



PEARL INFRASTRUCTURE CAPITAL CONTINUES TO INVEST IN RENEWABLE ENERGIES

- ▶ The Pearl Infrastructure Capital SCA RAIF fund (hereinafter “Pearl”) consolidates its position in Europe’s biomass renewable energy sector through three new investments.
- ▶ Born from a partnership between the Edmond de Rothschild group and a team of experts from the renewable energy, environment and water sectors, Pearl completed its fundraising in March 2020 at €280 million, above its initial objectives.
- ▶ A strategy of positive-impact investment in European environmental infrastructure (energy, waste and water) that meets the challenges of the ecological and energy transition and the circular economy.

Pearl has acquired Uni Viridas, one of Croatia’s largest biomass cogeneration plants. With 8.6 MWe of electricity production capacity and 16 MW of thermal capacity, it will be powered by wood residues and waste from forestry and sawmill operations. The plant will supply the domestic electricity grid through a 14-year state-guaranteed electricity purchase contract covering the consumption of around 20,000 households. By contributing to both renewable energy production and the economic development of the wood sector in the region, Pearl is thus fulfilling a dual environmental and social function.

This is the second investment in Croatia for Pearl, which completed the acquisition of Energy 9, another 5 MWe biomass cogeneration plant located in the Slavonian forest, at the end of December 2020. *“The country has almost 2.2 million hectares of forest and the timber industry is of vital importance. With a strong government commitment to developing the renewable energy sector, including biomass cogeneration, Croatia has significant biomass potential under the stewardship of Hrvatske Šume, the FSC certified manager of Croatia’s public forests, which operates in accordance with sustainable biomass criteria”*, commented Pierre Rellet, managing partner and co-founder of Pearl. The fund recently refinanced Energy 9’s project debt for €25 million, thereby boosting the project’s long term visibility.

Alongside these two brownfield investments, Pearl has entered Europe’s leading industrial market in Germany, where as part of its committed biofuel cogeneration investment policy it has taken a majority stake in the Bioenergie Wismar biomass cogeneration plant, on which construction began in March 2021. The plant will supply heat to wood pellet manufacturer Wismar Pellets, Pearl’s industrial partner in the project, and sawmill Ilim Nordic Timber. This project’s production of heat and electricity from renewable sources makes it a key solution for decarbonising industrial processes.

The Wismar cogeneration plant is expected to reduce greenhouse gas emissions by 47,000 tonnes a year, equivalent to taking more than 15,500 petrol cars off the road over the project's lifetime. The asset is scheduled for commissioning in the fourth quarter of 2022.

Jean-Christophe Guimard, managing partner and co-founder of Pearl, added: *“These three assets will enable Pearl to implement its strategy of building a European portfolio of highly energy-efficient biomass cogeneration plants. Biomass cogeneration is a particularly effective solution that enables the combined production of renewable electricity and thermal energy and offers decentralised and continuous production solutions to industrial companies and local authorities.”*

These initial investments are fully in line with Pearl's strategy of optimising the use of natural resources and strengthening ecosystem services. They are a perfect fit with the Edmond de Rothschild group's convictions as an investor committed to the sustainable energy transition.

Johnny El Hachem, CEO of Edmond de Rothschild Private Equity, commented: *“The investments that Pearl has made illustrate manufacturers' need for viable energy solutions. More than ever, as responsible financial players alongside the many investors who have placed their trust in us, we must work to serve these European industries and help them achieve growth that is more sustainable and respectful of the environment.”*

A year after its fundraising, Pearl is now one-third invested. Other assets will soon be added to the fund's portfolio to strengthen its positioning in Europe's renewable energy market.

ABOUT EDMOND DE ROTHSCHILD GROUP

Edmond de Rothschild specialises in Private Banking and Asset Management. The Group serves an international client base of families, entrepreneurs and institutional investors, and is also active in Corporate Finance, Private Equity, Real Estate and Fund Services.

Its resolutely family-oriented nature gives Edmond de Rothschild the independence to offer bold strategies and long-term investments rooted in the real economy.

Founded in 1953, the Group now has €168 billion in assets under management, 2,500 employees and 33 offices worldwide.

ABOUT PEARL INFRASTRUCTURE CAPITAL SCA, RAIF

Pearl Infrastructure Capital SCA, RAIF (Pearl) is a private equity investment fund under Luxembourg law dedicated to the energy and ecological transition in Europe, mainly for industrial companies. It completed its fundraising in March 2020 and is now closed to subscriptions. Founded by a team of experienced professionals from the energy and environment sector in partnership with Edmond de Rothschild Private Equity, Pearl has €280 million in equity (representing an investment capacity of around €1.2 billion) currently being invested in assets and projects for the production of continuous renewable energy (e.g. biomass cogeneration), waste recovery and the optimisation of water resource management. Pearl presents specific risks, including the risk of capital loss, risks related to investment management, risks related to infrastructure operations, risks inherent in investments in growth capital, and liquidity risks.

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