

EESL ACQUIRES UK-BASED TRIGENERATION MARKET LEADER EDINA

- Invests INR 493 crores through UK subsidiary, EPAL
- First-of-its kind international acquisition by an entity under Ministry of Power

Mumbai, March 20, 2018: Energy Efficiency Services Limited (EESL), a joint venture of four National Public Sector Enterprises under administrative control of Ministry of Power, Government of India, today announced its acquisition of Edina, a leading supplier, installer and maintenance provider for combined heat and power (CHP), gas, and diesel power generation solutions in the United Kingdom (UK). The £55 million (INR 493 crore) acquisition is the first-of-its-kind venture by an entity under the Ministry of Power, Government of India and is effected through its UK subsidiary, EnergyPro Assets Limited (EPAL).

Edina has over 30 years of operational experience and is recognised as the market leader in the UK in gas engines, commanding 27% of the market share. Earning annual turnover of £100 million (INR 896 crore), Edina services over 400 customers, providing bespoke containerized solutions that reduce customers' energy costs and carbon emissions, while also providing a continuous and reliable power supply, from sites in the UK, Ireland and Australia. Edina is the sole distributor of MWM gas engines in the UK and Ireland, and of Perkins diesel engines in Ireland.

Commenting on the acquisition, Mr Saurabh Kumar, Managing Director, EESL and Chairman, EPAL stated: *"We are excited about this new venture and about harnessing the capabilities of a company that has a long history of successfully implementing combined heat and power technology. Leveraging Edina's unique bespoke approach with our proven, innovative business models for scaling energy efficiency solutions across international borders, we are confident in the potential of this partnership to scale trigeneration technology adoption and to transform CHP market in India. The acquisition is therefore also an important strategic step in our continued efforts towards facilitating India's energy security and sustainable energy supply."*

Ms. Neelima Jain, CEO, EPAL and now Director, Commercial and Business Development, Edina, added: *"The acquisition is an important development in bringing together the efforts of two companies that have achieved distinguishing competencies in their respective energy efficiency markets. This partnership has far-reaching implications on the global energy sustainability scenario, and for promoting low-carbon growth by industries in Europe and Asia. With CHP technology's contribution to the UK energy portfolio expected to double between 2015 and 2020, UK is a promising market for EESL to grow its own capabilities in the trigeneration sector."*

Through the acquisition, EPAL has also acquired its first India-based trigeneration client. Edina has agreed to service Sterling & Wilson UK Ltd, the UK subsidiary of Sterling & Wilson India, to develop Short Term Operational Reserve (STOR) by supplying gas generating units that will provide 26MW of electrical power. Located in Skelmersdale, West Lancashire, England, the project aims to supply power to the UK national grid at times of peak demand while addressing shortages in electrical capacity at the company's own sites.

UK-based servicing opportunities with India-based clients, like Sterling & Wilson, will help EESL in its

expansion plans. On the one hand, EESL aims to tap into UK's £6 billion (INR 53,782 crore) energy efficiency market, expanding the offering in the energy service contract model for CHP technology. On the other, EESL intends to bring CHP technology to India, providing an integrated service offering to industries that would enable them to receive equipment maintenance, electricity, heat and power at no upfront costs for technology installation.

Tony Fenton, Joint Managing Director, Edina stated: *"We are looking forward to this new chapter in our growth story, of replicating our success in new markets while leveraging EESL's experience across the globe. The opportunities in a vibrant and dynamic economy like India's are particularly attractive for us, and we'd like to be able to introduce Indian industry to the benefits of CHP and our unique service offering."*

EESL is implementing a global strategy and commitment to invest £150 million (INR 1,343 crore) through EPAL into energy services business opportunities in the UK, EU and North America between 2017 and 2019. EESL's investment plan takes forward the commitment made by Honorable Prime Minister Narendra Modi of India and Prime Minister Theresa May of the UK for an enhanced 'Energy for Growth' Partnership between the two countries.

EESL has a proven track record of forging new frontiers in the global Energy Efficiency services markets across the world. The company has taken its market transformation business models to the UK, South Asia and South-East Asia. In the UK, where the total accessible market for energy efficiency services is expected to grow by 10% between 2017 and 2020, EESL services Energy Savings Performance Agreements (ESPA) to clients in the education and leisure sectors (schools, district council, golf course) through EPAL.

Furthermore, EESL launched the Government of India's Affordable LED program UJALA (UK Joins Affordable LEDs for All) in London in May 2017, thus enabling consumers in UK to access affordable lighting solutions.

Energy efficiency initiatives being implemented by Energy Efficiency Services Limited (EESL) have cumulatively led to energy savings of over 41 billion kWh and a reduction of over 32 million tonnes of greenhouse gas (GHG) emissions across the globe.

About EESL

Energy Efficiency Services Limited (EESL), under the administration of Ministry of Power, Government of India, is working towards mainstreaming energy efficiency and is implementing the world's largest energy efficiency portfolio in the country. Driven by the mission of Enabling More – more transparency, more transformation, and more innovation, EESL aims to create market access for efficient and future ready transformative solutions that create a win-win situation for every stakeholder. By 2020, EESL seeks to be a US\$ 1.5 billion (INR 10,000 crore) company.

EESL has pioneered innovative business approaches to successfully roll-out large-scale programs that allow for incentive alignment across the value chain and rapidly drive transformative impact. EESL aims to leverage this implementation experience and explore new opportunities in overseas market for

diversification of its portfolio. As on date, EESL has begun its operations in UK, South Asia and South-East Asia.

About EPAL

EnergyPro Assets Limited (EPAL), is a joint venture of Energy Efficiency Services Limited, an Energy Service Company under Ministry of Power, Government of India and EnergyPro Ltd, a UK-based advisory company that consults on energy efficiency projects.

Through EPAL, EESL aims to promote and implement low-carbon, energy efficiency and renewable energy solutions in both public and private sectors.

About Edina

Edina Power Services Limited is a leading supplier, installer and maintenance provider of natural gas and biogas combined heat and power applications. Established in 1985, Edina has over 30 years operational experience and is recognised as the UK market leader in gas engines. Edina provides international coverage from sites in the UK, Ireland and Australia.
