



Investors & Analysts' Briefing

Reuters: EDP.LS
Bloomberg: EDP PL

NEW DEBT ISSUED AT PECÉM THERMAL PLANT

Lisbon, September 29th, 2022: EDP – Energias de Portugal, S.A. (“EDP”), through its 57.55%¹ owned subsidiary EDP - Energias do Brasil S.A. (“EDP Brasil”), announces that its subsidiary Porto do Pecém Geração de Energia S.A. (“Pecém” or “Asset”) has made its first issue of commercial paper (“Issue”), with no guarantee from EDP Brasil (“non-recourse”), in the amount of BRL 1.5 billion (€292 million, considering an exchange rate of 5.14 EUR/BRL), to be monthly amortized until July 2027.

Pecém is a 720 MW coal power plant in the state of Ceará, contributing to the security of supply as a backup of the Brazilian electricity system namely in drought periods such as the one in 2021. Pecém has Power Purchase Agreements (“PPA”) in force until July 2027, with stable revenues updated to inflation and adjusted to availability levels. The plant has an authorisation contract in force until January 2044.

The purpose of the Issue is the pre-payment of debt with the Brazilian Development Bank (BNDES), amounting around BRL 470 million, with the remaining value to be distributed to the shareholder, EDP Brasil.

The obligations arising from the commercial paper, with no guarantee from the shareholder (“non-recourse”), include: (i) maximum leverage of 3.0x Net Debt-to-EBITDA; (ii) in the event of disposal of Pecém: (a) maintenance of a minority interest of at least 20% of the Asset; (b) EDP Brasil remaining as provider of the asset’s operation and maintenance services.

This financial restructuring allows the crystallization of a significant part of Pecém PPA value in the short-term, to be reinvested in the growth of electricity networks and solar projects in Brazil, while creating options to reach the goal of removing coal activity from EDP Group revenue mix in the horizon of 2021-2025 strategic plan.

This information is disclosed pursuant to the terms and for the purposes of the article 17 of Regulation (EU) no. 596/2014 of the European Parliament.

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¹ EDP owns directly 56.05% of EDP Brasil, however consolidates 57.55%, considering treasury stock adjustment.