ENEL SIGNS DEAL TO SELL 50% OF GRIDSPERTISE TO CVC

- *CVC will pay a total consideration of about 300 million euros, equivalent to an enterprise value of 625 million euros, that could reach up to 1,000 million euros through potential deferred payments*

Rome, October 20th, 2022 - Enel S.p.A. ("Enel") informs that it has signed, through Enel Grids S.r.l. ("Enel Grids"), an agreement to sell a 50% quota in its wholly-owned subsidiary Gridspertise S.r.l. ("Gridspertise" or the "Company") to the international private equity fund CVC Capital Partners Fund VIII ("CVC").

Gridspertise is dedicated to accelerating the digital transformation of power grids through advanced network technologies and solutions.

The agreement provides that CVC will pay a total consideration of approximately 300 million euros, equivalent to an enterprise value of 625 million euros (on a 100% basis). In addition, the agreement includes potential deferred payments that could bring the enterprise value up to 1,000 million euros (on a 100% basis).

"Governments around the world are ramping up investment programs for grid modernization, digitalization and resilience while supporting the development of distributed energy resources and renewable generation at medium and low voltage levels. Another aim is to allow customers to easily implement energy efficiency measures on their premises," said **Francesco Starace**, Enel CEO and General Manager. *"The European Commission has recently published a high-level Action Plan on Digitalising the Energy System, which highlights the need to support grids in order to improve energy efficiency and speed up the roll-out of renewables. According to this Plan, it is expected that about 584 billion euros of investment will be needed by 2030. In the US, under the Bipartisan Infrastructure Law, a dedicated government funding of about 10 billion US dollars, specifically targeting the acceleration of grid resilience and innovation partnership programs, is forecasted between 2022 and 2026. Enel has the largest experience in this field and it is now all concentrated in Gridspertise. With this partnership, we are joining forces with CVC to support the growth of Gridspertise and further enable the achievement of its mission, underscoring the importance of Distribution System Operators and the digital transformation of electricity infrastructure in the energy transition process."*

The overall transaction is expected to generate a positive impact in the Enel Group's EBITDA of approximately 500 million euros, alongside an expected positive effect on the Group's consolidated net debt of around 300 million euros.

The closing of the sale, expected by the end of 2022, is subject to certain conditions precedent customary for these kinds of transactions, including the achievement of various administrative authorizations needed for the transfer to CVC of the 50% quota in Gridspertise, specifically relating to the golden power procedure with the Presidency of Italy's Council of Ministers and to the clearance to be issued by the competent Antitrust Authorities.

Following the transaction, Enel and CVC will operate the Company in a joint control regime.

The transaction is in line with the Enel Group's current Strategic Plan, under the Stewardship model, which envisages investments carried out with third parties, including the possibility for the Group to monetize its expertise and offer services to partners.

Gridspertise provides Distribution Grid Operators access to cutting-edge sustainable solutions for the digital transformation of electricity distribution networks in three main areas: metering and grid edge digitalization, networks infrastructure digitalization, field operations digitalization. Gridspertise was born in 2021 leveraging on Enel's expertise in developing, testing, and scaling up the best technologies to operate smart grids all over the world. The company today delivers its technologies based on a significant intellectual property portfolio of field proven solutions to dozens of Distribution System Operators (DSOs) of different sizes and in different geographies. Target markets include Europe, Latin America and North America, and expand towards Asia-Pacific, where the investment in smart grids will drive infrastructure upgrade projects in the near future.

Enel, which celebrates its 60th anniversary this year, is a multinational power company and a leading integrated player in the global power and renewables markets.
At global level, it is the largest renewable private player, the foremost network operator by number of end users and the biggest retail operator by customer base. The Group is the worldwide demand response leader and the largest European utility by ordinary EBITDA [1].
Enel is present in 30 countries worldwide, producing energy with around 92 GW of total capacity.
Enel Grids, the Group's global business line dedicated to the management of the electricity distribution service worldwide, delivers electricity through a network of around 2.3 million kilometers to more than 75 million end users. The Group brings energy to around 70 million homes and businesses. Enel's renewables arm Enel Green Power has a total capacity of around 55 GW and a generation mix that includes wind, solar, geothermal, and hydroelectric power, as well as energy storage facilities, installed in Europe, the Americas, Africa, Asia, and Oceania. Enel X Global Retail, Enel's global business line active in the areas of energy supply and efficiency, has a total capacity of around 7.9 GW of demand response managed globally and has installed 62 MW of behind-the-meter storage capacity. In addition, Enel X Way is the Group's new company fully dedicated to electric mobility, managing more than 380,000 public and private EV charging points worldwide, both directly and through interoperability agreements.

[1] Enel's leadership in the different categories is defined by comparison with competitors' FY 2021 data. Publicly owned operators are not included.