

Ceiba Energy and Petrobras have entered into a Share Purchase Agreement for the acquisition of two power plants in Brazil with total installed capacity of 300 MW

Houston, Texas, 30 August 2021 – Ceiba Energy, a Houston based power company with a focus in Latin American markets backed by Denham Capital, a global sustainable infrastructure, energy and resources focused investment firm, is pleased to announce that it has entered into a Share Purchase Agreement (“SPA”) with Petroleo Brasileiro S.A. (“Petrobras”) to acquire a 93.7% stake in Breitener Energetica S.A. (“Breitener Energetica”). As part of the transaction, Ceiba Energy is also acquiring the remaining minority stake from the other associated partners.

Breitener Energetica is a holding company that owns two operating gas-fired power plants located in Manaus, Brazil – named Breitener Jaraqui and Breitener Tambaqui. With total installed capacity of 300 megawatts (MW), both plants are fully contracted through a Build, Own and Transfer Agreement with Amazonas Energia, a subsidiary of Eletrobras.

The acquisition will be financed with equity invested from Denham Capital’s funds and debentures issued in the market and purchased by Banco Santander who will act as the Lead Arranger. The transaction is expected to close after receiving regulatory approval from Brazil’s Administrative Council for Economic Defense (CADE), which is expected to occur at the end of September of this year.

Emilio Vicens, Chief Executive Officer of Ceiba Energy, commented:

“We are extremely excited to be acquiring an operating asset like Breitener Energetica as we expand our energy infrastructure projects in Brazil where we already own Portocem, an LNG-to-power project under development which is permitted for up to 2.2GW.

With a clearly defined M&A-led growth mandate, we are laser focused on developing renewable energy and capacity-firming, low-carbon power generation to deliver affordable and reliable clean energy across Latin America. This acquisition confirms Ceiba’s commitment to each individual market of focus while delivering strong returns to our shareholders.”

Saurabh Anand, Managing Director in Denham’s Sustainable Infrastructure team, added:

“Denham Capital has been investing in infrastructure in Brazil since 2012 and we’re very pleased to see Ceiba expand their footprint where Denham and the Ceiba team have deep local knowledge. This project strategically complements Ceiba’s Portocem LNG-to-power project in Northeast Brazil as well as our investment in Rio Energy’s renewable power platform in the states of Bahia and Ceará.

Ceiba has proven its ability to maximize value by leveraging commercial, contractual, regulatory and technical know-how and we are actively working with the management team to expand Ceiba’s operations into other Latin American markets. Aligned with our overarching purpose to invest in projects that are central to the economic and energy transitions happening globally, our shared vision is to create a well-structured, sustainable Latin American infrastructure platform.”

Ana Paula Lopes Saraiva, Head of Portfolio Management at Petrobras, said:

“This sale represents another step further in our capital allocation strategy. Our portfolio management is focused on the future of Petrobras, making our company even stronger and more resilient.”

Notes to Editors

Lakeshore Partner served as the financial advisor to Ceiba Energy while Credit Agricole acted as Petrobras' sell side advisor. Mayer Brown acted as local legal counsel for Ceiba Energy.

About Breitener

Breitener is a closed corporation, with the specific purpose of administrating, managing and participating in Breitener Tambaqui S.A. and Breitener Jaraqui S.A., which are companies specialized in the production and commercialization of power energy.

Breitener Tambaqui S.A. and Breitener Jaraqui S.A. own the Tambaqui and Jaraqui power plants, located in Manaus-AM, with installed capacity of 155.8 MW and 156.7 MW, respectively.

About Ceiba Energy

Founded in 2015, Ceiba Energy is an owner, developer, and operator of power generation assets in Latin America. In particular, the company focuses on delivering renewable, low-carbon and affordable power generation. The Ceiba management team brings an in-depth understanding of Latin American power markets and assets. The team has more than 80-years of combined power generation and energy infrastructure experience in Latin America and emerging markets.

For more information, visit www.ceibaenergy.com.

About Denham Capital

Founded in 2004, Denham Capital is a global sustainable infrastructure, energy and resources focused investment firm, with more than \$10 billion of invested and committed capital across multiple fund vehicles since inception. Specializing in both private equity and credit facilities, Denham invests in sectors that are essential to economic growth. Denham's investments help deliver the sustainable infrastructure, energy and mineral resources needed for everyday life. The Denham team comprises highly skilled sector specialists with a collective 570+ years of operational and investment experience. This unrivalled expertise enables Denham to build, develop and exit valuable renewable power, energy storage, water infrastructure and resources assets. With an ongoing focus on opportunities in the global energy transition, Denham recognizes the need to build a low carbon economy and seeks to invest increasingly in companies and projects which share our vision for sustainable growth and long-term value creation.

For more information about Denham Capital, visit www.denhamcapital.com.

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