Econergy secures £42.7m project financing from Santander and 10-year EDF revenue floor agreement for its 80MW Immingham BESS project in the UK

£42.7M · ~80MW BESS · Immingham, England, UK · Santander / EDF

Econergy International Limited has secured approximately £42.7 million in project financing from Santander UK PLC for its ~80MW battery energy storage system (BESS) project in Immingham, England. The financing was signed on 3 July 2026 by the project company, Ecostor 1 Immingham Ltd, and comprises a main facility of approximately £38.4 million together with a VAT revolving facility and a debt-service reserve facility. The main facility will primarily fund construction costs and the repayment of shareholder loans provided during the development phase. First utilisation is expected within approximately 10 days of signing, subject to satisfaction of customary conditions precedent.

In parallel, on 16 June 2026 the project company entered into two 10-year revenue floor agreements with EDF Energy Customers Limited, a leading provider of optimisation services for storage assets, each covering 40MW of the project. Under the agreements, EDF will provide commercial optimisation services for the Immingham project, with a guaranteed annual revenue floor that reduces cash-flow volatility and strengthens the project's financial profile, alongside a revenue-sharing mechanism for additional income above the guaranteed level. Over the term of the agreements, contracted revenues from the Floor and the associated Capacity Market component are expected to total approximately £45–50 million (of which the Capacity Market represents ~11%), equivalent to approximately 50% of the project's expected total revenues over that period.

The dual-structure arrangement, combining project debt from Santander with long-term revenue certainty from EDF, mirrors the structure Econergy delivered on its Dalmarnock BESS financing earlier this year and reflects the growing maturity of the UK's energy storage financing market. The main facility has a tenor of eight years from financial close, with interest payable semi-annually and principal amortisation from 31 December 2027 followed by a balloon at final maturity. Interest is set at SONIA plus a margin of approximately 2.5–3.5% during the construction period and 2.25–3.25% during operations. An interest-rate hedging agreement was signed at financial close, further mitigating rate exposure. Interest during construction is capitalised. A historical debt-service coverage ratio covenant of at least 1.10x applies from 31 December 2027, tested semi-annually.

The Company's assessments regarding the effectiveness of the financing agreement, satisfaction of the conditions precedent to financial close and drawdown, the project's results, and the impact of the Floor agreements, constitute forward-looking information as defined under the Israeli Securities Law, 1968. The realisation of such information is uncertain and not within the Company's sole control and may be affected by factors including construction delays, cost changes, regulatory changes, market conditions, and other macro and sector-specific factors.

About Econergy

Econergy Group (TASE: ECNR) is a leading European IPP and active developer specialising in solar PV, wind, and energy storage projects across key European markets, including Romania, the UK, Italy, Germany, Poland, Spain and Greece. With a robust project pipeline exceeding ~12.5GW – including 6.2GW of storage – Econergy is at the forefront of driving Europe's renewable energy transition. The company's local teams provide a strategic advantage, ensuring close collaboration with regulatory entities and local communities. Econergy generates revenue across the entire value chain by selling electricity, earning development and operation fees, and selling projects at various stages of development, ensuring a diversified and sustainable income stream. For additional information, please visit: https://www.econergytech.com/

About EDF Energy

EDF Energy Customers Limited is a leading provider of commercial optimisation services for energy storage assets in the UK and a subsidiary of EDF Group, one of Europe's largest energy companies.

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