



Snam: in consortium with five international funds signs agreement with ADNOC to enter the UAE networks

The transaction - amongst the world's most important, in the sector - is aimed at the acquisition of 49% of ADNOC Gas Pipelines, a company controlled by ADNOC with an enterprise value of \$ 20.7 bln, which manages the infrastructure that connects the production sites to the network and export terminals

Abu Dhabi, UAE – 23rd June 2020 - Snam, in consortium with some of the most important international investment funds, has today reached an agreement with The Abu Dhabi National Oil Company (ADNOC), one of the largest energy operators in the world, for an investment in the energy infrastructure of the United Arab Emirates.

The agreement signed envisages that the consortium, in which Snam is joined by Global Infrastructure Partners (GIP), Brookfield Asset Management, GIC (the sovereign wealth fund of Singapore), Ontario Teachers' Pension Plan and NH Investment & Securities, acquires 49% of ADNOC Gas Pipeline Assets LLC (ADNOC Gas Pipelines), a company that holds, for a period of 20 years, the tariff-based rights for the infrastructure (38 pipelines) that connects ADNOC's upstream activities to Abu Dhabi's consumption points and the export and interconnection terminals to neighboring Emirates. The remaining 51% of ADNOC Gas Pipelines will be controlled by ADNOC.

The transaction, one of the most important ever registered in the global energy infrastructure sector and the first acquisition undertaken by Snam outside of Europe, values 100% of ADNOC Gas Pipelines at approximately 20.7 billion dollars (10.1 billion dollars for its 49%). The consortium obtained approximately 8 billion dollars in funding from a pool of international banks. The equity contribution is distributed proportionally among the members of the consortium, who all hold equal shares with the exception of the leader, GIP. For Snam, in detail, the outlay with its own funds will amount to approximately 250 million dollars.

For the consortium, of which Snam is the only industrial operator, this is an important investment opportunity in a strategic energy infrastructure.

Commenting on the transaction, His Excellency Dr. Sultan Al Jaber, UAE Minister of State and ADNOC Group CEO, said: *"We are pleased to once again partner with some of the world's leading global infrastructure and institutional investors in what marks the region's largest energy infrastructure investment. This milestone transaction demonstrates the trust and confidence placed in ADNOC by the global investment community and unlocks significant*



value from our pipeline portfolio, following last year's groundbreaking oil pipeline infrastructure investment agreement. Today's landmark investment signals continued strong interest in ADNOC's low-risk, income-generating assets, and sets another benchmark for large-scale energy and infrastructure investments in the UAE and the wider region. It solidifies ADNOC's position as an attractive partner and reinforces the UAE's track record as the region's go-to foreign direct investment destination, even during the current unprecedented circumstances."

Snam CEO, Marco Alverà, said: *"With this strategic transaction, we strengthen our international footprint by entering a country and a region that are key to the energy sector, further consolidating Italy's role in the Gulf area. Our aim is to promote further cooperation opportunities, particularly in the energy transition. We will work with ADNOC and the Consortium partners by leveraging our industrial skills, know-how and innovative solutions in natural gas infrastructure management and provide our contribution to the UAE's energy system. This transaction was carried out completely from remote over the past months, testifying the resilience of our company and its willingness to continue its growth path of the past several years."*

The completion of the acquisition, which is scheduled for the month of July, is subject to the usual suspensive conditions that characterise this type of transaction.

ADNOC

ADNOC is one of the world's leading diversified energy and petrochemicals groups. With 14 specialist subsidiary and joint venture companies, ADNOC is a primary catalyst for the UAE's growth and diversification. For more information visit www.adnoc.ae.

Contacts: media@adnoc.ae

Snam

Snam is one of the world's leading energy infrastructure operators and one of the largest Italian-listed companies in terms of market capitalization. Through its international subsidiaries, it operates in Albania, Austria, China, France, Greece and the UK. The company has the largest natural gas transmission network and storage capacity among European peers and is also one of the main operators in regasification. As part of a €6.5 billion plan to 2023, Snam invests €1.4 bn in the SnamTec project, focused on innovation and new energy transition businesses, from sustainable mobility to biomethane and energy efficiency. Snam also aims to enable and promote the development of hydrogen to encourage the decarbonisation of the energy sector and industry. Snam's business model is based on sustainable growth, transparency, the promotion of talent and diversity and the social development of regions through the initiatives of Fondazione Snam. For more information visit www.snam.it.

Contacts: ufficio.stampa@snam.it