

PRESS RELEASE
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BaltCap is the largest buy-out, growth capital and private equity infrastructure investor in the Baltic States.

BaltCap has strong presence in all three Baltic countries with local offices and experienced team.

Since 1995, BaltCap has been managing several private equity funds with total capital of over EUR 370 million and has made more than 70 investments.

BaltCap is a member of Invest Europe (www.investeurope.eu), Estonian Private Equity and Venture Capital Association (www.estvca.ee), Latvian Venture Capital Association (www.lvca.lv) and Lithuanian Venture Capital Association (www.vca.lt).

BaltCap is a signatory of the United Nations Principles for Responsible Investment (UNPRI) since 2008.

BaltCap Infrastructure Fund acquires Anaerobic Holding

BaltCap Infrastructure Fund (BInF) has acquired 75% of Anaerobic Holding shares for €9.45 million. Anaerobic Holding owns and operates three biogas plants in Latvia with a total installed capacity of 4.9MW.

Anaerobic Holding group consists of three biogas plants with a total installed capacity of 4.9MW, namely Agro Iecava, RZS Energo and AD Biogazes Stacija, as well as two biogas raw material supply companies – BGGs Serviss and Aizkalnu Tehnika. Both of the latter secure all organic raw materials required for biogas plant operations. Before the acquisition the largest shareholder of the group's companies has been Latvian entrepreneur Nils Aleksa, who will stay on as a joint venture partner with BInF.

'Anaerobic Holding has developed the most efficient biogas plant portfolio in Latvia, not only generating electricity but also providing excess heat to business consumers and municipalities. This renewable energy investment fits into fund's portfolio due to long term useful asset life that enables us to provide double-digit returns for pension funds which have invested into BInF,' says Šarūnas Stepukonis, BaltCap Infrastructure Fund Partner.

'BaltCap is the largest private equity manager in the Baltics with an impressive investment portfolio and significant value add. Attracting BInF with its strong institutional investor base as a long term partner in Anaerobic Holding will enable us to finance future developments in renewable energy field,' said Nils Aleksa.

'This is the first case in Latvia where the pension savings of a large part of the Latvian and Baltic population will directly benefit from the investment in the local renewable energy infrastructure. We hope this will facilitate further pension saving investments in the local economies,' comments Matīss Paegle, BInF Investment Director in Latvia.

It is the second BInF investment this year. In November the fund signed engineering, procurement and construction (EPC) contract to develop 48MW biomass plant in Vilnius. The plant should be built and become operational in the first quarter of 2019. According to estimation, the biomass plant will generate nearly 10% of Vilnius heat demand.

In July 2017, BaltCap launched BaltCap Infrastructure Fund (BInF) with the planned size of €100 million. The fund will invest into infrastructure development across Lithuania, Latvia, and Estonia.

Investors of BaltCap Infrastructure Fund include all of the biggest pension funds of the Baltic states, a life insurance company, and international financial institutions. 60% of the funds are raised from the pension funds of Lithuania, Latvia, and Estonia - it is the largest combined local pension funds commitment to the Baltics-focused private equity fund to date. The anchor investor of the fund is the European Investment Bank, which has committed to invest €20 million. This EIB support is guaranteed under the European Fund for Strategic Investments (EFSI), a central element of the Juncker's Commission Investment Plan for Europe launched to overcome the current investment gap in the EU by mobilising private financing for strategic investments.

Additional information:

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