

Italeaf: TerniEnergia signed the investment contracts for the acquisition of Softeco and Selesoft. Completed the transformation process in smart energy company

- **The entry of the two companies in the TerniEnergia group enable the latter to integrate downstream the energy value chain, inserting the new activities of the digital energy for the business of smart grids and innovative solutions**
- **Consideration of the transaction amounted to 3 million TerniEnergia treasury shares to be listed on the STAR segment of the Italian Stock Exchange (2 million to Ingefi SpA to be listed by 28 february 2018 and 1 million to B.Soft to be listed by February 28, 2017) and Euro 2.3 million to be paid in cash in two phases (Euro 1 million by November 30, 2017 at Ingefi SpA and Euro 1.3 million in B.Soft by March 31, 2018) no award of interest**
- **Subscribed also the transfer acts of the Softeco and Selesoft shares**
- **Expected consolidation and development of the two companies starting from the historical headquarters of Genoa**

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, has signed today two investment contratt for the acquisition of 100% of the share capital of Softeco Sismat Srl and Selesoft Consulting Srl (jointly the target companies), one with Ingefi S.p.A. (a holding company involved in investments in companies active in the design, development, trade and maintenance of software) and its members and the other with B.Soft Group srl (a holding company active in ICT and Engineering).

Simultaneously with the signing of investment contracts it was also signed the notarial deed of transfer from Ingefi and B.Soft of ownership of the shares representing the 100% of the share capital of the Target Companies.

The Chairman and CEO of TerniEnergia, Mr **Stefano Neri**, said:

“The acquisition of Softeco and Selesoft is a strategic objective for TerniEnergia, which completes its path of transformation into smart energy company, adding to its activities those of innovative digital energy, fast growing globally and with considerable opportunities for development through integration between the sector of electrical services and the IT solutions. This transaction creates one of the largest independent Italian group, which is set to become the ideal partner for large utilities, leading operators in the field of energy transmission and distribution, large multinational companies in the creation of highly innovative grids and installations. The acquisition also meets a number of strategic targets as the TerniEnergia internationalization in high value-added sectors such as smart grids and distributed generation, the expansion of the scope of the core business, with the integration into value-chain of technologically innovative solutions, the portfolio enrichment with a strong brand, which has made the

history of the "made in Italy" in the smart tech, digital and engineering for energy, grids and telecommunication sectors. Through integration with Softeco and Selesoft, the TerniEnergia Group is confident to be able to bring its own EPC services and its Smart solutions to an even higher level in established markets and expand its presence in emerging markets too. With this regard, the Group reiterates its intention to enhance the two companies, thanks to the know-how represented by a highly professionalized human capital, and enhancing their future prospects starting from the historical headquarters of Genoa".

In particular, Softeco Sismat and Selesoft Consulting, with headquarters and offices in Genoa, Milan, Rome and Catania and over 300 employees, with technical professional profiles of high level and high skills, are leading national players in the development and industrial production of solutions and smart technologies for the transmission and distribution of energy (smart grid), the flexible and timely management of power generation and energy consumption, energy efficiency, management of renewable energies and energy islands and in the services, software and IT solutions sectors.

The transaction architecture, as already defined in two Memorandum of Understanding signed on 29 July and duly disclosed to the market on the same date, provides for the acquisition of the entire stake in the Target Companies, following the completion of various transfers of shareholdings between B.Soft, Ingefi and AVM Asset Management Value S.p.A. (the majority shareholder of B.Soft Group) as well as the occurrence of the additional requirements within the mentioned Memorandum of Understanding.

For these reason, to allow the fulfillment of the conditions laid down in the Memorandum of Understanding, TerniEnergia has signed a letter of patronage in favor of UniCredit SpA, to which the entire share Softeco had been issued to pledge collateral of a previous loan provided by the same bank, for an amount of up to Euro 1.4 million, effective until September 30, 2017.

TerniEnergia proven the occurrence of the conditions precedent, has acquired the Target Companies according to the terms, procedures and conditions briefly summarized below:

1. 66% of the share capital of the Target Companies acquired from Ingefi S.p.A., at a price equal to (i) n. two million TerniEnergia treasury shares (with a fixed and unchanging value of Euro 1.2 each) to be listed on the STAR segment of the Italian Stock Exchange by 28 February 2018; and (ii) Euro 1 million to be paid in cash by November 30, 2017, no award of interest;
2. the remaining 34% of the share capital of the Target Companies acquired from B.Soft Group, at a price equal to (i) n. one million treasury shares to be listed on the STAR segment of the Italian Stock Exchange by 28 February 2017; and (ii) Euro 1.3 million to be paid in cash by March 31, 2018, no award of interest.

As a result of the signing of the investment agreements, TerniEnergia is going to prepare a new consolidated business plan that takes into account the integration of the Softeco and Selesoft activities with those of TerniEnergia and its group of subsidiaries.

TerniEnergia was assisted, respectively, by Pirola, Pennuto, Zei e Associati and Fidital, for the fiscal and financial due diligence, and Orrick, with a team led by partner, head of corporate Italian team, Marco Nicolini, for the definition and assistance in relation to legal and contractual issues, as well as for the two legal due diligence.

TerniEnergia, a company incorporated 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 devices. 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.

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***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.*