types available

### Range of Revenue Options within a balanced portfolio

- **FiT & CFD** contracts (France, Ireland, UK) typically have subsidy revenues of 15 years then market revenues for the balance of a project's life
  - Least revenue risk (early on), scope for highest gearing, lower equity return
- **ROC** projects (UK) have a mix of subsidy and market revenues for the first 20 years of a project's life
  - Medium revenue risk, moderately geared, average returns
- **Unsubsidised** projects without subsidies (may have hedging or PPAs which mitigate power price exposure). Equity returns correlate with revenue risk, with safer capital structure
  - Highest revenue risk (long term), least/no gearing, higher equity returns



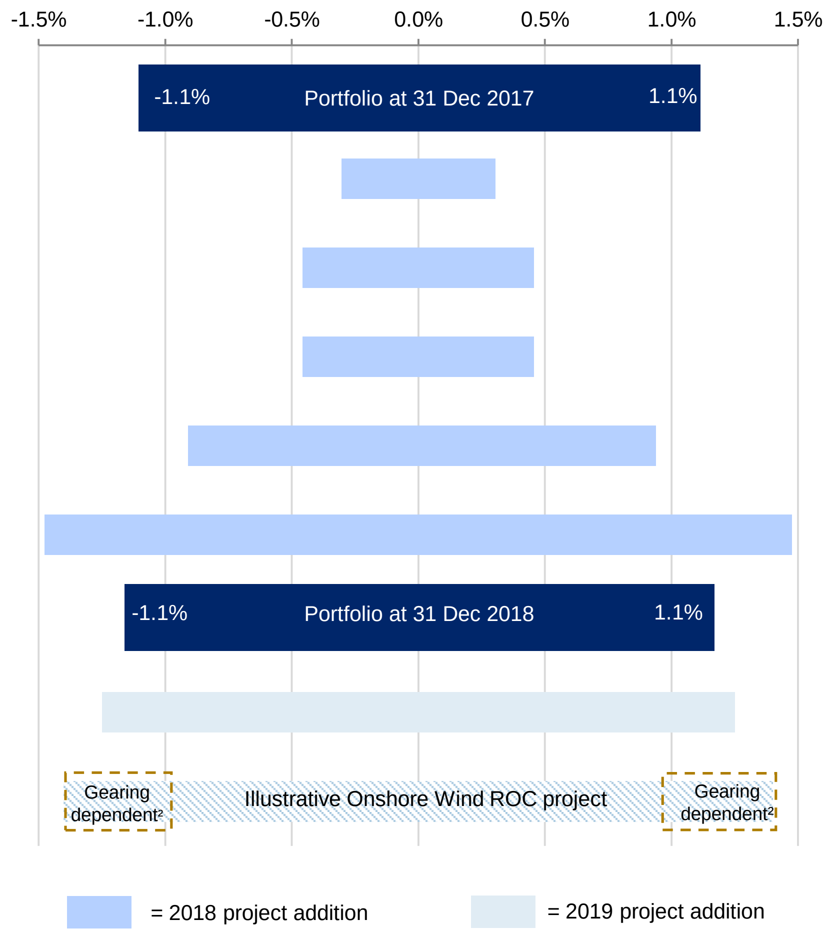

1. Fixed includes subsidies, hedges or fixed price PPAs

# Power price sensitivity unchanged from 2018 acquisitions

## Incorporating subsidy free projects without increasing portfolio sensitivity

- Acquisitions in 2018 comprised a range of Fit, CfD and unsubsidised projects, with different gearing levels, across UK, France and Sweden.
- Project additions shown in light blue. Power price sensitivity varies with:
  - revenue type
  - gearing
  - age of project
- Portfolio level sensitivity to power prices (shown in dark blue) unchanged post 2018 acquisitions demonstrating portfolio effect
- Enables a wider range of investment opportunities to be considered, and optimisation of risk adjusted returns. NB supply of UK ROC projects is slowing (but demand remains high)
- An illustrative UK ROC project is also shown with comparable overall sensitivity, depending on gearing level

Impact on equity return of a 10% change in power price[1]

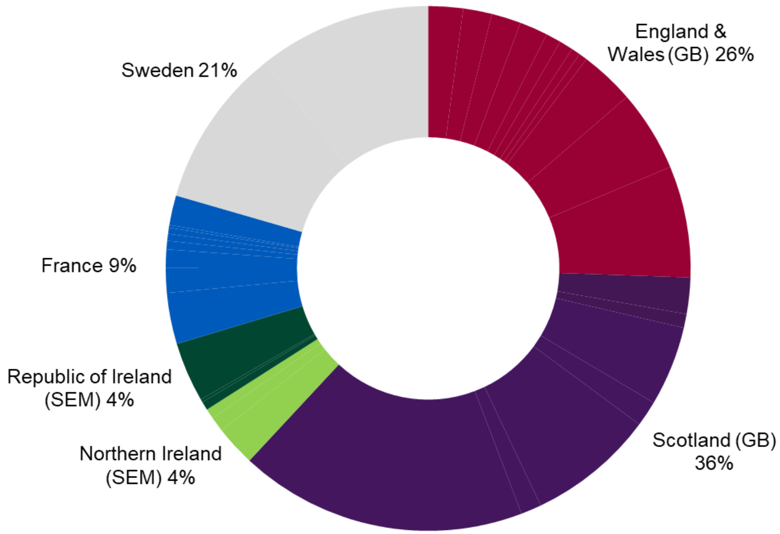



1. Measured as the change in IRR at year 1 for a 10% “parallel” shift in the power price forecast
2. Assumed level of gearing 0-50%

# Currency Exposure

Hedges dampen currency exposure

## Portfolio by country[1]




- TRIG is a sterling denominated investment company.

