

## **Italgas completes the acquisition of the entire stake in Janagas S.r.l. from Fiamma 2000 Group**

*The agreement includes over 430 km of networks serving about 12,000 customers in 12 Sardinian municipalities including Olbia*

Milan, 13 December 2022 - Italgas today finalized the acquisition from the Fiamma 2000 Group of the entire share capital of Janagas S.r.l., the company that owns the LPG distribution and sale concessions, with related networks and plants, in 12 municipalities in Sardinia, including Olbia, which thus joins the other major cities of the island already under concession to the Italgas Group.

The transaction, which was announced last August 3, was completed, following the fulfillment of the conditions set out in the purchase agreement, through Medea S.p.A., the Italgas Group company that manages the gas distribution service in Sardinia.

The gas distribution networks covered by the agreement, headed by Janagas and previously by Sarda Reti Gas, extend overall for over 430 kilometers and serve about 12,000 customers in the municipalities of Olbia (Basin 5), Valledoria (3), Buddusò (10), Budoni (11), Sedilo (13), Genoni (17), Terralba (19) Simala (20), Arbus (24), Mandas and Siurgus Donigala (26), and Santadi (35).

The valuation of the transaction (enterprise value on a debt-free/cash-free basis) is equal to 31.7 million euros, to be adjusted for the value of the financial debt at the closing.

The Italgas Group thus increases its customer base in Sardinia by about 30%, further extends its presence in most of the 38 basins into which the island is divided, and is preparing to convert the acquired networks from LPG to natural gas, as planned as part of the broader project for the construction of gas infrastructure serving the region.

**Italgas RETI CEO, Pier Lorenzo Dell'Orco, commented:** *"This operation, further strengthens our presence in Sardinia and benefits the territory which will see the implementation of new investments capable of creating the conditions for the territory's development. With Olbia, the number of large urban centers that entrust the gas network to the Italgas Group for the efficient and effective management of the service grows."*

**Medea – Group company active in gas distribution in Sardinia – CEO, Francesca Zaninotti, explained:** *"Janagas' networks, a Group company active in gas distribution in Sardinia, will soon be converted to natural gas, and their digital transformation will put them in a position to distribute renewable gases, such as biomethane and hydrogen, in the near future. Infrastructure of excellence at the service of the ecological transition."*

The Italgas Group operates in Sardinia through the company Medea S.p.a., which is present, in whole or in part, in 24 of the 38 basins into which the island is divided. There are currently 77 cities served by methane, with a total of 1.4 million cubic meters distributed in the first nine months of 2022. The assets consist of about 1,500 km of natural gas networks (of which over 800 are "native digital") and 600 km of propane-fueled air networks in the municipalities of Cagliari, Sassari, Nuoro and Oristano. Today we add the more than 430 km running on LPG under the agreement with Fiamma 2000, which will be converted to natural gas next year.