

MEDIA RELEASE

DELTA GROUP – CHANGE IN OWNERSHIP

On 16 September 2022 the owners of Delta Electricity (including Sunset Power International t/a Delta Electricity and Great Southern Energy t/a Delta Coal) agreed to a 100% share sale to Sev.en Global Investments (Sev.en), a family office investment group from the Czech Republic with a core focus on the Energy and Mining sectors.

Chief Executive of Delta Electricity, Greg Everett said “The proposed acquisition of the Delta Electricity Group by Sev.en is a positive development for Delta and its stakeholders. Sev.en has shown a clear interest in energy businesses in Australia, ensuring that it is well placed to provide reliable generation through the energy transition. This will benefit customers, employees and system security for all energy users”.

“Delta Electricity is a provider of electricity to approximately 11% of New South Wales. Together with Sev.en’s prior investments in Australia, this investment will strengthen its position as one of Australia’s significant electricity businesses” he said.

Delta thanks Trevor St Baker and Brian Flannery for their leadership of the business since privatisation in 2015. Due to their sound control and direction, together with a commitment to maintain extensive investment in the business, Vales Point has continued to be a significant contributor to the energy needs of our community.

Delta Electricity outgoing Chair, Trevor St.Baker AO, said: “We continue to have a firm view that around the clock dispatchable generation will be necessary for the NEM well into the future. As owners for the last eight years, Esprey and StBaker Family Trust have positioned the business to continue essential operations through the energy transition, but recognise that there are opportunities to grow the business and that this can be better accomplished in a portfolio with Sev.en’s other base-load capable generation interests. The sale will facilitate this growth as Sev.en has shown a commitment to the sector and an ambition to expand, both in Australia and globally.”

“We are looking forward to welcoming the new owner. Our team will soon be working with them, and we all look forward to this next step in the company’s evolution.” Mr Everett said.

Chief Executive of Sev.en, Alan Svoboda added “We are excited to consolidate and take over the ownership of Delta Group. With this acquisition we will significantly strengthen our presence in Australia. Sev.en Group is a global experienced and responsible operator of conventional power plants. We make strategic investments with long-term commitment. We always look for ways to make our business more sustainable, support the local communities and take care of the employees.”



Sev.en is already present in Australia through its 50% interest in InterGen N.V. which has interests in the Milmerran and Callide power stations in Queensland in addition to its four gas-fired power plants in the United Kingdom with the total output of c.10.7 TWh, and c. 300 employees across the two countries.

In the United States, Sev.en owns one of the largest met-coal producers Blackhawk Mining, LLC. It operates nine metallurgical and thermal coal mining complexes in West Virginia and Kentucky with total annual production over 7.5m tons of coal and over 1,800 employees.

In the Czech Republic, the Group operates two coal fired power plants with total installed capacity of 1,845 MW and two Combined Heat and Power plants with the output of c. 600 MWe and 1,300 MWth, and with a total of 980 employees. Fuel supply comes from its own mines with total annual production over 10 million tons and 2,100 employees.

RBC Capital Markets acted as sole financial advisor to Sunset Power Pty Ltd as trustee for the St Baker Family Trust and Ilwella Pty Ltd, the sellers, on their sale of Delta Electricity to Sev.en Global Investments.

As is normal with a transaction of this nature there are various government approvals and consents that are required and it is expected that, subject to these approvals, the transaction will complete in the coming weeks.

END

16 September 2022