

Paris, 12th November 2020

SUEZ, FIVE CAPITAL AND ITOCHU SUCCESSFULLY COMPLETED THE ACQUISITION OF A MAJORITY STAKE IN EDCO, A MAJOR SAUDI HAZARDOUS WASTE MANAGEMENT COMPANY

SUEZ, Itochu Corporation and Five Capital Fund I (a Saudi CMA-regulated fund) successfully closed the acquisition of a majority stake in Environment Development Company (EDCO), a Saudi hazardous waste management company, effective as of November 11th, 2020. This operation will position partners in the rapidly expanding hazardous waste market in Saudi Arabia where major petrochemical industrial projects are ongoing and planned. The transaction amount for SUEZ represents 113.4 MSAR (25.99 M€) enterprise value.

Located in Jubail Industrial City and established in 2005, the company provides hazardous waste management and environmental services to industries in Saudi Arabia, mostly petrochemical companies. Jubail is the largest industrial city in the Middle East located on the Arabian Gulf coast and holds the world's largest single industrial development project. It covers more than 1,000 square kilometres and includes industrial complexes as well as major harbour and port facilities. Its activities account for about 7 per cent of Saudi Arabia's GDP.

Within this area, EDCO focuses on hazardous waste management including transportation, treatment and final disposal. It is the main player in Jubail, with a capacity of processing 150K tonnes of waste per year, and currently operates landfills and two Energy-from-Waste facilities.

This acquisition of a majority stake in EDCO is led by SUEZ, a worldwide leading player in environmental services, together with Five Capital Fund I ("Five Capital"), an investment fund sponsored by Bpifrance, the French Sovereign Wealth Fund and Kingdom Holding Company ("KHC"), one of the largest Saudi-based institutional investors and Itochu Corporation, a major trading and investment company with a wide range of experience investing in infrastructure projects. The company will be jointly managed by SUEZ and the new shareholder structure, including Saudi representatives. Thus, each of the stakeholders will be able to bring all their knowledge, expertise and added value to make the company a "leader" in its field.

"We are very pleased to have successfully closed this important acquisition in Saudi Arabia which will expand our presence in the Middle East and is at the core of our strategy in the region.

With this operation, we will leverage our worldwide expertise in Hazardous Waste to seize growth opportunities with industries and to position the company as a player of excellence for Hazardous Waste management in Saudi Arabia with effective and sustainable solutions" comments Ana Giros Senior Executive Vice President of SUEZ in charge of the APAC (Asia, Australia and India) and AMECA (Africa, Middle East, Central Asia) Regions and Industrial Markets & Key Accounts.

"Through Five Capital, we are thrilled to close this landmark transaction together with Suez and Itochu, two industrial world leaders. In the particular context of the global pandemic, this underscores the resilience and strong prospect of the Saudi economy. Kingdom Holding Company thanks to its partnership with the French Sovereign Wealth Fund is investing through Five Capital in Saudi SMEs to spur job creation, grow the local economy and attract leading foreign corporate partners in line with His Royal Highness Crown Prince Mohammed Bin Salman's Vision 2030. This transaction demonstrates Five Capital's commitment to participate actively to the development and diversification of the Saudi economy" says Talal Al Maiman, Chairman of Five Capital Fund I & CEO of Kingdom Holding Company.

"We are pleased to finally close this deal and set foot in the Hazardous Waste Management sector which we see huge potential of growth.

In addition to contributing ourselves for the growth of EDCO, ITOCHU aims to contribute to the realization of sustainable communities and the reduction of environment burden through this investment” comments Shinichi Aburaya, Chief Operating Officer of Plant Project, Marine and Aerospace Division of ITOCHU Corporation.

“It is a key milestone for EDCO. Having three global leaders taking a majority stake in a medium size company as EDCO shows that home-grown companies knows their market best to catch the eye of leading international players. It is not only a success for EDCO but a success for the country. Even in a more difficult environment, we are proud as Saudi to promote the tremendous potential of the Saudi economy. Scale will be the way forward for EDCO along SUEZ, Five Capital and Itochu” adds Abdulwahab Alahmary, founder and CEO of EDCO.



© EDCO plant in Saudi Arabia / SUEZ.

Press contacts :

Five Capital :

media@fivecap.com

SUEZ :

Isabelle Herrier-Naufle / Mathilde Bouchoux

+33 (0)6 83 54 89 62 / +33 (0)6 88 42 97 27

Isabelle.herrier.naufle@suez.com

Mathilde.bouchoux@suez.com

Analysts / Investors :

Cécile Combeau / Mathilde Rodié

+33 (0)1 58 81 55 71

About SUEZ

Since the end of the 19th century, SUEZ has built expertise aimed at helping people to constantly improve their quality of life by protecting their health and supporting economic growth. With an active presence on five continents, SUEZ and its 90,000 employees strive to preserve our environment's natural capital: water, soil, and air. SUEZ provides innovative and resilient solutions in water management, waste recovery, site remediation and air treatment, optimizing municipalities' and industries' resource management through "smart" cities and improving their environmental and economic performance. The Group delivers sanitation services to 64 million people and produces 7.1 billion m3 of drinking water. SUEZ is also a contributor to economic growth, with more than 200,000 jobs created directly and indirectly on an annual basis, and a provider of new resources, with 4.2 million tons of secondary raw materials produced. By 2030, the Group is targeting 100% sustainable solutions, with a positive impact on our environment, health and climate. SUEZ generated total revenue of €18.0 billion in 2019. For 70 years, SUEZ has been supporting Middle East authorities and industries in the development of solutions to meet the challenge of water and waste management. Suez's presence in the Kingdom of Saudi Arabia was first established in 1950 and was also marked, among others, by a 9-year partnership with the National Water Company that began in 2008 to modernize water and sanitation services in Jeddah and improve the quality of service provided to users.

About Five Capital Fund I

Five Capital is an investment fund sponsored by (i) Bpifrance, the French Sovereign Wealth Fund and (ii) Kingdom Holding Company, one of the largest Saudi-based institutional investors. Five Capital invests along leading French corporates in Saudi Arabia, the GCC and other geographies with a focus on private equity and real assets opportunities.

About Itochu Corporation

ITOCHU Corporation, listed on Tokyo Stock Exchange, is a leading trading and investment house established in 1858, having its headquarters in Tokyo with 100 bases in around 60 countries. With approximately 128,000 employees on a consolidated basis, ITOCHU provides a range of goods and services that will support people's lives in a comprehensive array of business domains such as textile, machinery metals & minerals, energy & chemicals, food, general products & reality, ICT & financial business.

ITOCHU generated total revenue of 104.5 billion US dollars for the fiscal year 2019 ended on 31st March 2020.

<https://www.itochu.co.jp/en/index.html>

Find out more about the SUEZ Group
on the [website](#) & on social media

