



RNS Number : 7858S
Coro Energy PLC
08 November 2023

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Coro Energy Plc
("Coro" or the "Company")

Completion of Italian Disposal

Coro Energy PLC, the South East Asian energy company with a natural gas and clean energy portfolio, announces that the sale of the Italian portfolio has now been approved by the Italian regulatory authorities and the sale has been completed.

The total consideration for the sale, as previously announced, is up to Euro 7.4 million which consists of Euro 5.86 million upfront consideration (comprising Euro 3.86 million payable on completion plus Euro 2 million payable as soon as practicable after completion) and a 10% NPI on future profits capped at Euro 1.5 million. The Company has already received Euro 2.5 million of the upfront consideration by way of advance payment (as announced on 10 August 2023). The Company agreed that the remaining upfront consideration due by the purchaser at completion would be offset against: (i) a Euro 99k debt owed by the Italian portfolio to the Company's subsidiary, repayment of which was procured by the purchaser at completion; and (ii) the Italian portfolio's Italian tax liability of Euro 0.69 million. The Company therefore received Euro 0.67 million in cash at completion in satisfaction of the upfront consideration then due and repayment of the Italian portfolio's debt.

The Company will receive a further Euro 0.14 million in cash from the purchaser in settlement of the balance of the upfront consideration as soon as practicable after completion. This payment represents the Euro 2 million balance of upfront consideration less the Company's debt of Euro 1.86 million owed to the Italian portfolio, which was novated to the purchaser on completion.

In addition to the above total consideration the sale and purchase agreement contains a working capital adjustment, which the Company estimates will result in a payment by the purchaser to Coro of Euro 1 million to Euro 2 million. The working capital adjustment will (at the purchaser's discretion) either be settled in cash within ten business days of determining the working capital adjustment, or, as is expected, in instalments via the assignment to Coro of 70% of the distributable annual profits of

the Italian portfolio until such time as the working capital adjustment is paid in full. If the working capital adjustment is not paid in full by 31 December 2027, the remaining balance will be immediately payable irrespective of the distributable profits of the Italian portfolio.

James Parsons, Chairman, commented:

"With the Italian sale now complete, Coro can now focus its human and financial resources on South East Asia, with its underpinning core growth and resulting strong energy demand. Our immediate attention is on the Duyung PSC farm out process.

I would like to thank our team in Italy for their many years of service to Coro and wish them well under new ownership."

This announcement contains inside information.

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Anonymous (not verified)

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Mergers, Acquisitions and Disposals

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