

PRESS RELEASE

EDISON: SIGNING OF THE REVIEW OF EDISON EXPLORATION & PRODUCTION S.P.A SALES AGREEMENT TO ENERGEAN

Edison E&P assets in Norway and Algeria remain within the scope of the company as long as market conditions will allow for better valorisation of that assets: the closing with Energean is expected within the year.

Edison confirms its strategy to dismiss E&P activities and to focus on renewables.

Milan, June 29, 2020 - In relation to the agreement for the sale of Edison Exploration and Production S.p.A. (E&P) and its investments in the exploration and production of hydrocarbons (oil and natural gas) sector at Energean Plc, yesterday it was signed an amendment to the terms of the sales agreement signed on July 4, 2019 and subsequently amended on April 2, 2020. This amendment concern, among other things, some of the economic terms of the transaction and, in particular, the exclusion from the scope of the transaction of Edison Norge AS, which owns the Edison Group E&P assets located in Norway.

Edison will retain the ownership of Edison Norge until market conditions will allow the full valorisation of the related assets.

The maintenance of the assets in Norway, in addition to those in Algeria that remained within the scope of Edison following the amendment to the agreement signed April 2, 2020¹, will however allow for Edison a substantial exit from the E&P sector, in line with the company's sustainable development plan. In fact, the amendment to the agreement guarantees the transfer of a large portion of the portfolio and Edison's exit from operated production activities, as the assets currently being developed in Norway and the one in production in Algeria are not operated by Edison.

Edison therefore confirms its strategy of E&P activities disposal and investment in energy transition focusing on production from renewable and the latest generation gas sources, energy efficiency and innovative services for businesses, public administration and residential customers.

The enterprise value of the assets under disposal after the amendments of this agreement is equal to 284 million USD² which corresponds substantially to the benefit on Edison net final position following the transaction. This benefit will come partially from the consideration that will be paid by Energean at closing and

¹ On April 2, it was signed an amendment to the agreement concerning the exclusion from the perimeter of the transaction of Edison E&P assets located in Algeria due to the lack of authorization by the Algerian Ministry of Energy.

² As at the transaction reference date (locked-box date) of 1 January 2019.



partially from the cash flows from operations generated by the assets under disposal from January 1, 2019 until closing that will be retained by Edison.

In additional there is a further consideration of up to 100 million USD subject on the commissioning of Cassiopea development gas project in Italy; that consideration will be determined on the basis of gas prices (PSV) recorded at the time of the commissioning of the field.

The scope of the sale to Energean now includes the assets, mining rights and equity investments in the hydrocarbon sector of Edison Exploration and Production in Italy, Egypt, Greece, UK and Croatia for a portfolio of around 75 licenses corresponding to a net entitlement production of 43,000 equivalent barrels per day as at December 31, 2019.

Closing with Energean is expected within the year.

Public disclosure requirements under CONSOB Resolution no. 11971 of May 14, 1999, as amended.

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