**Direct exposure from non-UK investments:**

- Policy is to hedge at least 50% of the balance sheet value of non-sterling assets:
  - Forward sale of expected euro receipts for next 18-24 months
  - Top up hedge to 50-60% of balance sheet value
- Hedges offset FX movement of the euro-denominated portfolio value and euro distributions from investments[2].
- Drawings made under the RAF can be made in euros.

**Indirect exposure from power sales by UK investments:**

- An indirect exposure also arises on UK investments due to power prices being influenced by the cost of imported gas.

1. Segmentation by portfolio value, including Jadraas and Erstrask Phases I & II.
2. The Sweden power market (Nordpool) is priced in euros so the hedges relating to these assets are in euros.

# Debt Structure at 31 December 2018

## Disciplined approach

### Term Project Debt

- Limited to 50% of portfolio enterprise value
- Fully amortising within the subsidy period
- Limited exposure to interest rate rises
- Cost of debt average cost c. 3.5%

### Short-term Acquisition Debt

- Limit to 30% portfolio value (~ 15% enterprise value if projects 50% geared)
- Repaid from retained cash and equity raises
- £340m committed facility, 3-year revolving, expires December 2021
- LIBOR + 190 bps

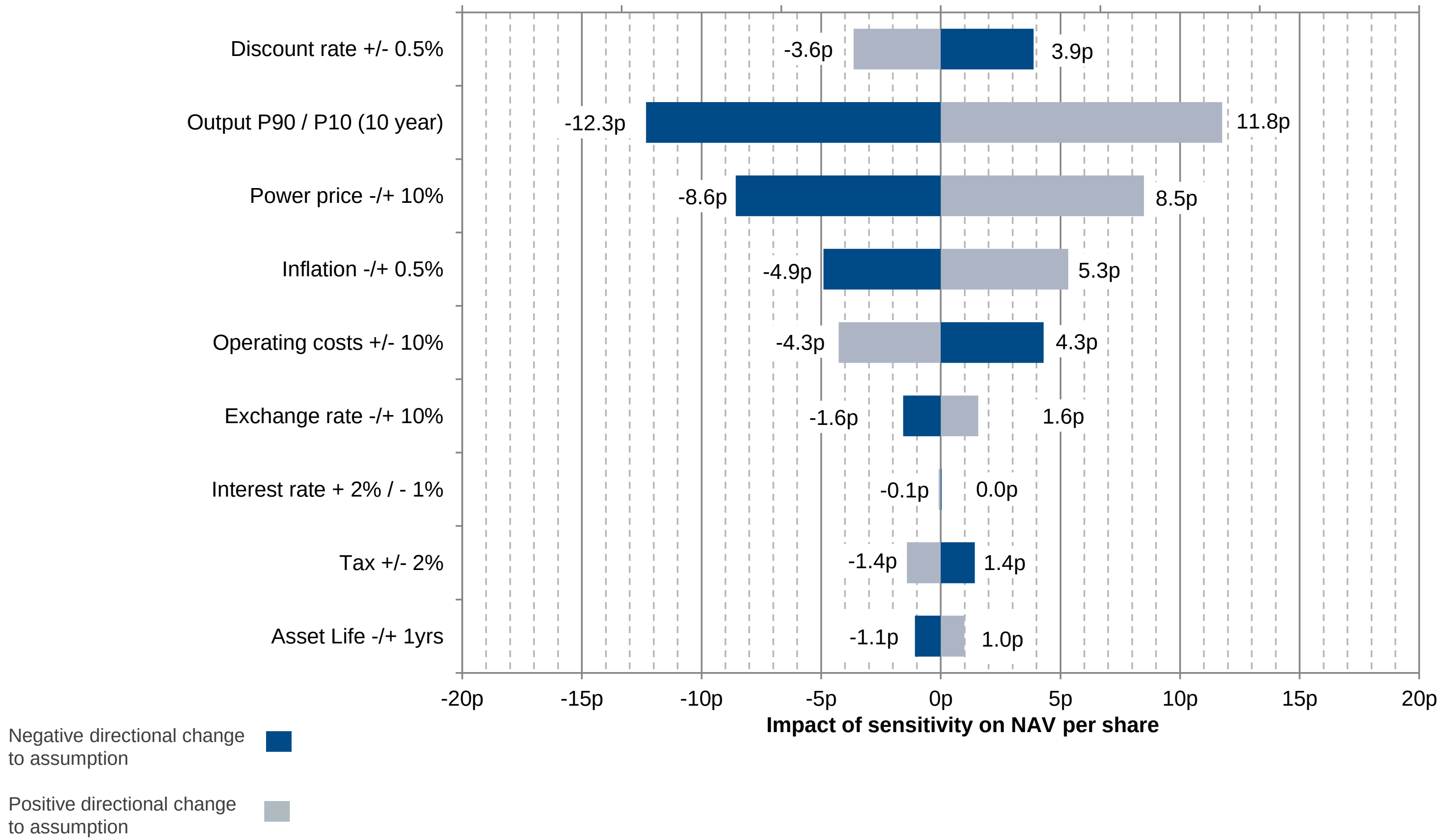
| Project Category (Younger = <10yrs) | Gearing[1] typically available | TRIG's portfolio at 31/12/2018 | | |
|---|---|---|---|---|
| | | Average gearing[1] | % of portfolio | # of projects[2] |
| Younger solar projects | 70-80% | < 60% | 10% | 22 |
| Younger wind projects | 60-70% | c.50% | 39% | 13 |
| Older projects | | < 25% | 16% | 13 |
| Ungeared projects | | 0% | 35% | 13 |
| | | 35% | | **61** |

| | Amount drawn at 28/02/2019 | % of Portfolio Value |
|---|---|---|
| Revolving Acquisition Facility | £46m | 3.6% |

