

Media Release

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Axpo signs a PPA with R.Power Group for nearly 300 MWp of solar power in Poland

Axpo has signed a solar power purchase agreement (PPA) in Poland marking another major milestone for the company in Eastern Europe. The agreement will see Axpo's Warsaw - headquartered subsidiary off-take the electricity produced by solar plants owned by R.Power Group, one of the fastest-growing solar energy developers in Europe.

The contract covers a portfolio of solar plants currently under construction throughout Poland, with an installed capacity of nearly 300 MWp. The individual plants have a projected capacity ranging from 0.3 MWp to 30 MWp and will be put into operation gradually, with full production expected by mid-2023. The O&M operator, Nomad Electric Services, will take care of the asset's productivity, maintenance and service.

Under the transaction between Axpo Polska and R.Power Group, a special commercial structure has been created to ensure the profitability of the entire project portfolio. Axpo Polska will buy the full output generated by the solar plants between 2022 and 2026, and will act as the balancing agent for the project portfolio. It will also provide R.Power Group access to price hedging instruments, which ensures bankability of the renewable energy projects.

The negotiations were supported by Wolf Theiss Poland and Clifford Chance Warsaw, which are the leading law firms in Central and Eastern Europe.

The transaction further strengthens Axpo's role as one of the leading off-takers of energy from renewable sources in Poland. So far, Axpo Polska has been mainly active in marketing wind energy, with the offtake portfolio comprising almost 1.5 GW of installed capacity.

Paweł Wierzbicki, Head Origination and Board Member at Axpo Polska, commented: "The agreement signed between Axpo and R.Power Group is one of the largest solar PPAs ever concluded in the Polish energy market, and demonstrates that Axpo intends to take a leading position marketing solar energy in Poland. We will continue to cooperate with R.Power Group on other solar projects that will also accelerate the Polish energy transition."

"We appreciate Axpo's flexibility and pro-active approach. Building strong relationship with reliable off-takers, which have international presence, like Axpo is our priority to enhance scaling up R.Power Group activity and securing commercialization and bankability of our new PV projects both in Poland and abroad as our solar portfolio continues to expand in our priority European markets", Tomasz Sęk, Board Member at R.Power Group, added.

Axpo has been present in the Polish market for 20 years. Clients in Poland can benefit from tailor-made PPAs, as well as power and gas supply solutions based on structured long-term contracts. In the past six years, Axpo has also expanded its client portfolio to small and medium-sized businesses (SMEs) and now provides services for 15,000 of these companies in the country.

About Axpo:

Axpo is Switzerland's largest producer of renewable energy and an international leader in energy trading and the marketing of solar and wind power. 5,000 employees combine experience and expertise with a passion for innovation. Axpo develops innovative energy solutions for its customers based on state-of-the-art technologies in 40 countries in Europe, North America and Asia.

About R.Power:

R.Power Group is the leader in the photovoltaic market in Poland, where it is developing a portfolio of solar farms with a capacity of over 6 GWp. The developer has projects in various European countries including Poland, Italy, Spain, Portugal and Romania. R.Power Group operates in the entire value chain on the PV market – it develops and implements power plant projects, build the plants and provides professional management, service and maintenance (O&M) services for solar farms and is a producer of energy from photovoltaic power plants. Over the last two years, R.Power Group has obtained record project financing of PLN 772 million. In June last year, it has established a programme to issue green bonds with a total nominal value of up to PLN 1,000 million. Bonds with a total nominal value of PLN 175 million were issued under the first series.

Additional information

Axpo Holding AG, Corporate Communications

T 0800 44 11 00 (Switzerland), T +41 56 200 41 10 (International), medien@axpo.com