



P R E S S R E L E A S E

Reichmuth Infrastructure and MW Storage are building a 100 MW battery storage power plant in Bavaria together with partners and further expand their portfolio of renewable energy infrastructure

- Reichmuth Infrastructure is establishing a Battery Energy Storage System (BESS) with a storage capacity of 200 megawatt-hours together with the co-investors MW Storage Fund, Bayernwerk and ZENOB
- The construction of the battery storage power plant in the Franconian town of Arzberg is imminent, with commissioning scheduled for early 2025
- This broad partnership between the parties emphasizes the significance of one of the currently largest projects of its kind in Germany

Arzberg/Lucerne/Zurich/Vaduz, November 28th 2023 --- Today, Reichmuth Infrastructure, a leading Swiss asset management company specialized in infrastructure investments in the mid-cap segment, announced the conclusion of a contract for the construction of a 100 MW battery storage plant in Arzberg (Wunsiedel, Bavaria). In addition to Reichmuth Infrastructure, constituting the project's majority shareholder, and MW Storage Fund acting as the anchor investor, energy company Bayernwerk and Zukunftsenergie Nordostbayern GmbH (ZENOB) participate as minority stakeholders. For Reichmuth Infrastructure this project constitutes the second project in Franconia, following the opening of the Fuchsstadt wind park in April of this year.



MW Storage, in addition to its participation through the fund with the same name, serves as the project developer and will construct the lithium-ion battery storage power plant in Arzberg. The facility has a connection capacity of 100 megawatts and a storage capacity of 200 megawatt-hours. As a result, the battery is one of the largest facilities under construction in Germany, a country with unutilized headroom for developing and expanding its storage capacities. Pioneers in Europe include countries such as the United Kingdom and Spain, the latter of which has recently defined and developed a national strategy for battery storage power plants.

Germany is expected to need 180 gigawatt-hours of battery energy storage systems by 2045

Both Reichmuth Infrastructure and MW Storage are already setting the course for the future energy market: With the establishment of the facility in Arzberg, the project partners are financing crucial infrastructure for the energy transition. The realization of the energy transition requires not only the expansion of renewable energy but also a significant increase in storage capacities. Since power generation from renewables such as wind or solar energy is intermittent, meaning production may fluctuate significantly due to external factors, battery storage is indispensable to balance the grid. Currently, experts estimate the demand for battery storage in Germany to be around 4 gigawatt-hours. According to calculations from the Fraunhofer Institute for Solar Energy Systems (ISE), the demand for stationary battery storage is expected to increase to approximately 100 gigawatt-hours capacity by 2030 and approximately 180 gigawatt-hours by 2045. Investments in corresponding facilities embody an innovative and future-proof opportunity for institutional investors that seek to expand and diversify their portfolios in the renewable energy sector. Investments into battery storage power plants generate cash flows from two income streams: one involves the provision and marketing of reserve capacities to grid operators to compensate for fluctuations in the power grid frequency. The second, however, relatively new source of income is the intraday trading. Operators of battery storage systems purchase electricity when market prices are cheap and sell the electricity when prices rise hand in hand with demand.

The battery storage power plant in Arzberg has a strong signalling effect, partly also because the parties involved are committed to a collaborative approach: In addition to the two anchor investors, Reichmuth Infrastructure and the MW Storage Fund, Bayernwerk and ZENOB signal the significant importance of the project for the region through their participation. Moreover, with MW Storage AG, an experienced project developer focussing on the installation and operation of large-scale battery storage power plants, takes on the construction and operational management. The battery supplier will be Fluence Energy GmbH, specializing in high-quality storage solutions. The facility has already



received all necessary permits and construction will commence shortly. Completion and commissioning of the entire battery storage power plant in Arzberg are expected for early 2025.

Christian Ilgner, Head of Energy at Reichmuth Infrastructure, stated: „I am delighted that we are now significantly involved in a second infrastructure project for renewable energy in Franconia. The demand for battery storage power plants is expected to increase rapidly over the next 15 to 20 years with the expansion of renewable energy. Therefore, the facility in Arzberg represents another logical project to finance the European energy transition, providing our investors with a future-oriented and promising opportunity with an attractive revenue model.“

Daniel Rüdüsüli, Member of the Board of the MW Storage Fund, added: „As the investment vehicle of the Swiss Multi Family Offices Swiss KMU Partners AG, we are interested in long-term investments with excellent future prospects on behalf of our clients. The energy transition is a megatrend that we are collectively tackling in Europe. Investments in environmentally friendly infrastructure solutions are therefore a crucial element to achieve the climate goals. Through the MW Storage Fund, explicitly launched for large-scale battery storage, we provide our clients with the opportunity to invest in sustainable energy infrastructure. Particularly, the battery storage power plant in Arzberg is a significant milestone for the further expansion of battery storage capacities in Germany and the foundation of our fund.“

Wilfried Karl, Founder and CEO of MW Storage, further added: „The power grid in Germany and Europe is increasingly reliant on renewable energy sources such as wind and solar. In this technologically evolving environment, independent battery storage systems emerge as a future-proof solution, providing both flexibility – i.e., improved demand peak management – and stability in power grids through power balancing. We are proud to be involved in developing, implementing, and operating one of the currently largest battery storage power plants and extend our gratitude to all project partners for their outstanding collaboration.“

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About Reichmuth Infrastructure

Reichmuth Infrastructure, established in 2012 as a pan-European infrastructure asset manager and part of the wider Reichmuth & Co Group, with a dedicated investment focus on clean infrastructure investments in Europe in the realm of energy, transportation and circular economy.

Reichmuth Infrastructure offers institutional investors access to sustainable and responsible investment solutions, providing an active contribution towards the energy transition and decarbonization. Currently, Reichmuth Infrastructure manages around EUR 2.0 billion through four diversified investment funds and segregated mandates. The interdisciplinary team consisting of 23 employees with extensive infrastructure investment experience, a broad industry network and established partnerships with various industrial companies.

<https://www.reichmuthco.ch/en/infra/>
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About MW Storage

The MW Storage Fund was established in 2022 through the successful collaboration between the Multi Family Offices Swiss KMU Partners AG and the experienced project team MW Storage, led by Wilfried Karl & Marco Rüegg. The fund's primary focus is large-scale battery storage in Europe, serving as a fundamental component of the energy infrastructure for the energy transition. Over the past years, the project team has successfully implemented various large-scale battery storage projects in multiple countries, significantly contributing with this expertise to the MW Storage Fund.

MW Storage provides professional investors with access to sustainable infrastructure projects and has primarily been funded with capital from the Multi Family Offices. The projects are carried out in close collaboration with grid operators, energy companies, and local authorities. The fund benefits significantly from the team's extensive experience, as a considerable number of follow-up projects are already in the planning stages.

<https://www.lafv.li/DE/Funds/FundList/FundDetails?ID=45543>

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