

Italeaf: TerniEnergia signed agreement for the sale of 22 photovoltaic plants for a total price of euro 23.875 million

- The transaction will involve the acquisition by Italia T1 Roncolo S.r.l., in partnership with LCF Alliance, of plants with a total installed capacity of 19.3 MW.
- Amount of the transaction equal to Euro 23.875 million (Equity Value for 100% of the assets to be sold), of which approximately Euro 0.5 million (corresponding to 50% of the Equity value of no. 1 JV) will be paid to the shareholder of the vehicle company owning 2 plants and approximately Euro 4.5 million will be paid to the 2 JVs owning 3 plants for the transfer of the business branch to 2 Newco
- Total value of the transaction (Enterprise Value) equal to approximately Euro 59 million
- Part of the purchase price, equal to Euro 2.5 million, will be paid into an Escrow account as a guarantee of Seller's obligations and indemnity obligations
- The transaction involves the assumption by the purchaser of financial debts linked to the plants for approximately Euro 43.3 million, of which approximately Euro 6.9 million relating to the Joint Venture companies
- The closing is expected by 30 November 2019
- TerniEnergia will continue to manage the O&M activities of the plants subject to the transaction for a period of three years
- The agreement provides that the sale of further 3 companies owning 3 photovoltaic plants on greenhouses for a total of 4.6 MW, at a total price of Euro 3.3 million and with the assumption of financial debt for Euro 9.4 million, is subject to the agreement on the management of ongoing disputes
- The deal will be finalised at the end of the procedure for the approval of the investment committee of the shareholder of Italia T1 Roncolo S.r.l. ("subject to the Investment Committee approval")
- The deal carried out as part of the Recovery and Relaunch Plan of the TerniEnergia Group

Italeaf, a holding company active in the cleantech and smart innovation sectors, listed on Nasdaq First North, announces that TerniEnergia, smart company listed on MTA of Borsa Italiana, and Italia T1 Roncolo S.r.l., a platform for the aggregation of photovoltaic plants in Italy, in partnership with the sponsor LCF Alliance, reached an agreement, with the promise of the third party pursuant to art. 1381

of the Italian Civil Code, for the sale by TerniEnergia, also through some subsidiaries and SPV, of 22 photovoltaic plants in Italy with a total installed capacity of 19.3 MW.

TerniEnergia will continue to manage the "O&M" activities of the plants involved in the deal for a period of three years. For the formalisation of all the contracts concerning the transaction and for the closing by Italia T1 Roncolo s.r.l., the approval of the Buyers' investment committee ("subject to the Investment Committee approval") is required, while the Board of Directors of TerniEnergia has already approved the green light for the deal.

The agreement provides for the closing of the sale of the assets by 30 November 2019.

The purchase price for 100% of the plants sold is equal to Euro 23.875 million, corresponding to the equity value determined at the reference date of 30 June 2018 (total enterprise value as at 30 June 2018 of approximately Euro 59 million), with the exception of some adjustments that may derive from the evolution of the Net working capital between that date and the closing date.

A consideration of approximately Euro 0.5 million (corresponding to 50% of the equity value of no. 1 Joint Venture) will be paid to the shareholder of the vehicle company owning no. 2 plants. In addition, approximately Euro 4.5 million will be paid to the 2 JVs owning 3 plants for the transfer of the business unit to 2 Newco.

The agreement requires that the closing of the asset sale is subject to the establishment of a certain number of Newco, which will incorporate part of the asset portfolio consisting of a total of 19 plants, of which:

- 16 plants owned by Energia Alternativa S.r.l., Terni Solarenergy S.r.l., Girasole S.r.l., Sol Tarenti S.r.l. and Solter S.r.l. (3 plants of which held by the JV);
- and 3 plants directly owned by TerniEnergia SpA.

The shares of the SPVs will then be transferred to the Buyers as from the signing of the acquisition contract (closing).

The remaining 3 plants held by SPV Guglionesi S.r.l. and Alchimia Energy S.r.l., will, instead, be sold to the Buyers with the formula "Quota Purchase Agreement" (acquisition of the shares of the companies owning the plants subject to the transaction).

The transaction also involves the assumption by the Purchasers of financial debts linked to the plants for approximately Euro 43.3 million, of which Euro 6.8 million related to the plants held in Joint Ventures at 50% with other partners. Part of the purchase price, equal to Euro 2.5 million, will be maintained in an Escrow account as a guarantee of Seller's obligations and indemnification obligations, and issued upon fulfilment of certain conditions expressly established by the parties.

