

Solas Sustainable Energy Fund ICAV provides financing to PAUL Tech AG, supporting the German heating transition

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- Solas Sustainable Energy Fund ICAV (SSEF), an article 9 dark green energy efficiency fund advised by Solas Capital AG, has signed a framework agreement with PAUL Tech AG for an initial €20 million in heating energy efficiency project funding in Germany
- The investment will finance software-operated hydraulic balancing systems in multi-family residential buildings, providing cost savings for the tenants and improving the properties' energy ratings,
- The systems deliver an average energy consumption reduction of 20-40%
- Heating-as-a-Service solutions, such as those offered by PAUL Tech, will be central to delivering on Germany's energy-efficient heating regulations

Solas Sustainable Energy Fund ICAV (SSEF), advised by the Zürich and Dublin-based Solas Capital AG, has signed a framework agreement with PAUL Tech AG (PAUL Tech) for an initial €20 million in registered bonds, to be delivered in four tranches. The first two bonds, amounting to €10 million have already been issued.

The financing will be channelled into installations of PAUL Tech's "PAUL Performance" systems, which use software-operated hydraulic balancing to optimise the volume flow of water in heating systems in residential multi-family buildings. The solution improves properties' energy ratings, delivering an average energy consumption reduction of 20-40%, and helps to ease the pressure of the energy crisis on an individual level, by reducing costs for tenants.

SSEF's financing allows PAUL Tech to offer their German real estate customers long-term service contracts with zero up-front capital costs, enhancing the accessibility of their cutting-edge energy efficiency technology.

This partnership with PAUL Tech establishes SSEF's market position as an expert financing provider in the Heating-as-a-Service ("HaaS") sector in Germany. HaaS is currently booming in Germany, where the government recently reformed the Building Energy Act (Gebäudeenergiegesetz, "GEG") with the aim of expediting the heating transition and reducing energy consumption in buildings.

Solas Capital AG collaborates closely with Energy Service Companies (ESCOs), leveraging its team of energy finance experts to deliver customized debt financing solutions to ESCOs and their clients. This strategic alliance serves as a vital link connecting institutional investors with energy efficiency project owners seeking structured financing solutions.

Sven Degens Partner at Solas Capital AG said: "This partnership exemplifies Solas's commitment to driving change in the heating sector in Germany. We are delighted to be able to support PAUL Tech by enhancing the accessibility of their cutting-edge heating efficiency technology, which will have a tangible impact on household budgets across the country."

Sebastian Carneiro CEO of Solas Capital AG elaborated: "SSEF is committed to partnering with ESCOs which offer a broad range of energy efficiency technologies within the EU, providing our investors with a diversified investment portfolio delivering stable cashflows. We are thrilled to be a first mover in financing the much-needed decarbonisation of heating in Europe"

Sascha Müller, Founder and CEO of PAUL Tech, said: "We are honored to receive this substantial investment from our dedicated green investor Solas Capital. We also see it as a confirmation of trust in our position as a HaaS provider, which we will revolutionize with our new PAUL Net Zero solution."

About Solas Capital AG

Solas Capital is a specialist investment advisory firm founded and managed by professionals from the energy efficiency financing sector and based out of Zurich and Dublin. Through the development of innovative financing solutions Solas Capital's mission is to support the move to a carbon-neutral society. By understanding both the funding needs of energy efficiency project developers and the requirements of institutional investors, Solas Capital bridges the funding gap between investors and projects. Solas Capital is the investment advisor to the Solas Sustainable Energy Fund ICAV, which is supported by the Munich Re Group, the European Investment Bank, and the LIFE Programme of the European Commission.

For more information, please visit: www.solas.capital

About PAUL Tech AG

PAUL Tech AG is a technology leader and specialist in the digital transformation of the real estate industry. PAUL uses artificial intelligence to make existing buildings climate-friendly with minimal investment and no loss of comfort for residents. Investors and operators rely on PAUL to make their properties ready for the future and competitive. PAUL currently supports over 150 companies in the real estate industry with over hundreds of thousands of residential units.

For more information, please visit www.paul.tech

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