1. Gearing expressed as debt as percentage of enterprise value
2. Invested projects at 31st December 2018

# NAV sensitivities

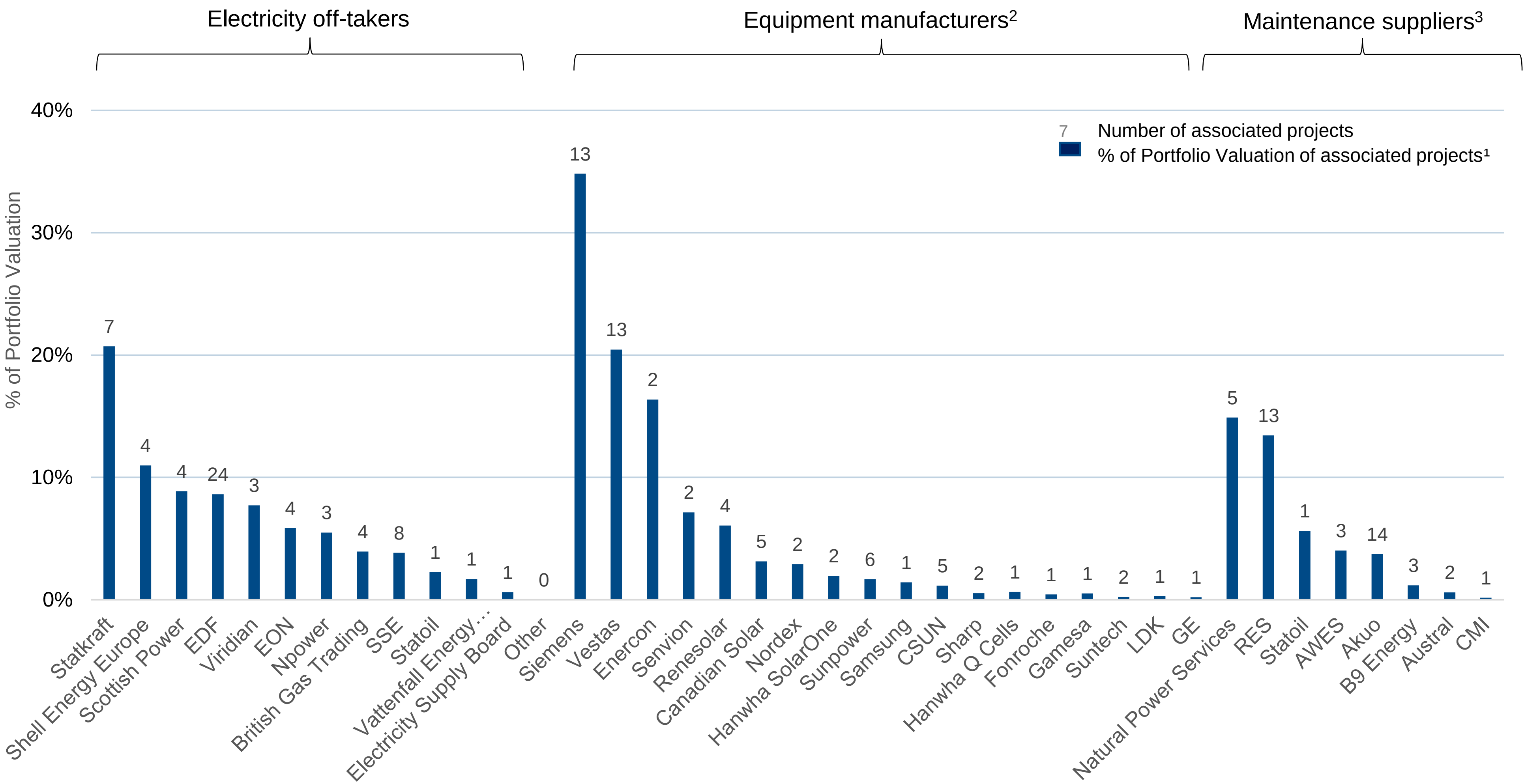
## Based on portfolio at 28 February 2019[1]




1. This chart assumes that equity is raised to fund commitments and that commitments are funded by share issuance. In the event that new shares are not issued to cover investment commitments then the sensitivities shown would be approximately 24 per cent. higher.

# Counterparty Exposure at 31 December 2018

## Broad spread of counterparties monitored regularly



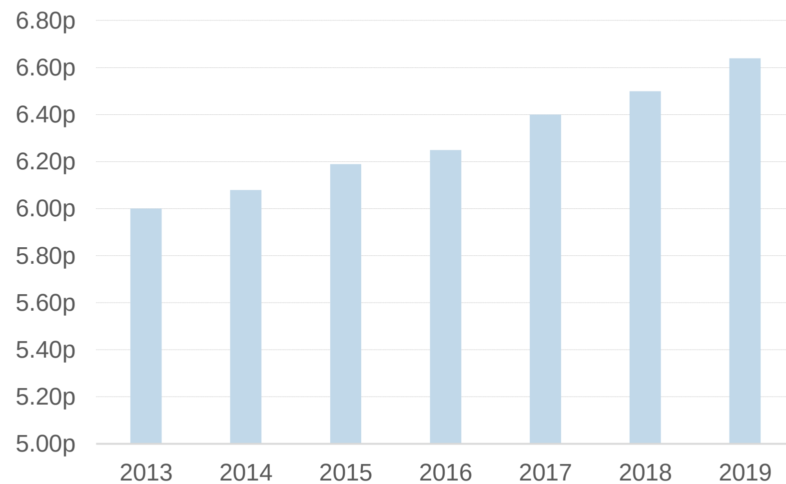

1. By value, as at 31 December 2018 using Directors' valuation plus investment commitments. Where projects have more than one contractor, valuation is apportioned.
2. Equipment manufacturers generally also supply maintenance services.
3. Where separate from equipment manufacturers.

