

MCB contributes USD 120m of USD 360m to Chappal Energies' acquisition of ENEC

Port Louis, 13 December 2024: MCB is pleased to announce its USD120m participation in a USD360m senior secured bridge facility to part finance the acquisition of all Equinor's offshore infrastructure by Chappal in Nigeria. Chappal is an indigenous Nigerian O&G company focused on brownfield upstream opportunities within Africa.

The acquisition includes operational rights and a 53.85% ownership in the OML 128 and OML 129 fields alongside a unitized 20.21% stake in the giant offshore Agbami field, operated by Chevron. The Agbami field is one of Nigeria's largest deep-water oil fields, which began production in 2008 and has produced over one billion barrels of oil to date. This is a milestone achievement for Chappal as an indigenous company acquiring a stake in a significant offshore asset Chevron operates.

As international oil companies gradually shift their focus to offshore and integrated gas operations in Nigeria, this transition creates a unique opportunity for indigenous companies such as Chappal Energies to take on a leading role in the Nigerian oil and gas industry and become key contributors to the country's vision of achieving universal energy access by 2030. Through this landmark transaction, MCB confirmed its position as one of the leading financial institutions active in the energy space on the African continent and the strength of the Mauritius International Financial Centre (MIFC). As one of the few investment-grade banks in Africa, MCB aims to leverage its Energy and Commodities expertise and established track record to support its international clients in their strategic projects on the continent.

Over the past decade, MCB has built a team of specialised senior bankers with a track record of several O&G transactions closed in Nigeria. The team was able to execute the transaction in a short timeframe, building on its expertise, relationships with operators and knowledge of the whole O&G value chain. As a senior lender, security agent, and account bank, MCB has taken different roles and brought added value to the transaction.

This majority buyout will enable the founders of Chappal to unlock new growth levers and keep expanding throughout Africa.

Thierry Hebraud, CEO, MCB Ltd, commented: *"MCB is proud to support Chappal Energies in this strategic and transformational acquisition for the company. This transaction aligns with our strategy to support the energy requirements of African economies and their transition endeavours. As a Mauritian, and, African Bank, MCB is delighted to facilitate and contribute to the emergence of national champions with the technical expertise and financial capabilities to drive the future of their industries. The extent of the Bank's involvement also shows our growing capabilities in making such important deals happen."*

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“MCB remains a crucial partner for Chappal. The Upstream team is fully integrated into our strategic thinking from the inception of ideas and collaborates effectively across the value chain, from transaction structuring to deal execution. We are confident that this relationship will continue to strengthen and grow in the foreseeable future.” said Ufoma Immanuel, Managing Director of Chappal Energies.

“MCB is thrilled to back Chappal Energies in this pivotal acquisition, which represents a major advancement for the company. As a bank deeply rooted in Mauritius and Africa, MCB is proud to play a part in nurturing homegrown leaders, empowering them with the expertise and financial strength to lead the development of their countries' future. The extent of our involvement in this deal underscores the growth of our internal capabilities throughout the years and our increasing role in high-level impact transactions.” said Youri Harel, Executive Director | Structured Debt and Power & Infrastructure, Specialised Finance, MCB Ltd.

The deal team included Avanish Gukhool, Associate Director leading the transaction alongside Jean Laurent Pyndiah, Keshav Sathyasheel Tohooloo from Specialised Finance, Ricky Kaniah, and Ashna Bhudu from our Credit Analysis and Structuring team and Sapna Dwarka, Legal Manager.

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