



STOA and Grupo Energético 23 Partner to Expand Los Guzmancito Wind Farm in the Dominican Republic

SANTO DOMINGO, January 13th, 2022 -- **Grupo Energético 23** ("GE23") and **STOA S.A.** ("STOA") announced today the closing of STOA's investment in **Poseidón Energía Renovable, S.A.** ("PER"), the company in charge of the development, financing and active management of the 100MW Los Guzmancito wind farm project (the "Project") located in the municipality of Luperón (Puerto Plata - Dominican Republic).

The first phase of the Project (48.3MW) was commissioned in December 2019, consisting of 16 Vestas turbines at a hub height of 132 meters, reducing emissions of greenhouse gasses by an estimated 235,000 metric tons per year. With STOA's investment, the Project will almost double its capacity, adding a US\$128 million Phase II consisting of 13 additional turbines. A second definitive concession for the expansion was granted in December 2021 by the *Comisión Nacional de Energía*. Phase II recently commenced construction following a groundbreaking ceremony featuring the Dominican Republic's President, Luis Abinader; the Minister of Energy and Mines, Antonio Almonte, and other dignitaries.

"We are thrilled to partner with STOA, who brings deep wind experience and international best practices on environmental and social governance to the Project and our Country," said Ernesto Armenteros, a GE23 partner, and CEO of PER. *"The expansion of Guzmancito will create thousands of local jobs during construction, and several dozen permanent ones. It will also create roads to previously inaccessible mountain and coastal terrain for the benefit of nearby cruise tourism, and the community of Guzmancito itself will benefit from refurbished schools, churches, sports facilities and pumps for running water and irrigation,"* said Roberto Camino L., Managing Partner of GE23. *"It is a transformational achievement for the Dominican Republic, from the environmental and regulatory perspectives,"* said Miguel Feris C., also a principal partner of GE23.

GE23 has also announced that the Project has initiated a multi-year exceptional study of the fauna of the Dominican Republic, focused on indigenous bats and their ecosystem and implemented together with international and Dominican biodiversity experts and funding partners, which will serve the Country and the wind farms to be built in the future. Phase II will also continue its reforestation program in the area, initiated with the first phase of the Project.

"We are pleased to partner with GE23 who has been an active participant in the Dominican energy market for over 30 years. Since our induction, the team in charge has built up solid attributes to make this Project a reference in the local energy sector. We look forward to engaging and constructing a meaningful partnership with them to support the Country's efforts towards sustainable quality infrastructure," said Marie-Laure Mazaud, CEO of STOA. *"This Project, set at the highest environmental and social standards, will strongly contribute to the local economic development,"* added Jean-Pierre Barral, Deputy CEO of STOA.

Investment bank **Javelin Capital** acted as exclusive advisor to GE23 on the transaction. *"Guzmancito entails many firsts for the Dominican Republic's renewables industry, including technical achievements and innovative financing for this partially-merchant Project, while meeting or exceeding the IFC Environmental and Social Performance Standards,"* said Jason Segal, Managing Partner of Javelin. *"This exceptional partnership between GE23 and STOA will set new standards for the region and supports the Dominican Government's commitment to renewable energy and grid stability."*



RG Engineering, Inc. is serving as the Project's construction partner, and **Vestas Wind Systems A/S** is providing turbines and O&M services. The Project has received project finance of \$145M, including a dollar-denominated tranche from local banks **Banco BHD León** (lead), **Banco Popular** and **BanReservas**, plus a local currency-denominated tranche provided by **AFI Universal**, and arranged by **CIFI**.

White & Case (multidisciplinary team led by Partners Sean Goldstein and Rodrigo Dominguez) and **Raful Sicard Polanco & Fernández** (Sara Sicard) served as legal advisors to GE23. **Mayer Brown** (Hadrien Schlumberger) and **Headrick Rizik Álvarez & Fernández** (Jaime Senior, Eileen Jimenez) served as legal advisors to STOA.

About Grupo Energético 23

Grupo Energético 23 is a strategic partnership between several Energy concerns in the region, that include the plants of LAESA, LTD, Los Orígenes Power Plant SRL, and Poseidón Energía Renovable S.A. in the Dominican Republic. These companies decided to form a group to further their commercial interests through cooperation, coordination, and centralized planning of their activities to leverage synergies. They're led by Roberto Camino, Miguel Feris C. and by Ernesto E. Armenteros and include development, design, construction, management teams of Renewables and Thermo. The group's members have over 40 years of experience in the power industry, with hundreds of MW currently in operation and in development. GE23 has experience managing greenfield projects, access to financing and experience dealing with local and regional financial institutions. The group also has significant holdings in other industries, resulting in a very strong local presence and reputation.

About STOA S.A.

STOA is a long-term investor dedicated to sustainable and resilient infrastructure in developing and emerging countries, through minority stakes in the capital of project companies or investment platforms. Structured as a limited company, STOA has €600 million in subscription commitments from its two shareholders, Caisse des Dépôts and Agence Française de Développement, which hold 83.3% and 16.7% of its capital respectively. STOA is one of the first investors specialising in infrastructure to have decided to follow the Operating Principles for Impact Management designed by the International Finance Corporation.

Find out more at <https://www.stoainfraenergy.com/>.

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