

Pacifico Renewables Yield AG: Debut issuance of green loan to optimize capital structure and to finance further growth

- **€35 million green loan private placement with a fixed interest rate of 4.85% and a 5-year tenor**
- **First green financial instrument issued under the Group's recently established Green Finance Framework**
- **Refinancing of existing debt showcases continued optimization of capital structure**
- **Additionally provides funding for further portfolio build-out**

Gruenwald, February 28, 2022 – On February 26, Pacifico Renewables Yield AG (ISIN: DE000A2YN371) (“Pacifico Renewables”, or the “Group”), an independent producer of electricity from renewable sources, through a subsidiary signed a €35 million debut secured green loan private placement with UBS Asset Management. The fixed interest rate of the green loan equals 4.85% and there is no exposure to interest rates. The tenor of the financing is five years from signing with a bullet repayment.

Optimized capital structure

Roughly €26 million will be used to take out existing debt and to optimize the Group's capital structure. Thereof approximately €9.3 million will be used to refinance an existing subordinated debt facility with an interest rate approximately one percentage point higher than the signed private placement. The refinancing of this subordinated debt facility also allows for a simplification of the corporate structure leading to significant cost savings. Another approximately €16.5 million will be used to refinance the Group's revolving credit facility, thereby optimizing the refinancing profile of the Group by replacing a short-term facility with a more long-term financing. The fixed interest rate adds further to the Group's robust interest rate sensitivity.

Accretive funding of portfolio build-out

The remainder of the net proceeds will be used to finance the further build-out of the Group's existing portfolio and new acquisitions. Given the Group's close cooperation with developers and the high visibility on growth opportunities, the Group's management is comfortable to deploy the net proceeds in an accretive way.

Co-CEO Dr. Martin Siddiqui summarizes: “We are proud to be able to issue such a sizeable private placement with a reputable investor such as UBS Asset Management. For a young company like ours, this proves our ability to grow by tapping a variety of funding sources and to provide accretion to our shareholders by constantly optimizing our capital structure. After initially funding growth mainly by raising equity, we consider this private placement as a landmark transaction for our company, and it demonstrates our ability to fund growth efficiently using different sources of capital. With UBS Asset

Management we found a highly professional partner who we are enthusiastic to explore further financing opportunities with going forward.”

Alessandro Merlo, Head of Investment, Infrastructure Debt at UBS-AM REPM, commented: “Our investment in Pacifico Renewables represents an exciting opportunity for UBS-AM to finance its ambitious expansion plans, working to more than double generation capacity in the coming years, and we look forward to supporting Pacifico Renewables on this journey. The transaction also highlights the broader demand we’re seeing across infrastructure markets for investment to support expansion and meet sustainability objectives, and we look forward to announcing further transactions in this space going forward”.

First issuance under the Group’s newly established Green Finance Framework¹

Green finance instruments that can be issued under the Green Finance Framework (the “Framework”) include (inter alia) bonds, private placements and loan facilities. The Framework sets out the Group’s use of proceeds, including its eligibility criteria, management of proceeds, evaluation and selection criteria as well as its commitments to annual reporting and external verification. The proceeds from green finance instruments issued under the Framework will only be invested into projects that are in full alignment with the ICMA Green Bond Principles² and the EU Taxonomy³. The Group has set up a Green Finance Committee that will select and evaluate projects that might then be added to its portfolio of eligible projects. Lastly, the Group will publish allocation and impact reports on its website annually to keep stakeholders updated about its actual use of proceeds. The allocation report will be independently verified by a third party.

The Group’s Green Finance Framework has received a second party opinion by ISS ESG⁴ which found that Pacifico Renewables’ Green Finance Framework is in full alignment with both the ICMA Green Bond Principles and the EU Taxonomy.

“After having successfully completed several equity financings in the recent past we are proud to see that our debut green debt raising was well received by debt investors. This showcases confidence in our business model and future growth potential both by equity and debt investors. We are also excited to be able to make use of our newly established Green Finance Framework for the first time with this green debt issuance. Lastly, the fact that we were able to emit an ICMA Green Bond Principles and EU-Taxonomy aligned green instrument, as verified by ISS ESG, shows that our decision to focus on sustainability from the very beginning has paid off,” states **Christoph Strasser, Co-CEO**.

ABN AMRO acted as Sole Arranger & Placement Agent / Sole Green Structuring Advisor and Linklaters LLP provided legal advice to Pacifico Renewables in the financing.

¹ [Pacifico Renewables Investor Relations](#)

² [ICMA Green Bond Principles](#)

³ [EU Taxonomy](#)

⁴ [ISS ESG](#)

About Pacifico Renewables Yield AG

Pacifico Renewables Yield AG is an independent power producer listed on the open market of the Dusseldorf Stock Exchange with additional requirements (Primärmarkt) (ISIN: DE000A2YN371) with the aim of building up a gradually growing portfolio of plants for energy generation from renewable sources. With operational wind and photovoltaic power plants spread across Europe, the Company offers a clear and diversified profile with stable and predictable earnings.

Disclaimer

This announcement does not constitute an offer of, or a solicitation of an offer to purchase, securities of Pacifico Renewables Yield AG or of any of its subsidiaries. The securities have already been sold.

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