

Media Release

24 August 2021

Axpo signs landmark PPA for Europe's largest operational onshore wind farm in Romania

Axpo's leading position in the Eastern European energy services market has been reinforced by the signing of a long-term power purchase agreement (PPA) with CEZ's Fântânele-Cogealac-Gradina wind farm, part of Macquarie Asset Management's energy portfolio in Romania.

The 7-year deal with CEZ's onshore wind farm is Axpo's largest in the region to date and covers more than 4 terawatt hours (TWh) of electricity production. Axpo will hedge approximately 50 per cent of CEZ's combined installed capacity of 600 megawatts (MW) from the three wind farms owned and managed by a Macquarie Asset Management long-term infrastructure fund. The plants are located in Dobrogea, close to the Black Sea.

Domenico Franceschino, Head Origination Western & Eastern Europe at Axpo, said: "I am delighted that we have been able to sign this long-term energy pricing agreement in Romania. We are seeing an increasing number of renewable project owners looking for the price stability and assurance that allows them to continue growing their renewable production. Given our expertise and know-how in the PPA market, and the fact that we are on the ground and understand what our customers need, Axpo is ideally placed to continue supporting the growth in renewables that the energy transition demands."

Radu Rat, Managing Director Axpo Energy Romania, added: "This country has a lot of potential for renewable energies in general and wind power in particular. The PPA is a major milestone, both for the Romanian energy market and Axpo's business here. With our long-standing PPA experience in many markets across Europe, we are well positioned to play a key role in Romania's energy transition."

Ondrej Safar, CEO of CEZ Romania, commented: "This long-term financial agreement contributes directly to the stability and resilience of our renewable portfolio. And, as the first of its kind in Romania, it stands for a positive signal to the local renewable market, heading full speed towards the energy transition."

Since its foundation in 2003, Axpo Energy Romania S.A. has offered customers a wide range of expertise in power and gas full supply, energy trading and green certificates, becoming one of the main players in the Romanian energy market. Following this latest success, the Axpo Romania team of eight employees, led by Managing Director Radu Rat, will continue to expand its activities in the Romanian energy market.

Macquarie Asset Management completed the acquisition of CEZ's integrated energy infrastructure portfolio in Romania in March this year, also comprised of an 86,665 kilometre regulated electricity distribution network and an electricity and gas supply business in the south west of Romania.

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 CEZ in Romania:

On 31 March 2021, Distribuție Energie Oltenia, Ovidiu Development, Tomis Team, MW Team Invest, CEZ Vanzare, TMK Hydroenergy Power and CEZ Romania were acquired by a long-term infrastructure fund managed by Macquarie Asset Management, part of Macquarie Group.

Ovidiu Development, Tomis Team, MW Team manages the largest onshore wind farm in Europe, in the Dobrogea area, at Fântânele, Cogealac and Gradina. The wind farm represents an investment of 1.1 billion euros and contains 240 wind turbines with a total installed capacity of 600 MW. The entire capacity of the wind farms was put into operation at the end of 2012.

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