

Solas Sustainable Energy Fund ICAV and Capital Energy sign a strategic agreement to fund a diverse portfolio of commercial and industrial self-consumption solar PV projects across Spain and Portugal.

Zürich, 25 April 2024

- Solas Sustainable Energy Fund ICAV ("SSEF"), an article 9 dark green energy efficiency fund advised by Solas Capital AG, has entered into a framework agreement with Capital Energy Holding S.A.U. to finance C&I self-consumption projects across Spain and Portugal
- This alliance will allow Capital Energy to offer an easily accessible solution to its commercial and industrial clients in Spain and Portugal through power purchase agreements (PPAs). The implementation of custom photovoltaic installations will not only enable customers to reduce their energy bills by around 30% on average, by replacing grid consumption with clean energy produced 'on-site', but also to reduce their CO2 emissions by more than 20%.

SSEF, advised by the Zürich, Munich and Dublin-based Solas Capital AG, has signed a framework agreement with the Spanish renewable energy developer Capital Energy Holding S.A.U ("Capital Energy"). This financing will support Capital Energy's offering of self-consumption solar PV products to C&I customers in Spain and Portugal. Initial recipients include a well-known holiday apartment provider located near Málaga, Spain and a large agribusiness in the Canary Islands.

Capital Energy provides a 360° value proposition to its customers, from initial evaluation, to the operation, warranty and maintenance of solar PV systems. By leveraging their capacity, scale and market-leading know-how, Capital Energy provides a long-term product designed to provide worry-free energy to their customers. The financing from SSEF allows Capital Energy to integrate a financing solution into its product and thereby democratising the energy transition for C&I customers. During the tenor of the PPA, Capital Energy will handle the ongoing operation and maintenance of the solar PV installation, providing peace of mind to end customers that the installation will perform for the duration of the PPA - while allowing the customer to take full ownership of the installation at the end of the PPA.

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The strategic alliance between SSEF and Capital Energy plays a pivotal role in connecting institutional investors with small-scale decentralised energy projects, offering structured financing solutions to fuel sustainable development and innovation in the C&I sector in Spain and Portugal. This bridges the gap to provide financing for green projects where it is needed most. This partnership further solidifies SSEF's position as an expert bespoke finance provider, partnering with yet another market-leading European Energy Service Company ("ESCO") to deliver tangible sustainability outcomes and further expand its competency in this role. Solas Capital AG, in close collaboration with ESCOs, remains committed to developing new financed products and offerings to drive energy savings for households and businesses.

Sven Degens, Partner at Solas Capital AG said: "Solas Capital is delighted to be collaborating with Capital Energy to support the growth of their PV self-consumption initiative. Cooperating with such an established and experienced partner that is also highly innovative is a great opportunity for SSEF.

Capital Energy's highly proficient and experienced team of industry experts in the field of renewable energy is well placed to deliver a strong pipeline of projects in the coming months and years. We are confident that together we will be able to contribute to the transformation of energy consumption in the C&I sector in Spain and Portugal."

Javier Gallardo, Self-Consumption Director at Capital Energy said: "We consider self-consumption essential to ensure that industrial production is sustainable and competitive in the current environment. Therefore, at Capital Energy, we see it necessary to offer solutions such as this self-consumption PPA, which helps our clients have access to environmentally friendly energy solutions that enable them to tackle tomorrow's challenges. In this sense, Solas Capital's understanding of our business model has allowed us to offer a financing solution for our clients that meets their needs and, at the same time, provides them with the possibility of achieving their decarbonization goals with two renowned companies."

Sebastian Carneiro, CEO at Solas Capital AG: "As a dark green fund it is crucial for SSEF's investors that we deliver not only an attractive risk profile and fixed income like distributions, but also real, measurable, and significant environmental impacts. Our partnership with Capital Energy achieves this, by providing a stable and diversified portfolio of projects in the Spanish and Portuguese markets, which will lead to an immediate reduction in grid-related carbon emissions."

About Solas Capital AG

Solas Capital is a specialist investment advisory firm founded and managed by professionals from the energy efficiency financing sector and based out of Zurich, Munich and Dublin. Through the development of innovative financing solutions Solas Capital's mission is to support the move to a carbon-neutral society. By understanding both the funding needs of energy efficiency project developers and the requirements of institutional investors, Solas Capital bridges the funding gap between investors and projects. Solas Capital is the investment advisor to the Solas Sustainable Energy Fund ICAV, which is supported by the Munich Re Group, the European Investment Bank, and the LIFE Programme of the European Commission.

For more information, please visit: www.solas.capital

About Capital Energy

Capital Energy, a Spanish company with more than two decades of experience that has become one of the largest renewable energy platforms in the Iberian Peninsula, with a portfolio totalling around 20 gigawatts (GW) of capacity, is promoting an industrial project whose goal is to achieve an ecological and fair energy transition and for which it leverages the strengths of a 100% sustainable and digital business model.

For more information, please visit <https://capitalenergy.com/>

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