New Fortress Energy Announces Transformative Transactions in Puerto Rico

Summary Highlights

- NFE sold two operating power plants to the Puerto Rico Electric Power Authority (“PREPA”)
- NFE awarded 80 TBtu gas supply contract in Puerto Rico, more than doubling the volumes of gas it currently provides to these plants

NEW YORK--(BUSINESS WIRE)--Mar. 18, 2024-- New Fortress Energy Inc. (NASDAQ: NFE) (the “Company”) is pleased to announce two transactions that further solidify our commitment to providing affordable and sustainable energy solutions in Puerto Rico.

The Company sold the emergency power plants it constructed on behalf of the U.S. Army Corps of Engineers in San Juan and Palo Seco to PREPA for $373 million in cash, subject to certain items and conditions. These plants were developed by the Company in 2023 in rapid response to a competitive bid by the U.S. Army Corps of Engineers to provide emergency power in order to stabilize the power grid in Puerto Rico. They have become a cornerstone of Puerto Rico's energy portfolio, delivering critical baseload power to stabilize the grid in the aftermath of recent natural disasters, and as contemplated, their ownership has been transferred to PREPA.

Following a competitive bid process, NFE was awarded and has entered into a new island-wide 80 TBtu gas supply contract with PREPA, ensuring continued gas supply to these power plants for up to four years. The expanded volumes under the contract will enable conversion of other plants on the island from diesel to gas, providing lower cost, cleaner energy to Puerto Rico.

As a result of the early termination of the contracts that have governed the construction, operations, and associated costs of these plants, NFE expects to negotiate a mutually beneficial settlement of all outstanding obligations in the near future.

“We entered the Puerto Rico market in 2017 based on the island’s emergency need for natural gas and power. The transactions announced today mark a significant milestone in our continued commitment to Puerto Rico's energy security and cost reduction efforts while significantly increasing our business in the region," said Wes Edens, Chairman and CEO of New Fortress Energy.

A brief description of these transactions can be found on the NFE website for your reference.

About New Fortress Energy Inc.

New Fortress Energy Inc. (NASDAQ: NFE) is a global energy infrastructure company founded to help address energy poverty and accelerate the world’s transition to reliable, affordable, and clean energy. The company owns and operates natural gas and liquefied natural gas (LNG) infrastructure and an integrated fleet of ships and logistics assets to rapidly deliver turnkey energy solutions to global markets. Collectively, the company’s assets and operations reinforce global energy security, enable economic growth, enhance environmental stewardship and transform local industries and communities around the world.

Cautionary Language Regarding Forward-Looking Statements

This communication contains forward-looking statements. All statements contained in this communication other than historical information are forward-looking statements that involve known and unknown risks and relate to future events, our future financial performance or our projected business results. You can identify these forward-looking statements by the use of forward-looking words such as “expects,” “may,” “will,” “predicts,” “intends,” “plans,” “estimates,” “anticipates,” or the negative version of these terms or other comparable words. Forward looking statements include but are not limited to: expectations related to maintenance and repair work of Puerto Rico’s power system and grid; ability to improve grid stability in Puerto Rico; the ability of the project to transition to a cleaner, more affordable and reliable energy system; and satisfaction of the terms and conditions with respect to the transactions.

These forward-looking statements are necessarily estimates based upon current information and involve a number of risks, uncertainties and other factors, many of which are outside of the Company’s control. Actual results or events may differ materially from the results anticipated in these forward-looking statements. Specific factors that could cause actual results to differ from those in the forward-looking statements include, but are not limited to: unknown and unforeseen risks related to the development, construction or commissioning schedule of the facilities, including failure to meet design and engineering specifications, incompatibility of systems, delays and schedule changes, high costs and expenses, and regulatory and legal challenges, among others; the receipt of permits, approvals and authorizations from governmental and regulatory agencies on a timely basis or at all; we will be unable to operationalize our plans for the projects and derive the benefits expected; common risks related to successful integration of the businesses; breach or failure by the parties to comply with the covenants and obligations under the agreements; nonpayment or nonperformance of obligations by the parties; inability to realize the anticipated benefits from the project or our partnerships; adverse regional, national, or international economic conditions, adverse capital market conditions and adverse political developments; business disruption following the transaction; and the impact of public health crises, such as pandemics (including coronavirus (COVID-19)) and epidemics and any related company or government policies and actions to protect the health and safety of individuals or government policies or actions to maintain the functioning of national or global economies and markets. These factors are not necessarily all of the important factors that could cause actual results to differ materially from those expressed in any of NFE’s forward-looking statements. Other known or unpredictable factors could also have material adverse effects on future results.

Any forward-looking statement speaks only as of the date on which it is made, and we undertake no duty to update or revise these forward-looking statements, even though our situation may change in the future. New factors emerge from time to time, and it is not possible for the Company to

predict all such factors. When considering these forward-looking statements, you should keep in mind the risk factors and other cautionary statements included in New Fortress Energy Inc.'s annual and quarterly reports filed with the Securities and Exchange Commission, which could cause its actual results to differ materially from those contained in any forward-looking statement.

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