



## PRESS RELEASE

### **TOZZI GREEN PLACES ITS FIRST GREEN BOND FOR US\$ 222 MLN**

- **The proceeds will be used to finance the implementation in Peru of the world's largest rural electrification project**
- **Several of the most important worldwide financial institutions subscribed to the bond**
- **The issuance was oversubscribed by more than four times**

*Mezzano (RA), 22 July 2019* – Tozzi Green, one of Italy's leading renewable energy groups and one of the world's leading players in rural electrification, has completed the issue of its inaugural Green Bond through a private placement offering. The issuance is a \$222MLN fully amortizing 4.87% fixed rate bond that matures in 2034.

Developed through its 90% controlled subsidiary Ergon Peru, the proceeds from the Green Bond issuance will fund the **implementation of the world's largest rural electrification project**. The project, developed with the government of Peru following a global tender won by Ergon Peru, involves the installation, commissioning and fifteen years maintenance of approximately 215,000 small photovoltaic systems with storage (Solar Home Systems) in off-grid rural areas in the north, central, and southern regions of Peru. Over 215,000 families that currently do not have access to a power source will be provided with energy. Implementation is planned to be completed by January 2020. The project is in line with the Peruvian government's energy strategy to increase electricity generated from clean energy sources while at the same time improving rural electrification infrastructure and provision.

The proceeds of the bond will be used in part to refinance the existing Project Finance Loan Facility as well as to fund the remaining project costs.

The bond issue was **sold exclusively to global institutional investors through a private placement** offering that was well received. The issuance was oversubscribed by more than four times the number of notes on offer.

The blue chip investors that participated in the offering are among the **most important financial institutions worldwide**, and include large global insurance companies, asset managers, and other important financial institutions.

S&P has assigned a BBB rating (with positive outlook) to the bond issue. Furthermore, S&P has assigned a Green Evaluation score of E1 (where E1 is the highest score on the scale).

The placement was arranged by SMBC Nikko Securities America (part of the Sumitomo Mitsui Financial Group).

Tozzi Green was assisted by law firms Baker & McKenzie International (USA) and Estudio Echecopar (Peru), while lenders were represented by Paul Hastings (USA) and Garrigues (Peru) .

Andrea Tozzi, CEO of Tozzi Green, commented: "The first Green Bond issued by Tozzi Green is in line with our strategy of moving the focus of our financial structure towards international capital markets solutions. The

transaction confirms the confidence of the financial markets in our global sustainable energy strategy and our innovative projects”.

## **Tozzi Green**

Tozzi Green is one of Italy’s leading renewable energy groups and one of the world’s leading players in rural electrification. The Group has been operating worldwide for over 30 years developing plants for the generation of energy from renewable sources. It is the only organisation that fully horizontally integrates the entire supply chain (Development, EPC, O&M) of all plants from renewable energy sources (RES): hydroelectric, wind, photovoltaic, biomass and biogas. The Group is also one of the world’s leading players in rural electrification and sustainable rural development. Consolidated revenue in 2018 totalled €127.2 million, EBITDA was €44.5 million and net profit was €10.8 million. At the end of 2018 the Group owned plants in Italy and worldwide and had qualified holdings with a total installed capacity of 143 MW and it had installed 157.198 photovoltaic power kits.

*For further information:*

*Tozzi Green*

*Grazia Ramponi*

*T. 0544 525215*

*E. grazia.ramponi@tozzigreen.com*

*Moccagatta Associati*

*T. 02 8645.1695 - 02 8645.1419*

*E: segreteria@moccagatta.it*