



Press release

ERG consolidates its leadership in Italy

Agreement to acquire seven wind farms for a total capacity of 172 MW

Genoa, 29 July 2022 – Through one of its subsidiaries, ERG has signed an agreement with EDP Renewables Italia Holding Srl for the acquisition of the entire share capital of seven companies owning seven wind farms in Italy. According to the agreement one minority stake in one of the above companies will be directly acquired by a third-party investor.

The plants are located in Basilicata, Campania and Calabria with a total installed capacity of 172 MW and a total expected annual production of around 400 GWh. All the wind farms benefit from the 20-year 'CfD' (Contract for Difference) pricing scheme with GSE from their commissioning date, occurred between 2018 and the end of 2021.

The transaction fee in terms of *enterprise value* as of 31/12/2021 is of around €420 million. During the first semester of 2022, the portfolio registered an EBITDA of around €36 million.

The closing of the transaction, subject to the approval of the Italian Antitrust Authority, will be perfected by the third quarter of 2022.

CEO of ERG Paolo Merli commented, "Through this acquisition, which is consistent with the Group's growth strategy, ERG further consolidates its leadership position in the Italian wind market, increasing its Country's total installed capacity to around 1.3 GW. The high-quality plants, very recently commissioned, benefit from long-term purchase agreements, in line with our approach to secure the revenues. Lastly, the wind farms are located close to other ERG's plants with the chance to develop significant industrial synergies".

For the transaction, UniCredit acted as financial adviser, Legance as legal adviser, Deloitte as accounting and tax and Fichtner as technical adviser.

This press release, issued on 29 July 2022, is available to the public on the Company's website (www.erg.eu) in the 'Media/Press Releases' section at Borsa Italiana SpA and on the authorised storage mechanism eMarket Storage (www.emarketstorage.com).

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