

**Seaside and TEG (Toscana Energia GREEN), the two ESCOs of Italgas Group, join forces to create a national player in energy efficiency**

*In line with the Group's strategic targets in the energy efficiency sector and in accordance with the recommendations of the European Commission, the operation allows to merge the forces, know-how and technologies of the two companies creating an operator capable of serving completely the public and private markets.*

Milan, 26 April 2021 - The merger between the two ESCOs of Italgas Group - Seaside and TEG (Toscana Energia GREEN) - was finalised today, creating a national player in the energy efficiency sector.

The merger, which sees the incorporation of TEG by Seaside, is effective from 1<sup>st</sup> May and will allow the two companies to join their respective strengths, know-how and technologies, gained in different areas, offering service able to meet almost all the needs of both private and public markets.

Seaside, in fact, is more oriented towards the private sector and offers innovative energy consulting services in the industrial and residential areas; TEG, on the other hand, operates in the energy services market and has developed solutions that mainly meet the needs of the Public Administration. Together they will develop, in the first year of activity, a total turnover of around 30 million euros and an EBITDA of 6 million euros.

In this context, the merger between the two ESCOs allows the integration of two complementary businesses, fostering greater synergies and value creation. The new company will also be the reference for the whole Group in defining tailor-made energy efficiency projects, in particular in the context of Italgas' participation in Atem tenders for the assignment of gas concessions, as well as maintaining a specific focus on energy upgrading activities also supported by the tax incentives (i.e. Ecobonus and Superbonus) and on the development of applications based on artificial intelligence.

*"The creation of a national-level player in the energy efficiency sector - **commented Paolo Gallo, CEO of Italgas** - enables greater integration and more effective synergies throughout the Italgas Group to play an even more relevant role in the path of digital transformation and efficiency improvement of the sector that we have been pursuing since 2018. As well as being fully in line*

*with the 2020-2026 Strategic Plan, this operation allows us to operate even more closely to the recommendations of the European Commission, which also assigns DSOs the task of promoting greater efficiency in energy consumption in order to achieve net-zero targets; goals to which the new player will contribute also by identifying increasingly advanced solutions in terms of environmental sustainability and energy saving".*