

Eiffel Investment Group is part of an innovative financing package aimed at speeding up Romania's renewable energy drive

- **Eiffel Energy Transition III, the 3rd vintage of energy infrastructure investment fund managed by Eiffel Investment Group ("Eiffel") provides €12.2 million limited recourse construction facility for two solar power plants in Romania's Dolj County**
- **Co-investor with a further €12.2 million is the European Bank for Reconstruction and Development ("EBRD")**
- **Innovative financing structure has potential to speed up Romania's renewables drive**

Eiffel is providing €12.2 million for the construction of two solar power plants in Romania's Dolj County, as part of a limited recourse financing package aimed at boosting renewables construction in the country and supporting Romania to meet its ambitious renewable energy targets. This is the first of the kind, and the second investment for Eiffel in Romania.

The borrower is Danube Solar Five, a special purpose vehicle incorporated in Romania, owned by Lithuania's INVL Renewable Energy Fund I and ultimately managed by UAB INVL Asset Management ("INVL"). INVL has operated for more than three decades and has more than €1 billion of assets under management, including real estate, energy and infrastructure across the Baltics and Eastern Europe.

Eiffel's finance amounts to half of a €24.4 million facility to build the plants which will have a total installed capacity of 60MWp. EBRD will provide the remaining €12.2 million. This is the second EBRD-Eiffel co-financing in the renewable energy space in Eastern Europe.

An adjustment mechanism to the interest rate depending on ESG criteria has been included in the facility, highlighting INVL, EBRD and Eiffel's commitment to high ESG standards.

As a member of the European Union, Romania is committed to implementing the EU's Fourth Energy Package, "Clean Energy for all Europeans". This aims to modernise the EU electricity market, making it more flexible and better able to integrate a greater share of renewables.

Romania's growing ambition in this area builds on EU-wide commitments enacted in the Fit for 55 and REPowerEU plan to increase renewables production by 2030. In 2023, Romania committed to increase the share of renewables in its total energy consumption from 24.3 per cent in 2019 to a more ambitious 36.2 per cent by 2030, by adding 11.9 GW of new renewable capacity.

To date, most investments in the region have been made by independent power producers which typically own projects throughout their life cycle. Although institutional investors also have appetite to own these assets, they are often limited in their capacity to shoulder initial development and construction. Limited recourse short term construction facilities allow developers to finance this period. They are expected to play a key role in unlocking additional capital inflows into the renewables sector, which needs large-scale investment to meet Romania's ambitious green transition target.

"While short term construction facilities are common practice in Western Europe, very few have been raised in Romania to date. As a leader in the segment, Eiffel is committed to provide the

demonstration with partners like INVL and EBRD that such instrument is suited to the Romanian market too.” said Pierre-Antoine Machelon, Managing Director - Head of Energy Transition Infrastructure at Eiffel.

About Eiffel Investment Group

Eiffel Investment Group is an asset manager with €6.6 billion in assets under management*. Its customers are major institutional investors (insurers, mutual insurers, pension funds, banks, large family offices, public investors, etc.), as well as retail investors through distribution networks.

Backed by entrepreneur Jacques Veyrat's Impala Group, Eiffel Investment Group boasts strong industrial expertise, particularly in the field of energy transition. The Group finances companies and their assets through four main strategies: private debt, private equity, energy transition infrastructure and listed equities and credit.

Eiffel Investment Group invests for a sustainable world. Its investment strategies aim to generate not only strong financial performance, but also positive impacts on the environment and society. The Eiffel Investment Group team comprises around 100 talented people in France (Paris), BeNeLux (Amsterdam), the United States (New York), Poland (Warsaw), Italy (Milan) and the United Arab Emirates (Abu Dhabi).

Eiffel Energy Transition III is a specialized professional fund strictly reserved for institutional investors.

*As of 30/06/2024, including undrawn commitments

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