

ITALEAF: TerniEnergia signed an agreement for the sale of 10 photovoltaic plants for a total of 11 MW

- **Made the deal with a leading international investment operator for the sale of the assets, that will be transferred into a Newco**
- **Transaction price of approximately Euro 6.2 million, Enterprise Value of the assets of approximately Euro 35 million**
- **The tax credits relating to the plants involved in the transaction will remain within the TerniEnergia Group for an amount of approximately Euro 3.7 million**
- **The transaction envisages the acquisition by the buyer of financial debts related to the plants for approximately Euro 27.8 million**
- **The closing date is expected to be no later than 31 October 2018**

TerniEnergia, a company listed on the Star segment of the Italian Stock Exchange and part of the **Italeaf** Group, and a leading international investment operator (the "Purchasers") following the press release published on March 1, 2018, have signed today an agreement for the sale by TerniEnergia, through its subsidiaries Energia Alternativa S.r.l. and Solter S.r.l., of n. 10 photovoltaic plants in Italy with a total installed capacity of around 11 MW.

With reference to the binding purchase offer received from TerniEnergia and communicated on 18 December 2017, the Company points out that today's transaction concerns the purchase and sale of assets that have meanwhile become wholly owned by Group, and not the acquisition of shares in SPV (special purpose vehicles owning plants), as well as a reduced perimeter of the plants being sold, on the basis of discretionary assessments by the Purchasers and negotiations between the parties. This results in a difference in absolute value between the total expected consideration and the amount related to today's transaction, but a substantial alignment of the average amounts per MW, also due to the tax credits which remain in the hands of the TerniEnergia Group, following the different method of sale.

The agreement provides that the closing of the asset sale transaction will take place by and no later than 31 October 2018, subject to the incorporation of a Newco, into which the perimeter of the portfolio of plants subject to the transaction will be contributed. The shareholding in the newly incorporated special purpose vehicle will then be transferred to the Purchasers as soon as the acquisition contract is signed (closing).

The total consideration for the Purchasers' acquisition of 100% of the share capital of the newly formed company is, in fact, equal to approximately Euro 6.2 million (Equity Value). The transaction envisages the acquisition by the buyer of financial debts related to the plants for approximately Euro 27.8 million. The TerniEnergia Group will also retain the tax credits relating to the plants involved in the transaction, for an amount of approximately Euro 3.7 million. The sale price was determined on the basis of the algebraic sum of future cash flows and net working capital of the plants involved in the transaction as at 31 December 2016. A price adjustment mechanism is envisaged based on the evolution of the Net

Working Capital between 31 December 2016 and the closing date. The Enterprise Value of the assets sold amounts to approximately Euro 34 million.

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

TerniEnergia and the Purchasers were assisted by Orrick as legal advisor. For the assessment of the fairness of the agreed price, TerniEnergia received a fairness opinion from a leading specialized 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 400 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, Selesoft Consulting, 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.

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 22.00 CET on 16 March 2018.

Certified Adviser

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

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.