# Dividend Track Record

Aggregate dividend target of 6.64p per share for 2019

| Period | Annual dividends per share | Interim dividends per share | Payment timing |
|---|---|---|---|
| Q4 2019 | Target 6.64p | 1.66p | Target 3/2020 |
| Q3 2019 | | 1.66p | Target 12/2019 |
| Q2 2019 | | 1.66p | Target 9/2019 |
| Q1 2019 | | 1.66p | Target 6/2019 |
| Q4 2018 | 6.50p | 1.625p | Due 3/2019 |
| Q3 2018 | | 1.625p | Paid 12/2018 |
| Q2 2018 | | 1.625p | Paid 9/2018 |
| Q1 2018 | | 1.625p | Paid 6/2018 |
| Q4 2017 | 6.40p | 1.6p | Paid 3/2018 |
| Q3 2017 | | 1.6p | Paid 12/2017 |
| Q2 2017 | | 1.6p | Paid 9/2017 |
| Q1 2017 | | 1.6p | Paid 6/2017 |
| Q4 2016 | 6.25p | 1.5625p | Paid 3/2017 |
| Q3 2016 | | 1.5625p | Paid 12/2016 |
| Q2 2016 | | 1.5625p | Paid 9/2016 |
| Q1 2016 | | 1.5625p | Paid 6/2016 |
| H2 2015 | 6.19p | 3.11p | Paid 3/2016 |
| H1 2015 | | 3.08p | Paid 9/2015 |
| H2 2014 | 6.08p | 3.08p | Paid 3/2015 |
| H1 2014 | | 3.0p | Paid 9/2014 |
| H2 2013 | 6.00p[1] | 2.5p | Paid 3/2014 |

## Annual Dividend Per Share

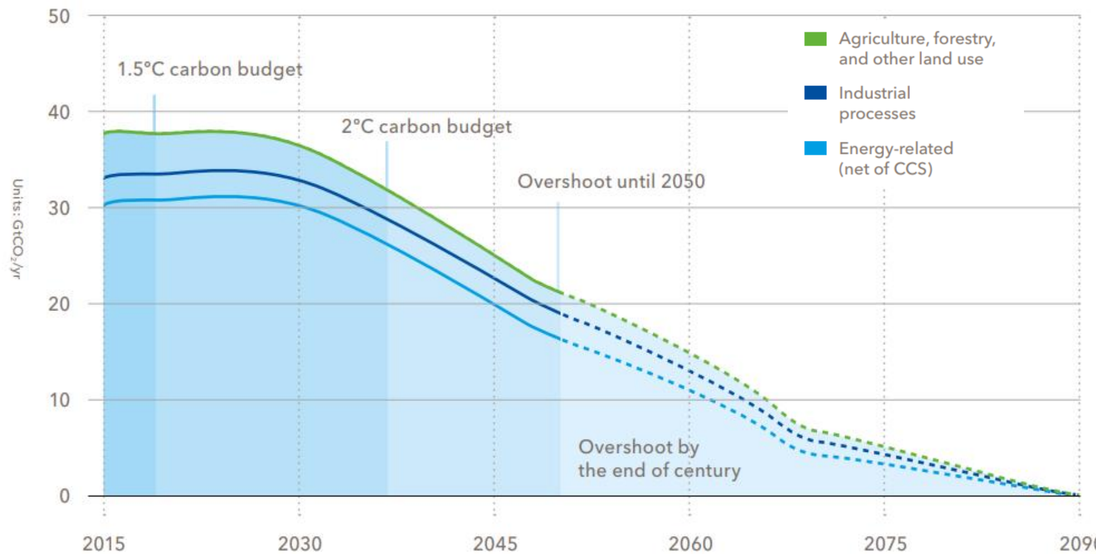



1. 2.50p per share was paid relating to the first five months of operations following IPO and represents 6.00p on an annualised basis

# Renewables continue to see strong policy support ……

- Policy support is strong:
    - EU renewables 2030 target increased to 32%
    - Paris 2015 commitments "ratcheting"
    - UK support for clean energy; supported by labour and conservatives, not Brexit dependent
- Sector's relevance only increasing as climate change targets expected to be missed:
    - The world is on course to greatly exceed the '2-degree' carbon budget, which will be exhausted by 2037, with emissions expected to continue almost until next century
    - This will result in decarbonisation targets becoming even more urgent, providing impetus to policy support


