

# CELESC

**BRL12**  
**billion**  
2018 Revenues

**7%**  
Increase in  
ROIC p.a.

**"Working closely with Company executives, sector specialists and recommended consultants, Angra provided vital input for taking decisions, supporting its growth, strategic steering and financial control."**

**Cléverson Siewert - CEO**

Established in 1955, CeleSC is a power generation and distribution utility in Santa Catarina State. Distributing some two million gWh/ month, it ranks sixth among Brazil's electricity distributors by supply revenues, seventh by distributed volume and tenth by consumer units.

A mixed-ownership enterprise controlled by the Santa Catarina State Government and listed at Tier 2 on the Brazilian Stock Exchange (B3), it employs over 3000 people, with gross revenues of BRL 12 billion in 2018. A minority shareholder in CeleSC with more than BRL 190 billion in assets, the Previ pension fund hired Angra to manage this asset in order to enhance its value, prior to divestment.

## COMPANY NEEDS

- Implementing actions listed in the Master Plan drawn up by a renowned strategy consulting firm
- Better quality and profitability indicators
- Aligning the interests of the controlling shareholder and the other shareholders
- Aligning executive incentives

## VALUE CREATION THROUGH PE&VC

- Setting up an exclusive fund for CeleSC shares held by Previ, managed by Angra
- Building up influence through a firm and cooperative stance at general meetings, as well as on the Board, the Audit Board and Advisory Committees
- Recommendations of specialists in this sector
- Better management control reports
- More effective cash flow management and debt uptake support
- Fine-tuning the variable compensation plan
- Support for cutting personnel costs
- Seeking a buyer for the shares held by Previ, with low liquidity on the Stock Market

## OUTCOMES

- ROIC up from 5% p.a. to 12% p.a.
- Better Consumer Average Interruption Duration Index (DEC) power outage metric, down from 14.7 hours in 2015 to 10.7 hours in 2018, which is below the 11.7 hours target set in 2018 by Brazil's Power Sector Regulator (ANEEL)
- Sale of Previ stake in CeleSC to EDP Brasil, a major power sector player operating worldwide in twelve countries



**CeleSC**

HEAD OFFICES  
Florianópolis / SC

ADMINISTRATO  
Angra Partners

INFO  
[www.celesc.com.br](http://www.celesc.com.br)  
[www.angrapartners.com.br](http://www.angrapartners.com.br)

INVESTMENT  
December 23, 2014

AMOUNT INVESTED  
BRL 120 Million

MANNER OF ACQUISITION  
Common & preferred shares

STAKE  
INITIAL / MAXIMUM / CURRENT  
15% / 15% / 0%

DESINVESTMENTO  
21/03/2018

MANNER OF DIVESTMENT  
Sale to Strategic

PAYBACK  
IRR: 31%  
MOIC: 2