

1 February 2022

# The Parkmead Group plc ("Parkmead", the "Group" or the "Company")

## **Parkmead acquires Wind Power company as it continues renewable energy drive**

Parkmead, the independent energy group, is pleased to announce that it has acquired the entire issued share capital of Kempstone Hill Wind Energy Limited ("**Kempstone Hill**"), a company owning a 1.5MW onshore wind farm in Scotland (the "**Acquisition**").

The total consideration comprises £3.29 million in cash. In addition, Parkmead will assume a project loan of approximately £990k.

### **Highlights**

- Kempstone Hill owns a 1.5MW onshore wind farm in Scotland, which provides power for up to 1,000 homes
- The wind farm has an attractive inflation-linked, Feed-in Tariff for the life of the project through until 2036
- Electricity is sold through a power purchase agreement which provides exposure to rising wholesale electricity prices
- This acquisition significantly increases Parkmead's presence in renewable energy and electricity markets
- For the financial year to 30 September 2021, Kempstone Hill generated revenue of £0.38 million and an adjusted EBITDA of £0.23 million
- As 1 October 2021, Kempstone Hill held approximately £300,000 in cash

### **Strategic Rationale**

Parkmead's focus has been to build a robust and balanced European energy business, which the Board has been actively looking to further enhance in cleaner and renewable energies. The acquisition of this wind farm sits well within the Board's strategy and increases the Group's presence in this rapidly growing sector. Furthermore, the Board believes that, as an established wind farm already connected to the grid, the Group will benefit from Kempstone Hill's established relationships and expertise as it looks to advance the opportunities within the Group's existing renewable energy developments.

The Acquisition is immediately revenue and cash flow enhancing. Cost synergies have been identified and Parkmead has also identified potential upside opportunities.

### **Details of the Acquisition**

The total consideration comprises £3.29 million in cash, which includes both the consideration for the issued share capital of Kempstone Hill and the repayment of an existing director's loan. In addition, Parkmead will assume a project loan of approximately £990k. The economic date of the transaction is 1 October 2021. As at 1 October 2021, Kempstone Hill held £0.3 million in cash and had gross assets of £1.76 million.

## **Tom Cross, Executive Chairman, commented:**

*"This important acquisition continues our clear and focused strategy to build a balanced energy group.*

*Kempstone Hill provides another revenue-generating asset to Parkmead, which has a long-life and a very steady stream of cash flow. This operational wind farm is complementary to our earlier stage, high-upside renewable energy projects.*

*The energy industry is experiencing rapid change and the Parkmead team is growing our Company through these challenges and adding exciting opportunities in renewable energy. We will continue to build a portfolio of high-quality energy projects through acquisitions, organic growth and the active management of our assets across all energy sectors."*

## **Enquiries:**

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## **About Parkmead**

The Parkmead Group is an independent, UK and Netherlands focused energy business. Its shares are listed on the AIM market of the London Stock Exchange (AIM: PMG). The Group currently produces natural gas from a portfolio of four fields across the Netherlands and holds significant additional oil and gas interests. Parkmead is also developing renewable energy opportunities within its portfolio.

For further information please refer to Parkmead's website at [www.parkmeadgroup.com](http://www.parkmeadgroup.com)