

Press release

MPC Energy Solutions achieves financial close and starts construction for 21 MW solar power plants in El Salvador

Amsterdam/Oslo – 11 January 2022 – MPC Energy Solutions (MPCES) has achieved the financial close of its Santa Rosa & Villa Sol solar photovoltaic (PV) plants in El Salvador, which have a combined capacity of 21.07 MWp. The financial close with local lender Banco Agrícola, a subsidiary of Bancolombia, also marks the successful conclusion of the engineering phase. [Enerland Group](#), the Spanish multinational EPC company and contractor for this project, will commence construction works later this month.

Energy production from the Santa Rosa & Villa Sol project is expected to start in Q4 2022. The minor delay in project execution was caused by a change of the construction contractor. The plants will generate around 43 GWh a year and MPCES expects an annual revenue contribution from this project of around USD 3.5 million. The project's solar power will offer substantial environmental benefits, avoiding nearly 11,000 tons of CO₂ emissions per year.

Once commissioned, the solar plants will sell all their generated energy through a 20-year USD-denominated power purchase agreement (PPA) with [CAESS](#), the local subsidiary of US-based energy company AES. The total investment to reach COD is USD 25.3 million, of which 75% is financed through a 15-year project financing facility.

As part of MPCES's ongoing commitment to Environmental, Social and Governance (ESG) measures, the firm has set a minimum target of 10% for the participation of women in the construction workforce.

Martin Vogt, CEO of MPC Energy Solutions, said: "The Government of El Salvador considers the energy sector a strong contributor to economic and social development. The diversification of the energy mix towards clean energy sources has been prioritized. This draws up a long-term energy strategy for the country and shows the high potential of the renewable energy market. We are excited to support the country in this important initiative."

El Salvador has a long history of renewable energy, primarily biomass, hydropower, geothermal and recently solar PV. The deployment of renewable energy technologies reached approximately 1.6 GW in 2021, providing about 30-40% of the national energy supply. National energy demand grew by 6% p.a. in the past five years and is still met mainly by oil fuelled thermal power. The electricity market is liberalized and unbundled with the majority of power plants owned and operated by private IPPs. The government has adopted the Paris Agreement and is currently revising its Nationally Determined Contributions (NDC) to be in compliance with its commitment to the 1.5°C global goal.

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About MPC Energy Solutions

MPC Energy Solutions ("MPCES") is a global provider of sustainable energy and primarily focuses on low-carbon energy infrastructure, including solar and wind assets, and other hybrid and energy efficiency solutions. The Company participates in the full project lifecycle of renewable solutions, from early-stage development through construction and operation. More details at www.mpc-energysolutions.com

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