Carbon emissions and carbon budget

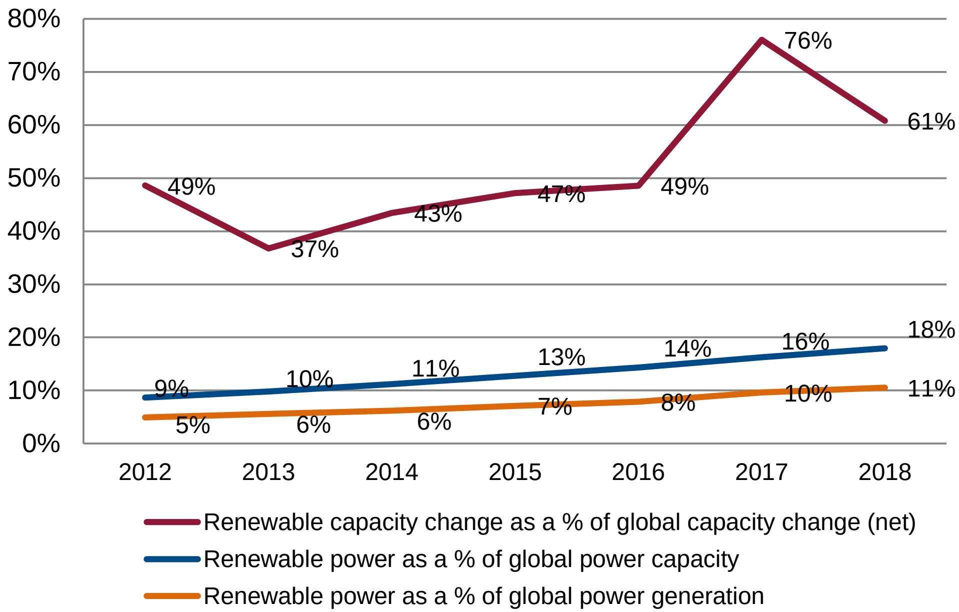



Source: DNV-DL Energy Transition Outlook 2018. The carbon budget is an expression of how much carbon can be emitted to the atmosphere while staying within a certain temperature threshold. Projections suggest the 2°C carbon budget will be emptied by 2037

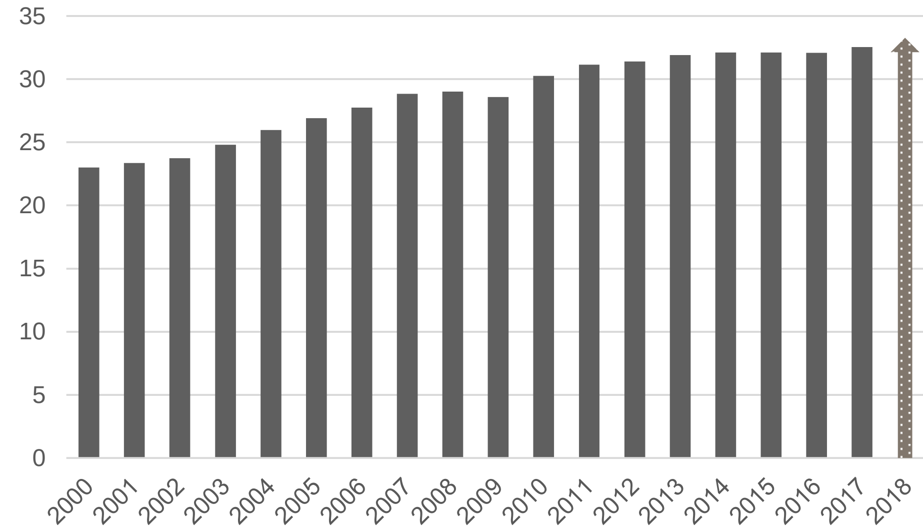
# Scale of the Global Market for Renewables

