

Italeaf: TerniEnergia strengthens the energy management business line

- **Signed a MOU with Driver Srl for the acquisition of the 51% of the share capital of Energetic S.p.A., a company active in the gas and power liberalized market, operating throughout Italy;**
- **Energetic is active throughout Italy with thousands customers in several business sectors: from large industrial groups to small and medium-sized enterprises, government entities and apartment blocks to private housing agencies;**
- **The company recorded in the financial statements 2015 (which includes the results of only the first 9 months of the year) revenues for approximately Euro 72 million, EBITDA of approximately Euro 1.6 million and a positive net financial position of Euro 0.2 million;**
- **Closing, subject to a number of conditions precedent, by November 30, 2016**
- **Consideration of the transaction amounted to Euro 7.3 million payable in cash at various stages by July 31, 2017**

The Board of Directors of TerniEnergia, smart energy company active in the fields of renewable energy, energy efficiency, waste and energy management, listed on the Star segment of the Italian Stock Exchange and part of Italeaf Group, reviewed and approved today a MOU, signed with the Company Driver Srl for the acquisition of an amount up to 51% of the share capital of Energetic S.p.A.. The Company operates in the liberalized gas and power market throughout Italy by proposing a diversified offer for all market segments, from businesses to private citizens, through a flexible and customer-oriented purpose.

Energetic, based in San Miniato (PI), following all stages of the energy and gas chain, from gas import and purchase until delivery to end customers. Energetic is present throughout Italy with thousands of customers in numerous business sectors: from large industrial groups to small and medium-sized enterprises, government entities and apartment blocks to private housing agencies.

Energetic also holds a stake in two subsidiaries: Mya Energia Srl, which operates in the electricity, natural gas and energy efficiency, with a stake equal to 74% of the share capital, and Energetic Vendite Srl, active in the trade of gas transmitted by pipeline, with a stake of 100% of the share capital. With regard to these subsidiaries, Energetic has entered into a binding agreement with Roma Gas & Power for the sale of the stake in Mya Energia Srl and Energetic Vendite Srl for an amount of approximately Euro 4.1, corresponding to the value of budgeting of these investments.

The company recorded in the financial statements 2015 (which includes the results of only the first 9 months of the year) revenues for approximately Euro 72 million, EBITDA of approximately Euro 1.6 million and a positive net financial position of Euro 0.2 million.

Through the transaction, TerniEnergia will strengthen the activities of the business line "Energy management", after the exit from the consolidation perimeter of Free Energia, integrating downstream the value chain of the gas and power management business. The Group will be, in fact, in the position to integrate its power generation activities, guaranteed by proprietary photovoltaic assets, and energy efficiency of industrial scale, including the new business of the dual-fuel trading for corporate customers, large energy consumers and SMEs, public administrations and private end users. The Group will develop

also strong synergies in the field of smart energy services, fast growing and with substantial opportunities for development thanks to the possibilities of integration between industrial electrical services and innovative digital ones. The acquisition will also respond to a series of TerniEnergia's strategic targets, as the significant increase and diversification of the Group's turnover, the expansion of the scope of the core activities, the enhancement of the portfolio of investments with an established brand in a highly competitive segment and, finally, the development of relevant cross-selling business opportunities in the fields of energy efficiency and the electricity and gas trading.

The transaction consideration for the acquisition by TerniEnergia of n. 177,634 shares representing 51% of the share capital of Energetic, amounted to Euro 7.3 million and takes into account the income from the sale of subsidiaries Mya Energia and Energetic Vendite (for approximately Euro 4.1 million).

TerniEnergia will recognize this fee in cash in three distinct phases:

- 1) Euro 0.8 million within one month from the closing date;
- 2) Euro 4.2 million within 3 months from the closing date;
- 3) Euro 2.3 million within 8 months from the closing date.

In particular, as a result of the Memorandum of Understanding signed and above mentioned, TerniEnergia will acquire a stake of 51% of the Company EnergeticS.p.A. from Driver Srl, engaging, together with the signing of the final contract, to irrevocably grant to Energia Capitale di Nicholas Ferretti & C. Snc (which at present holds 5.98% of the share capital of Energetic) the call option for n. 177,634 shares (representing 51% of the share capital) and to acquire the Put Option. Energia Capitale may exercise the call option as of June 1, 2020 and within the deadline of 31 July 2020 (the end of the Call Option Exercise). If Energia Capitale does not exercise the call option within the exercise period, TerniEnergia will have the right to sell its stake to Energia Capitale (the put option).

The signing of the final contract (closing) and the transfer of the ownership of the shares, expected by the end of November 30, 2016, is subject to the satisfactory of the legal due diligence, accounting and tax as well as the occurrence of a number of conditions precedent, including the obtaining of an agreement, in the form of a waiver, for the sale of shares of Energetic by the Banks.

TerniEnergia, a company established in September of 2005 and part of Italeaf Group, is the first Italian smart energy company and operates in renewable energy, energy efficiency, energy and waste management. TerniEnergia operates as system integrator, with a turn-key offer of industrial sized photovoltaic plants, on behalf of third parties and on its own, for the Power Generation business, also through joint venture companies with leading national players. TerniEnergia operates in the waste management sector, recovery of the material and energy, development and production of technologies. In particular, the Company is active in the recovery of tires out of use, in the treatment of biodegradable waste through the implementation of biodigesters, management of plant for the biological depuration; development and production of technological apparatus. Through TerniEnergia Gas & Power, the Group is active in the energy management, energy sales to energy intensive customers, software and services for energy management, administrative, financial and credit management. The Group is also active on the natural gas and liquefied natural gas (LNG) market, offering a range of services and activities in order to develop Client's business and achieve a competitive advantage providing the best market conditions and creating a high added value. TerniEnergia operates in the development of energy efficient plants both through EPC scheme and FTT scheme (Financing Through Third Parties), pursuing the objectives of increasing energy production from renewable sources, of energy saving and reduction of emissions as set forth by environmental European policy. TerniEnergia is listed on STAR segment of Borsa Italiana S.p.A..

This press release is also available on the Companies' websites: www.italeaf.com and www.ternienergia.com

Certified Adviser

Mangold Fondkommission AB is the Certified Adviser of Italeaf on NASDAQ OMX First North.

For further information please contact:

Filippo Calisti
CFO – Italeaf S.p.A.
E-mail: calisti@italeaf.com

Mangold Fondkommission AB
Tel. +46 (0)8 5030 1550
info@mangold.se

***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, Milano and Lecce; has international offices in London and Hong Kong and a research and development centre in the Hong Kong Science and Technology Park. The company controls TerniEnergia, listed on the STAR segment of the Italian Stock Exchange and active in the fields of renewable energy, energy efficiency and waste management, WiSave in the "internet of things" field, for the development and production of thermostats and smart technologies for the remote control of electrical and heating items of buildings managed through a cloud infrastructure, and Skyrobotic, 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.*