The closing of the transaction is subject, among other conditions, to obtaining (if necessary) the consent of credit institutions, in the form of waivers, the sale of photovoltaic assets and other conditions of a technical and financial nature, typical of this type of transaction.

The same agreement also provides for the sale of 3 agricultural companies owning further 3 PV plants on greenhouses for a total of 4.6 MW, at a price of Euro 3.3 million and with the assumption of financial debt of Euro 9.4 million. This further agreement is, however, subject to the agreement on the management of ongoing disputes.

For TerniEnergia, this transaction represents a new, fundamental step in the effective implementation of the Recovery and Relaunch Plan aimed at completing the transformation of the firm into a smart

company and overcoming the current situation of financial tension of the Group, on the basis of the proposal approved by the Board of Directors. The closing is, in fact, subject to the approval of the Plan for the Recovery and Relaunch of TerniEnergia, aimed at restoring the financial and equity balance of the Company in the long term, whose reasonableness must be certified by a certified advisor pursuant to art. 67, paragraph 3, letter. d) r.d. 267/42 for the period 2018-2022.

TerniEnergia was assisted by Grimaldi Studio Legale, as legal advisor, with a team coordinated by the Partner, lawyer Annalisa Pescatori, and by EnVent Capital Markets as financial advisor. Italia T1 Roncolo S.r.l. and LCF Alliance were assisted by the Energy Team of Rödl & Partner, with a team led by Partner Roberto Pera, as legal advisor.

TERNIENERGIA (TER. MI), established in September 2005 and part of the Italeaf Group, is the first Italian global technological enabler, committed to bringing energy solutions and efficient recovery of integrated and sustainable resources to the world. Organized into two strategic business lines (Assets and Smart solutions and services), with about 300 employees and a geographical presence worldwide, with operative and commercial offices, TerniEnergia develops innovative solutions, products and services based on digital and industrial technologies for the energy supply chain, grids, smart mobility, industrial automation and the recovery of marginal resources.

TerniEnergia, also through its subsidiaries (Softeco Sismat, Greenled Industry, GreenAsm, GreenAsm, Purify, Wisave, Ant Energy), pursues the objectives of increasing energy production from renewable sources, saving energy and reducing emissions and actively participates in the energy revolution of distributed power generation and smart grids, with innovative digital solutions. TerniEnergia is the ideal partner for large utilities, distribution operators and network operators, energy producers, public administrations, industrial customers and investors who intend to realize large projects for the production of renewable energy, modern systems and plants with high energy efficiency, solutions for the management and maintenance of infrastructure and electrical installations.

TerniEnergia has completed its transformation from a leader in the international photovoltaic market into a smart energy company and technological enabler for the sustainable use of resources through a complete commercial offer of solutions, the development and supply of digital technologies and the creation of "intelligent" services and solutions aimed at public and private customers in emerging sectors.

TerniEnergia is listed on the MTA of Borsa Italiana.

This press release is also available on the Company website: www.italeaf.com

Italeaf SpA is obliged to make public this information pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out below, at 12.10 CET on 16 May 2019.

Certified Adviser

Mangold Fondkommission AB, +46 (0)8 5030 1550, is the Certified Adviser of Italeaf SpA on Nasdaq First North.

For further information please contact:

Claudio Borgna

CFO – Italeaf S.p.A.

Email: borgna@italeaf.com

Italeaf SpA, established in December 2010, is a holding company and a business accelerator for companies and startups in the areas of innovation and cleantech. Italeaf operates as a company builder, promoting the creation and development of industrial startups in the fields of cleantech, smart energy and technological innovation. Italeaf has headquarters and plants in Italy at Nera Montoro (Narni), Terni, and at Milano.

The company controls the smart energy company TerniEnergia, listed on the MTA of the Italian Stock Exchange, Skyrobotic, active in the business development and manufacture of civil and commercial drones in mini and micro classes for the professional market, Numanova, operating in the field of innovative metallurgy and additive manufacturing, and Italeaf RE, a real estate company. Italeaf holds, among others, a minority stake in Vitruviano LAB, a research center active in the R&D sector for special materials, green chemistry, digital transformation and cleantech.