



## PRESS RELEASE

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## ENEL CLOSES SALE OF 540 MW OF RENEWABLE CAPACITY IN BRAZIL

- *The assets sold to Chinese company CGNEI for 2.9 billion Brazilian reais are solar plants Nova Olinda (292 MW) and Lapa (158 MW) as well as the 90 MW Cristalândia wind farm*
- *The transaction is aimed at freeing up resources that can finance Enel's further renewable development in Brazil, while the company will continue plant management activities on the assets sold*

**Rome, May 31<sup>st</sup>, 2019** – Today, Enel S.p.A. ("**Enel**"), acting through its renewable subsidiary Enel Green Power Brasil Participações Ltda ("**EGP Brazil**"), closed the sale of 100% of three fully operational renewable plants totalling 540 MW to Chinese company CGN Energy International Holdings Co. Limited ("**CGNEI**"). The overall consideration of the transaction paid to Enel upon closing is equal to the assets' enterprise value and amounts to approximately 2.9 billion Brazilian reais, equivalent to around 660 million euros at current exchange rates.

The three renewable assets that were just sold are the solar plants Nova Olinda (292 MW), located in the north-eastern Brazilian state of Piauí and Lapa (158 MW), situated in the north-eastern Brazilian state of Bahia, as well as the 90 MW Cristalândia wind farm, also in Bahia. The consideration paid to Enel for the sale of these three assets is subject to adjustments in line with the standard market practice for this type of transaction.

In line with the Group's 2019-2021 Strategic Plan, this transaction aims to maximise and accelerate value creation by rotating assets to free up resources that can be invested in new projects, while Enel will continue plant management activities on the assets sold. The Brazilian renewable market is rich in opportunities for the Group, which wants to keep growing in the country, including by financing its new investments through the Build, Sell and Operate (BSO) model.

All three plants have long-term power purchase agreements (PPAs) in place. Lapa and Nova Olinda are supported by 20-year supply contracts that provide for the sale of specified volumes of energy generated by the plants to the Brazilian Chamber of Commercialisation of Electric Energy (Câmara de Comercialização da Energia Elétrica or CCEE). Cristalândia is supported by 20-year PPAs with a pool of Brazilian electricity distribution companies.

Nova Olinda is located in the municipality of Ribeira do Piauí. The facility, which is comprised of around 930,000 solar panels in an area of 690 hectares, can generate over 600 GWh per year. Lapa, which is located in Bom Jesus da Lapa, is composed of two facilities, Bom Jesus da Lapa (80 MW) and Lapa (78 MW). The park, which is comprised of about 500,000 solar panels, is able to generate around 340 GWh per year. The Cristalândia wind farm is located in the municipalities of Brumado, Rio de Contas and Dom Basílio. The wind farm is capable of generating around 350 GWh per year.



In **Brazil**, the Enel Group is active in the generation, distribution and transmission sectors through Enel Brasil and its subsidiaries. In the renewable generation sector the Group is the country's largest solar and wind player in terms of installed capacity and project portfolio with around 2.4 GW (1,269 MW of hydro capacity, 752 MW from wind, 370 MW from solar), and has approximately 1.9 GW of capacity (wind and solar) in execution. Furthermore, in the country's conventional generation sector the Enel Group operates around 320 MW from CCGTs. In the distribution sector, the Group is the largest player in Brazil with over 17 million end users served by its subsidiaries in São Paulo, Ceará, Rio and Goiás. Enel also owns and operates two transmission lines with a total capacity of 2,100 MW connecting Brazil to Argentina.

**Enel Green Power** is the Enel Group's business line dedicated to the development and operation of renewables across the world, with a presence in Europe, the Americas, Asia, Africa and Oceania. Enel Green Power is a global leader in the green energy sector with a managed capacity of more than 43 GW across a generation mix that includes wind, solar, geothermal, and hydropower, and is at the forefront of integrating innovative technologies into renewable power plants.