

## **ITALEAF: adopted a transition plan for the strategic repositioning of the TerniEnergia Group**

- **Expected savings in company fixed costs of more than 2 million Euros on an annual basis and the sale of some non-strategic assets**
- **Forecast of compliance with the covenants of the “TerniEnergia 2019” bond**
- **Cooptation of the Independent Director Stefania Bertolini**

The Board of Directors of **TerniEnergia**, a company listed at STAR segment of Borsa Italiana and part of **Italeaf Group**, which met today under the chairmanship of Stefano Neri, examined the measures to ensure the transition towards the strategic repositioning of the company, in accordance with the new strategic guidelines 2018-2020 announced to the market on 28 September 2017.

The Board of Directors has evaluated a transition plan, to be implemented immediately, aimed at stabilizing the company's economic and financial situation by December 31, 2017 and ensuring the optimization of the resources available in the challenging phase of the change.

These actions, which confirm the strategic guidelines 2018-2020 and provide for savings in company fixed costs of over € 2 million on an annual basis, include:

- personnel management through the use of social safety nets for one year and 45 employees, in order to optimise the transition towards strategic repositioning, with a reduction in costs compared to the collective redundancy plan;
- potential sale of non-strategic assets, mainly related to the core business of the recent past, in order to obtain liquidity. These are, in particular, non-controlling investments in photovoltaic plants with a total power of approximately 30 MWp. The timeframe for defining this type of transaction on the secondary market varies between 3 and 8 months;
- full or partial sale of Newcoenergy S.r.l., which owns the biodigestion plant under construction in Calimera (Lecce), for the treatment of organic waste for the production of biomethane. The possible sale of the construction site avoid the need for capital intensive investments which are not part of the new strategic course programmes;;
- opportunities for the sale of Greeled Industry S.p.A.;
- contribution in kind of the EPC and O&M branch or business units (engineering and technical office, operating teams and equipment) to existing industrial companies operating in the sector to give continuity to the LOB "On Site Engineering and Services", transforming fixed costs into variable costs and safeguarding employment levels;
- revision of the cost of service contracts, adapting to the new, smaller requirements.

The Board of Directors of TerniEnergia subsequently examined the probable effect of the above mentioned transitional measures, taking note of the provision for compliance with the financial covenants of the "TerniEnergia 2019" bond.

The Board resolved to appoint Prof. Stefania Bertolini as independent director by co-optation, in accordance with article 2386 of the Italian Civil Code. Stefania Bertolini, who will remain in office until the next Shareholders' Meeting, declared that she possesses the requisites of independence and respectability provided for by the applicable legislation and by the Code of Conduct for listed companies. On the basis of these statements and the information available to the Company, the Board of Directors has assessed the abovementioned independence requirements for Director Bertolini, whose curriculum vitae can be found on the Company's website ([www.ternienergia.com](http://www.ternienergia.com)).

**TERNIENERGIA (TER.MI)**, established in September 2005, and part of Italeaf Group, is the first Italian smart energy company, committed to bring worldwide integrated and sustainable energy solutions. Organized into two strategic business units (Assets and Smart solutions and services), with about 400 employees and a geographic presence in almost the continents, with operational and sales offices, TerniEnergia develops solutions, innovative products and services based on digital and industrial technologies for the energy sector. TerniEnergia, also through its subsidiaries (Softeco Sismat, Selesoft Consulting, Greenled Industry, GreenAsm, Wisave, Ant Energy), shall pursue the objectives of increasing energy production from renewable sources, energy efficiency and emissions reduction, as laid down by European environmental policy, and participates actively in the distributed power generation revolution and energy smart grids. TerniEnergia is the ideal partner for large utilities, distributors and grid operators, power producers, public authorities, industrial customers and investors who intends to carry out large projects for the production of renewable energy plants and modern systems with high energy efficiency, solutions for the management and maintenance of the infrastructure and the electrical systems. TerniEnergia, through a complete technological and commercial offer, develops and provides technologies, turn-key services and solutions for energy consumers in the public and private sectors. The company is listed on the STAR segment of the Italian Stock Exchange.

*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 16.30 CET on 24 October 2017.*

*This press release is also available on the Company's website: [www.italeaf.com](http://www.italeaf.com)*

#### **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:**

Filippo Calisti

CFO – Italeaf S.p.A.

E-mail: [calisti@italeaf.com](mailto:calisti@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, Milano and Lecce; has international offices in London and Hong Kong. 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, 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. Italeaf holds a minority stake in Vitruviano LAB, a research center active in the R&D sector for special materials, green chemistry, digital transformation and cleantech.