

KGAL and PFALZSOLAR join forces to build solar parks in Greece with a total capacity of 176 megawatts

Grünwald, 24/01/2023 – Investment and asset manager KGAL, and project developer and general contractor PFALZSOLAR, are entering into a joint venture for the development and construction of two solar parks in Greece. The Volos project (81 MWp) is located in central Greece, and the Evros project (95 MWp) is located in the north. Both plants are part of the Article 9 impact fund KGAL ESPF 5, allowing the fund to benefit from Greece’s solar energy boom.

Greece has recently adopted a number of measures in line with its ambitious solar energy expansion targets of 1.3 gigawatts per year, on average, by 2030. Notably, a law passed in June 2022 aims to reduce the average approval period for renewable energy plants from five years to 14 months. "Another plus is the state-subsidised feed-in tariffs for green electricity via tenders", explains Michael Ebner, Managing Director of KGAL Investment Management. "However, our joint projects could also secure PPAs – power purchase agreements – or sell electricity on the spot market. We are extremely well positioned with PFALZSOLAR as we can generate very attractive returns in every possible scenario." Grid connection for the Volos project is planned for the end of 2023, and the Evros project is on course for autumn 2024.

PFALZSOLAR is responsible for the planning, construction and operation of the plants together with local onsite partners. Ebner continues: "Just like KGAL, our partner has been active in the field of renewable energies since 2003. PFALZSOLAR has a strong track record." KGAL, in turn, brings its strengths in structuring and financing to the joint venture, in addition to its equity participation. "With its many years of experience, KGAL is an ideal partner for us to tap into the promising Greek market," says Lars Josten, Managing Director of PFALZSOLAR.

KGAL ESPF 5 exceeds expectations

Having entered the Greek market, KGAL is now represented in a total of twelve European countries with its Sustainable Infrastructure asset class, and secures two more assets with above-average potential for KGAL ESPF 5. This is the sixth investment for the Article 9 impact fund since its launch at the end of 2021. "KGAL ESPF 5 has exceeded our high expectations in terms of projects and return potential already in the launch phase," explains Florian Martin, Managing Director of KGAL Investment Management. "We are therefore optimistic about the next closing of our impact fund, which is continuing to fundraise as planned."

KGAL GMBH & Co. KG
 Jacqueline Haben
 Head of
 Marketing & Communications

Tölzer Str. 15
 82031 Grünwald
 Germany

T +49 89 64143-051
 M +49 1520 2870010

jacqueline.haben@kgal.de
 www.kgal.de

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About KGAL

KGAL is a leading independent investment and asset manager with a managed investment volume of more than 16.5 billion euros. The focus of its investments is on long-term real capital investments for institutional and private investors in Real Estate, Sustainable Infrastructure and Aviation. The pan-European group was founded more than 50 years ago and is headquartered in Grünwald near Munich. 338 employees contribute to achieving sustainably stable earnings, taking into account return and risk aspects (as of 31 December 2021).

About PFALZSOLAR

Since 2003, PFALZSOLAR has been developing, building and operating photovoltaic systems of all sizes for national and international investors, local authorities, commercial, industrial and private customers. PFALZSOLAR holds solar parks and PV plants with more than 600 MW of installed capacity and over 27 megawatts in its own portfolio. The company also monitors, operates and maintains a plant portfolio of around 400 megawatts. The solar parks are located in Germany as well as the Netherlands, Great Britain and the USA. As a subsidiary of the Pfalzwerke Group, PFALZSOLAR trusts in a reliable and strong partner with more than 110 years of experience in the electricity industry. With 1,300 employees and a turnover of 1.4 billion euros, Pfalzwerke is the leading electricity provider in the Palatinate and the Saarpfalz region. PFALZSOLAR is active nationally and internationally. In BENELUX, Greece, Great Britain, Spain and the USA, a team of almost 150 employees is actively shaping the energy turnaround and focuses on one thing above all: quality according to energy supplier standards. Further information is available at www.pfalzsolar.com

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Jacqueline Haben
Head of
Marketing & Communications

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82031 Grünwald
Germany

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