



Press release

ERG consolidates its presence in France and Germany

Acquisition of wind and solar power plants with a total installed capacity of 152.4 MW has been finalised.

Genoa, 1 October 2021 – ERG, through its subsidiaries ERG Eolienne France SAS and ERG Windpark Beteiligungs GmbH, has signed two agreements with NAEV Austria Beteiligungs GmbH and NAEV Austria GmbH & co. OG to acquire 100 % of the capital of 15 companies that own a 152.4 MW renewable portfolio *in operation* in France and Germany. A German pension fund owns the sellers and the assets are managed by KGAL through a Separately Managed Account (SMA). The plant portfolio consists of seven photovoltaic and three wind farms in France for a total installed capacity of 56.7 and 40.6 MW respectively, and five wind farms in Germany for a total of 55.1 MW.

The plants came into operation between 2013 and 2015. They benefit from an incentivised tariff system with an average expiry date of 2032 and an estimated total annual production of 273 GWh, equal to approximately 2,100 equivalent hours for wind assets and approximately 1,300 equivalent hours for photovoltaic assets, which amount to 150 kt of avoided CO₂ emissions each year.

The transaction value in terms of *enterprise value* is Euro 202 million (with an expected net financial position of Euro 48 million at closing) and a total 2020 EBITDA of approximately Euro 21 million.

Regarding the acquisition of the German companies by NAEV Austria GmbH & co. OG, the transaction's *closing* took place at the same time as the signing of the agreement. Regarding the acquisition of the French companies, by NAEV Austria Beteiligungs GmbH, ERG has obtained the authorisation of the French Ministry of Economy and Finance required by applicable regulations. The related closing is expected by October 2021.

Paolo Merli, Chief Executive Officer of ERG, commented: *"The Group's path of growth and internationalisation continues in line with, but also in advance of the forecasts made in the 2021-2025 Business Plan. This operation allows us to consolidate our position in France and Germany, two countries where we are strengthening our local structures, and achieve industrial synergies by gradually internalising plant management activities".*

ERG was assisted in the transaction by Rothschild & Co as Financial Advisor, Ernst & Young as Tax & Accounting Advisor and Ashurst as Legal Advisor.

This press release, issued on 1 October 2021, is available to the public on the Company's website (www.erg.eu) in the "Media/Press Releases" section at Borsa Italiana S.p.A. and on the authorised storage mechanism eMarket Storage (www.emarketstorage.com).

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