## Renewables is now mainstream

### Renewables as % of Global Power Capacity[1]




### Global energy related CO2 emissions (Gt CO2)[2]



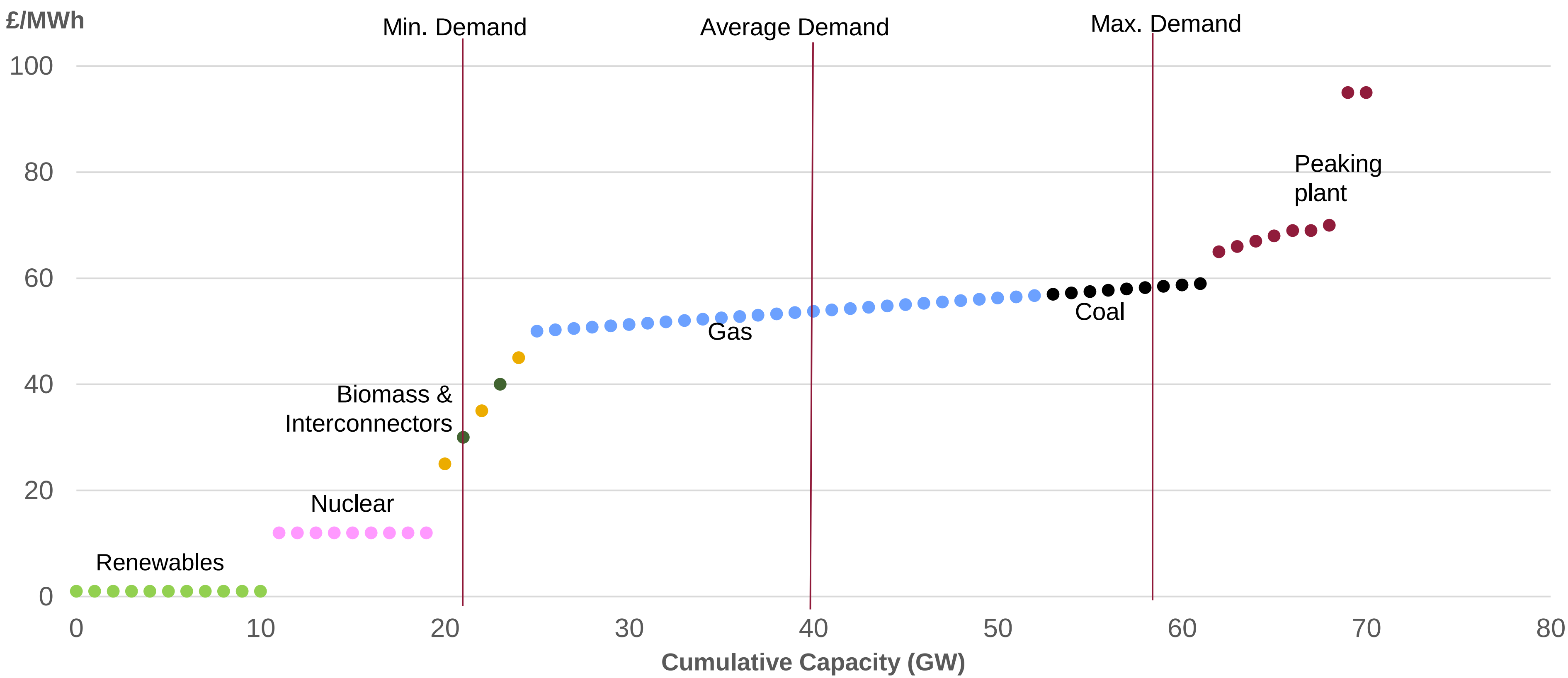

**Progress on emissions reduction slowing**

- c.11% of 2018 world electricity production from renewables (with 18% of capacity), yet the IEA expects global energy related CO2 emissions to increase in 2018 to reach record levels

1. Renewables figure excludes large-hydro. Source: Bloomberg New Energy Finance
2. Source: IEA Global Energy & CO2 Status Report, IEA media quotes

# Short-Run Marginal Cost Supply Curve (Merit Order)

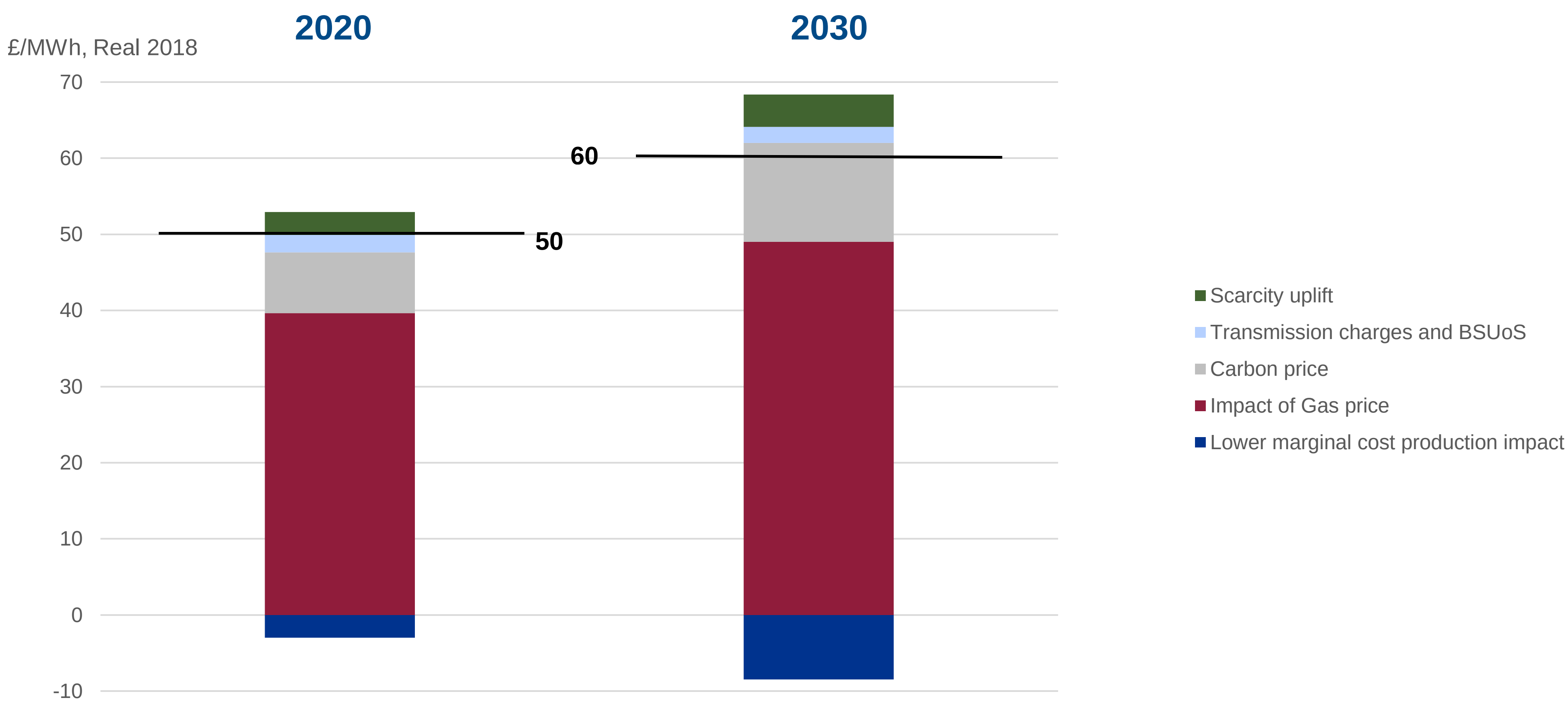
Gas-fired power tends to set the marginal price




Note: Schematic only for illustration.

# Constituents of Power Prices

## Key elements: natural gas and carbon prices




Note: Schematic only for illustration.

