

Press release

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CEE Group completes first closing at 165 million Euro for new CEE Renewable Fund 7

The Hamburg-based asset manager for renewable energies, CEE Group, announces the first closing for its Renewable Fund 7 (CEE RF7). Equity commitments for the sub-fund have so far been raised from institutional investors in a volume of 165 million Euro. The fund, launched as a Special-AIF (SICAV-RAIF) in Luxembourg, invests primarily in existing wind and solar energy infrastructure assets in the core European markets for renewable energy. CEE Group currently manages around 1.9 billion Euro in renewable energy assets and plans to grow in the current year by investing in photovoltaic projects in Germany and Spain, among other projects.

Only a few months after launch, CEE Group announces the first closing for its CEE Renewable Fund 7 (CEE RF7). The target size of the sub-fund is 500 million Euro, the hard cap is set at one billion Euro. Further closings are planned for later this year. "With the first closing for RF7, we seamlessly follow the successful placement of its predecessor CEE RF6, which significantly exceeded our expectations with a hard cap at 275 million Euro," explains Detlef Schreiber, CEO of CEE Group. "With their capital commitments for the successor fund, our investors are expressing their confidence in us and showing that the renewable energy asset class now has a firm place in the portfolio allocation of institutional investors. It makes an important contribution to meeting the demand for sustainable investments and to vigorously pursuing the climate targets set internationally," adds Leonhard Uphues, CSO of CEE Group.

CEE RF7 follows an investment strategy that aims to achieve long-term value growth while taking into account the sustainable investment objective of avoiding or reducing CO2 emissions. To this end, the asset management invests primarily in existing wind and solar energy infrastructure plants – so called brownfield investments. The geographical focus of the investments is on the core markets for renewable energies in Europe, including Germany, the Netherlands, France, Sweden and Spain.

The fund, designed as a Luxembourg Special-AIF (SICAV-RAIF), has a duration of 20 years plus an extension option of 2 times 5 years. The fund is aimed at semi-professional and professional investors as defined by the German Capital Investment Code. A period of one to two years, but no more than three years after final closing, is planned for the investment phase. 75 million Euro has already been allocated to the fund's portfolio.

Long-term power purchase agreements enable economic operation without government subsidies

The new Special-AIF is the latest of a total of seven investment vehicles for renewable energies launched by CEE Group in Germany and Luxembourg. It reflects the consistent expansion of activities in the core business of renewable energies, which began in 2000. "With our clear focus on the wind and photovoltaic sectors, we cover the entire value chain from project purchasing and operational management to fund structuring and fund management," explains Schreiber. "In the ongoing year, we will expand our multi-disciplinary team of business people, engineers and electrical technicians from the current 50 employees to around 60 specialists, in particular to drive forward technical optimizations and the implementation of ESG criteria. In doing so, we aim to strengthen our position as a major impact investor in the green energy sector and partner to institutional investors for sustainable capital investments."

The CEE portfolio, currently including 40 onshore wind farms and 32 solar parks, generates over 1,050 megawatts of green electricity per year for more than one million people in Germany, France, the Netherlands and Sweden. In 2020 alone, the Group invested 200 million Euro in equity in wind power and photovoltaics across ten transactions with a total transaction volume of 435 million Euro.

In the current year 2021, CEE Group is expanding its country allocation with further projects in Spain, which are about to be implemented. "We find excellent conditions in Spain for the economic operation of renewable energy

projects without government subsidies. The country is one of the growth markets of the past two to three years, characterized by good locations and large-scale photovoltaic projects, particularly interesting from the point of view of institutional investors due to long-term power purchase agreements, so-called PPAs, with creditworthy contract partners," explains Uphues. "In Germany, we are also observing a trend toward large-scale photovoltaic parks with more than 100 megawatts of capacity, in which PPAs play a significant role and enable operation independent of government subsidies. Overall, we expect the renewable energy market in Europe to continue to grow strongly, with an estimated investment volume of 21 to 24 billion Euro annually."

About CEE Group:

CEE Group is a Hamburg-based asset manager specializing in renewable energy. With assets under management of around €1.9 billion, the company invests in power generation projects in the wind and solar sectors. CEE Group holds onshore wind farms with an installed capacity of around 564 MW as well as photovoltaic plants with around 473 MWp. Total electricity generation in 2020 amounted to approximately 1.4 billion kilowatt hours.

As an internationally operating company, CEE Group offers its customers sustainable investment concepts with long-term return opportunities in the growth market for renewable energies. With its independently operating entities, the company has a comprehensive range of services for projects in this segment. Investors are in particular institutional investors with a long-term interest in renewable energies.

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