

Italgas: exclusive negotiations with Veolia for the potential acquisition of stakes in some companies active in the water sector in the regions of Lazio, Campania and Sicily

Milan, 14 March, 2023 - Italgas has entered into exclusive negotiations with Veolia Environnement S.A. Group for the potential acquisition of the Veolia Group's stakes in a number of companies active in water service in the regions of Lazio, Campania and Sicily.

The transaction is part of the broader strategy outlined in the 2022-2028 Strategic Plan, aiming at strengthening the Group presence in the water sector. As part of the ongoing negotiations, the Veolia Group has granted Italgas an exclusivity period until May 10, 2023, for completing the due diligence activities.

Specifically, the transaction includes the potential acquisition of the Veolia Group's stakes in the following companies:

- 100% of Acqua S.r.l., which in turn directly holds 98.5% of Idrosicilia S.p.A. and, indirectly, 75% of the equity of Siciliacque S.p.A;
- 100% of Idrolatina S.r.l., which in turn holds about 49% of Acqualatina S.p.A;
- 47.9% of Acqua Campania S.p.A.

Acqua, Idrosicilia and Idrolatina are pure holding companies, while Siciliacque, Acqualatina and Acqua Campania are the operational ones.

Specifically:

Siciliacque operates under concession for the collection, storage, potabilization and adduction service in the Sicily Region with about 2,000 km of adduction network. The service covers more than 30% of the regional population

Acqualatina manages the Integrated Water Service in ATO (Optimal Territorial Area) 4-Lazio Meridionale, which includes 38 municipalities and 550,000 inhabitants.

Acqua Campania operates in the Acquedotto Campania Occidentale under concession from the Campania Region. The operational activities of the company are the collection, potabilization, adduction and transportation of drinking water serving water distribution companies, for about 4 million inhabitants.