

Press release

Aquila Capital launches its first green bond with a volume of EUR 50m via Småkraft for further expansion into Norwegian hydropower

- **Bond received top grade “Dark Green” for sustainability from CICERO**
- **More transparency for investors at equivalent risk-return-profile**

Hamburg, 3 December 2018 – The alternative investment specialist Aquila Capital has launched a green bond with a volume of EUR 50m and a duration of five years via the Norwegian hydropower operator Småkraft AS to finance the company’s further growth. With over 100 hydropower-plants across Norway and an annual energy production of 1 TWh, Småkraft AS is already the biggest independent operator of small-scale hydropower plants in Europe. The additional financing is being secured in the wider context of the company’s goal to double annual production to 2 TWh by 2022.

The Norwegian research institute CICERO (Center for International Climate and Environmental Research, Oslo), a leading independent rating organisation for green bonds, rated the bond “Dark Green”. This top category is reserved for projects and products that contribute in a sustainable fashion to a low-emission and climate resilient future.

The senior secured green bond will yield an annual interest rate of 1.9 points above EURIBOR and is traded at the Oslo Stock Exchange. Apart from refinancing existing obligations and general corporate purposes, the capital raised by the joint lead managers ABG Sundal Collier, Nordea and SEB will be used to further expand into Norwegian hydropower, both via the acquisition of existing plants and the construction of new run-of-river plants. Specifically, it is planned to purchase four more hydropower plants and to refinance seven that are already owned.

Roman Rosslenbroich, Co-Founder and CEO of Aquila Capital, comments: “Green bonds are an attractive instrument to continue driving the European energy transition. Institutional investors increasingly insist on such sustainable financing options because they offer more transparency as to how the capital is used at an equivalent risk-return-profile compared to conventional bonds. This is why we view this development not as a short-term

trend but as one of the most sensible ways to mobilise the capital required to transform European energy grids. Norway, with its mature and robust hydropower market, therefore lends itself as a natural starting point.”

About Aquila Capital:

Aquila Capital develops alternative investment solutions for institutional investors worldwide. Founded in 2001 and owner-managed, the investment company considers itself a fiduciary for its clients and applies a holistic approach to managing customised real assets and financial assets.

Aquila Group’s client base consists predominantly of institutional investors in Europe and Asia. Over 200 professionals located in ten offices globally implement efficient investment strategies via fund structures and individual mandates. The Aquila Group comprises Aquila Capital Investmentgesellschaft mbH, which is licensed by the Federal Financial Supervisory Authority (BaFin) to act as an alternative investment fund manager in Germany, and Alceda Fund Management S.A., which is licensed as an alternative investment fund manager and UCITS management company in Luxembourg by the Commission de Surveillance du Secteur Financier (CSSF).

Further information is available at: www.aquila-capital.com

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