# The Team

## Access to Experienced Management

### Independent Board

**Helen Mahy CBE**
(Chair)

**Jonathan Bridel**

**Klaus Hammer**

**Shelagh Mason**

InfraRed Capital Partners

### Investment Manager
Key roles:

- Sourcing and approving new investments
- Advising the Board on investment strategy and dividend policy
- Advising on capital raising
- Risk management and financial administration
- Investor relations and investor reporting
- Appoints all members of the investment committee

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### Operations Manager
Key Roles:

- Providing operational management services for the portfolio
- Implementing the strategy for electricity sales, insurance and other areas requiring portfolio level decisions
- Maintaining operating risk management policies and compliance
- Appoints senior individuals to the Advisory Committee alongside InfraRed to advise TRIG on operational and strategic matters
- TRIG benefits from a right of first offer on RES's pipeline of assets

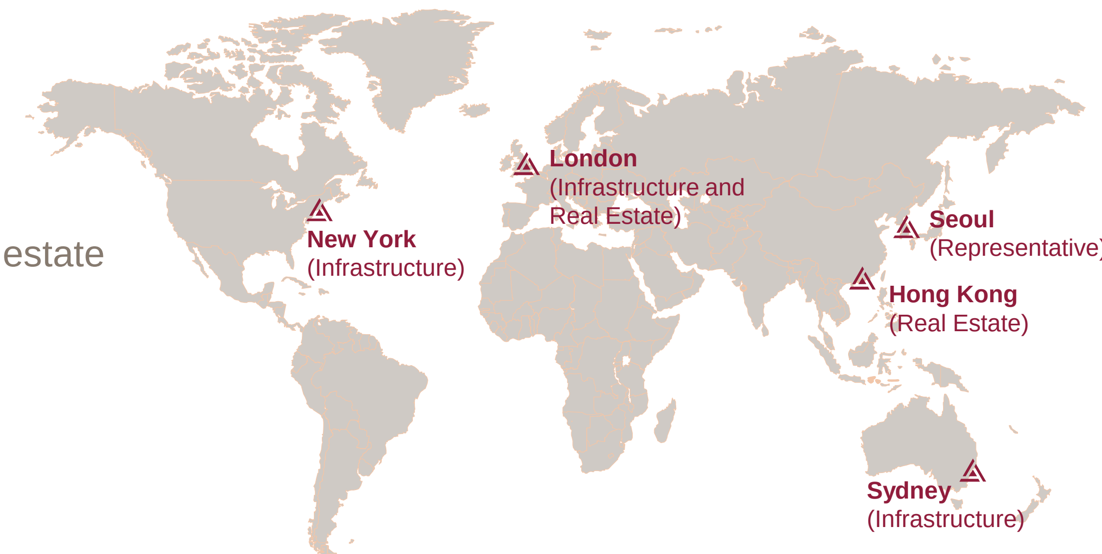
# InfraRed Capital Partners – Investment Manager

## Over 20 years' pedigree in infrastructure

InfraRed Capital Partners

### Real asset expertise across infrastructure & real estate

| | | |
|---|---|---|
| **25 years** track record | **$12bn** equity managed | **17** funds raised |
| **150+** employees | **26** nationalities | **300+** transactions |




### Key dates

- **1994** – **Advised the UK government on PFI programme**
- **1997** – **First investment in infrastructure**
- **2001** – **Infrastructure Fund I** (£125m)
- **2003** – **Infrastructure Fund II** (£300m)
- **2006** – **IPO of HICL Infrastructure Company Ltd** (now £3.0bn)
- **2008** – **Environmental Infrastructure Fund** (€235m)
- **2011** – **Infrastructure Fund III** (USD1.0bn)
- **2012** – **Infrastructure Yield Fund** (£490m)
- **2013** – **IPO of The Renewables Infrastructure Group (TRIG)** (now £1.4bn)
- **2018** – **Infrastructure Fund V** (USD1.2bn)

CHARTERHOUSE — HSBC — InfraRed Capital Partners

1.Dates relate to launch date of each infrastructure fund; Numbers in brackets indicate size of total commitments to each of the funds except HICL Infrastructure Company Ltd (HICL) and The Renewables Infrastructure Group Ltd (TRIG) which indicate market capitalisation as at 31 December 2017. Timeline excludes InfraRed's real estate funds.
2.Source: InfraRed

# RES – Operations Manager

37+ years experience in renewables

power for good

An experienced leader in the renewables industry

**37 years**
track record

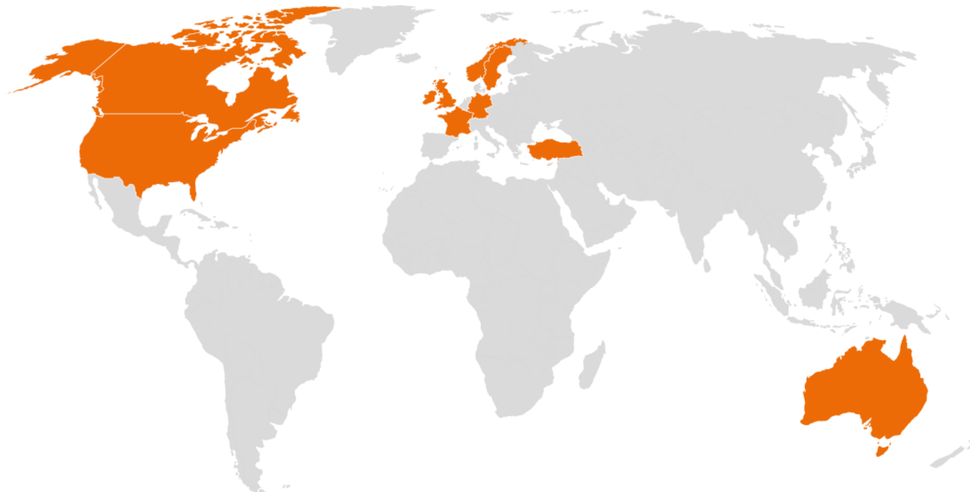
**300**
projects delivered worldwide

**2000+**
employees

**16GW**
capacity developed / managed

**300MW**
energy storage projects constructed or under contract

- The world's largest independent renewable energy company
- Operating across 10 countries globally
- Complete support from inception to repowering



Site services & works

In-house technical expertise

Legal & commercial

Commitment to health & safety

# Board and Senior Management Team

Over 100 years of relevant experience on the TRIG Advisory Committee

TRIG

## TRIG Independent Board (Non-Executive)

Helen Mahy CBE (Chairman)

