



## Orazul Energy Perú Press Release

On June 25, 2021, Orazul Energy Peru S.A. (OEP) announced its decision to initiate a sale process of its indirect interest in the thermal power generation and hydrocarbon businesses in Peru.

On October 1, 2021, OEP sold to a special purpose vehicle of Nautilus Energy Partners LLC, its indirect ownership in the thermal power generation and hydrocarbon companies in Peru, Termoselva S.R.L. (“Termoselva”) and Aguaytía Energy del Perú S.R.L. (“Aguaytía”), for US\$41.8 million total consideration, in compliance with requirements for related party transactions.

Net cash proceeds may be used within 1 year to (i) purchase any Notes (as defined below) or repay other senior indebtedness, (ii) make capital expenditures in a permitted business, or (iii) reinvest in or purchase additional assets. If the company has not applied the net cash proceeds within 1 year in one of the above permitted uses and such amount is in excess of US\$30 million, the Company will make an offer to purchase the Notes, at par, with any remaining net cash proceeds.

### ***About the Company***

As a result of the aforementioned asset sale, OEP is a business composed of two hydroelectric power plants in northern Peru with a combined capacity of 376 MW. OEP is one of the principal generators in the Peruvian national electrical system, representing 4% of total energy supply in 2020, and given the nature of its generation, one of the lowest costs producers in the system. We generate and sell non carbon, efficient and reliable electricity to regulated customers (distribution companies) and non-regulated customers under short-term and long-term power purchase agreements (“PPAs”) and to the spot market. OEP is contracted over 80% of its firm energy with an average life of its PPA’s of approximately 8 years.

### ***Our Notes***

On April 28, 2017, OEP issued senior notes for an aggregate principal amount of US\$550 million in the international capital markets under Rule 144A and Regulation S of the U.S. Securities Act (the “Notes”). These Notes accrue interest at a rate of 5.625% payable semi-annually and have final maturity in April 2027. The Notes are rated BB by both Fitch Ratings and Standard & Poor’s.

After August’s 2021 \$145 million cash tender offer repurchase of the Notes, the outstanding Notes equal an aggregate principal amount of \$405 million.