



Cenpower announces financial close of US\$ 900 MM project financing of its Kpone IPP plant in Ghana

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LONDON--(BUSINESS WIRE)--Cenpower Generation Company Limited ('Cenpower'), a Special Purpose Vehicle created to develop the Kpone Independent Power Plant ('KIPP') in the Tema industrial zone, close to Ghana's capital, Accra, is pleased to announce the financial close of the required US\$ 900 million of project finance.

"Sub-Saharan Africa is growing in strategic importance for us. In backing the Cenpower project, we look forward not only to providing our technological know-how and experience, but also to contributing to Ghana's development."

When it comes on stream in 2017, the KIPP project will be the largest private IPP in the country, accounting for approximately 10% of Ghana's total installed capacity and approximately 20% of its available thermal generation capacity. As a Combined Cycle Gas Turbine ('CCGT') plant, it will be amongst Ghana's most fuel-efficient thermal power stations. Once in production, KIPP will become a critical base-load component in meeting Ghana's growing electricity demand.

The project finance comprises two components: a US\$ 650 million debt tranche and a US\$ 250 million equity tranche. The debt is being funded under export credit cover by a consortium of South African commercial banks and international Development Finance Institutions (DFIs). Rand Merchant Bank ('RMB') acted as the Global Lead Bank and Mandated Lead Arranger for the commercial banking tranche. Other South African banks involved in the transaction as Mandated Lead Arrangers were Nedbank and Standard Bank. Nederlandse Financierings-Maatschappij voor Ontwikkelings Landen N.V. ('FMO'), the Dutch Development Bank, acted as the Mandated Arranger for the DFI tranche.

Via the equity raising, three leading investment groups will be joining the equity consortium, whilst InfraCo, the principal project co-developer since inception, will be exiting. The new investors are Sumitomo Corporation of Japan, African Infrastructure Investment Fund II and its co-investors (via an investment vehicle called Mercury Power) and FMO. Post-financial close, the equity holders in Cenpower now are AFC Equity Investments Limited (a wholly-owned subsidiary of the Africa Finance Corporation ('AFC') (31.85%), Cenpower Holdings Limited (21%), a consortium of Ghanaian investors, (21%), Sumitomo Corporation (28%), Mercury Power (15%) and FMO (4.15%).

Oliver Andrews, AFC's Executive Director and Chief Investment Officer and Cenpower Project Director, commented: "This is a shining example of what can be achieved when Africa's public and private sectors combine in innovative and sustainable partnership to create the bankable energy infrastructure projects so critical to the continent's economic growth. Moreover, the fact that a near US\$1 billion transaction has been largely financed by African institutions reflects the growing capacity of indigenous lenders and equity investors to begin to address Africa's ongoing infrastructure deficit."

Wada Tomoyuki, Senior Project Manager, Sumitomo Corporation, observed: "Sub-Saharan Africa is growing in strategic importance for us. In backing the Cenpower project, we look forward not only to providing our technological know-how and experience, but also to contributing to Ghana's development."

Ebbe Hamilton, Partner at eleQtra, said: "In exiting this groundbreaking project, Infraco and eleQtra are delighted to be able to facilitate the entry of such blue-chip investors as Sumitomo, AIIIM and FMO. We are very proud to have been a key member of the development team of this truly African project."

"FMO is delighted to become an equity stakeholder in Cenpower," added Janos Bonta, the Dutch Development Bank's Senior Investment Officer. "The KIPP project will provide Ghana with reliable and affordable power going forward, thereby improving the levels of electrification across the country, and, as such, is very much in line with our strategic mission."

Samuel Brew-Butler, Chairman of Cenpower, concluded: "I should like take this opportunity to thank the entire Project Development Team at eleQtra/InfraCo and AFC for their invaluable contribution in bringing Kpone to financial close. Recognising the crucial role that Cenpower will play in meeting Ghana's future electricity needs, we and all our financial stakeholders are now galvanised to bring Kpone into production on time and on budget."

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