Jonathan Bridel

Klaus Hammer

Shelagh Mason

Operational matters

Investment matters

## TRIG Investment Committee

InfraRed Capital Partners

Werner von Guionneau

Chris Gill

Tony Roper

Jon Entract

Richard Crawford

## TRIG Advisory Committee

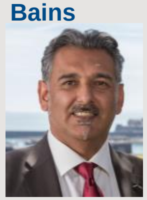
**Day-to-Day Executive Leadership**

Richard Crawford

InfraRed Capital Partners

Investment Management

Jaz Bains



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Operations Management

Chris Gill

InfraRed Capital Partners

Tony Roper

InfraRed Capital Partners

Jon Entract

InfraRed Capital Partners

Rachel Ruffle

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Donald Joyce

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# Key Facts

| | | | |
|---|---|---|---|
| **Fund Structure** | ▲ Guernsey-domiciled closed-end investment company | **Performance** | ▲ Dividends to date paid as targeted for each period<br>▲ NAV per share 28 February 2019 of 111.6p<br>▲ Market Capitalisation c. £1.388bn (28 February 2019)<br>▲ Return for 2018 of 11.6% (NAV growth plus dividends paid), and 7.8% since IPO |
| **Issue / Listing** | ▲ Premium listing of ordinary shares on the Main Market of the London Stock Exchange (with stock ticker code TRIG)<br>▲ FTSE-250 index member<br>▲ Launched in July 2013 | **Key Elements of Investment Policy / Limits** | ▲ Geographic focus on UK, Ireland, France and Scandinavia, plus selectively other European countries where there is a stable renewable energy framework<br>▲ Investment limits (by % of Portfolio Value at time of acquisition)<br>○ 50%: assets outside the UK<br>○ 20%: any single asset<br>○ 20%: technologies outside onshore wind and solar PV[4]<br>○ 15%: assets under development / construction |
| **Return Targets[1]** | ▲ Quarterly dividends with a target aggregate dividend of 6.64p per share for the year to 31 December 2019<br>▲ Attractive long term IRR[2] | | |
| **Governance / Management** | ▲ **Independent board** of 4 directors<br>▲ Investment Manager (IM): **InfraRed Capital Partners Limited** (authorised and regulated by the Financial Conduct Authority)<br>▲ Operations Manager (OM): **Renewable Energy Systems Limited**<br>▲ Management fees: 1.0% per annum of the Adjusted Portfolio Value[3] of the investments up to £1.0bn (with 0.2% of this paid in shares), falling to (with no further elements paid in shares) 0.8% per annum for the Adjusted Portfolio Value above £1.0bn, 0.75% per annum for the Adjusted Portfolio Value above £2.0bn and 0.7% per annum the Adjusted Portfolio Value above £3.0bn; fees split 65:35 between IM and OM<br>▲ No performance or acquisition fees<br>▲ Procedures to manage any conflicts that may arise on acquisition of assets from funds managed by InfraRed | **Gearing / Hedging** | ▲ Non-recourse project finance debt secured on individual assets or groups of assets of up to 50% of Gross Portfolio Value at time of acquisition<br>▲ Gearing at fund level limited to an acquisition facility (to secure assets and be replaced by equity raisings) up to 30% of Portfolio Value and normally repaid within 1 year<br>▲ To adopt an appropriate hedging policy in relation to currency, interest rates and power prices |

1. These are targets only and do not represent a profit forecast. There can be no assurance that these targets will be met or that the Company will make any distributions whatsoever or that investors will recover all or any of their investments.
2. The weighted average portfolio discount rate (7.6% at 31 December 2018) adjusted for fund level costs gives an implied level of return to investors from a theoretical investment in the Company made at NAV per share. 3. As defined in the TRIG annual report
4. Proposal to be made at the May AGM to amend the investment policy so that offshore wind treated equally to onshore wind and solar PV

# Contacts

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| Francesca Collins (Investor Relations) | francesca.collins@ircp.com |

*Email* triginfo@ircp.com
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The past performance of the Company and the investments held by the Company or managed by InfraRed or its associates is not a reliable indication of the future performance of the investments held (and to be held) by the Company. Potential investors should be aware that any investment in the Company is speculative, involves a high degree of risk, and could result in the loss of all or substantially all of their investment. Results can be positively or negatively affected by market conditions beyond the control of the Company or any other person. There is no guarantee that any returns set out in this document can be achieved or can be continued if achieved. There may be other additional risks, uncertainties and factors that could cause the returns generated by the Company to be materially lower than the returns set out in this document.

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**Information for Distributors**

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended (**MiFID II’**); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures, in the UK being the FCA’s Product Intervention and Governance Sourcebook (PROD) (together the **MiFID II Product Governance Requirements**), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any ‘‘manufacturer’’ (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the New Shares have been subject to a product approval process, which has determined that such New Shares are: (i) compatible with an end target market of (a) retail investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom and (b) investors who meet the criteria of professional clients and eligible counterparties each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II for each type of investor (the **Target Market Assessment**).

Notwithstanding the Target Market Assessment, distributors should note that: the price of the New Shares may decline and investors could lose all or part of their investment; the New Shares offer no guaranteed income and no capital protection; and an investment in the New Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risk of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Share Issuance Programme (including the Initial Issue). Furthermore, it is noted that, notwithstanding the Target Market Assessment, the Joint Bookrunners will only contact prospective investors through the Initial Placing or any subsequent placing who meet the criteria of professional clients and eligible counterparties.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the New Shares.

Each distributor is responsible for undertaking its own target market assessment in respect of the New Shares and determining appropriate distribution channels.