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M.11331 – ACES / PREZERO / ENAGAS RENOVABLE / PREZERO BIOMETANO

SECTION 4

Description of the concentration

This notification concerns the following undertakings:

- Aquambiente, Circular Economy Solutions, S.L.U. (“ACES”), Spanish company controlled by the French Veolia Environnement S.A. (“Veolia”).
- PreZero Gestión de Residuos, S.A. (“PreZero”), Spanish company belonging to the German Schwarz Group (“Schwarz”).
- Enagás Renovable, S.A. (“Enagás Renovable”), Spanish company jointly controlled by Enagás, S.A. (“Enagás”), Ardian SAS (“Ardian”) and FiveT Group AG (“FiveT Group”).

The above undertakings will acquire joint control over a newly created JV, which will be performing on a lasting basis all the functions of an autonomous economic entity within the meaning of Article 3(1), point (b) and Article 3(4) of the Merger Regulation.

The concentration is accomplished by the acquisition of shares by ACES and Enagás Renovable in the share capital of a shell company created by PreZero for the sole purpose of setting up the JV. Post-transaction the JV’s share capital will be equally held by Abgar (33.3%), Enagás Renovable (33.3%) and PreZero (33.3%).

The business activities of the undertakings concerned and the JV are:

- a. ACES is a subsidiary of Veolia involved in waste and water management activities, as well as in the provision of circular economy services, construction activities and analysis and consulting services related to the foregoing.

Veolia is a French group active in the following sectors: (i) water-related services, including the collection, distribution and treatment of drinking water, the collection and treatment of wastewater, the design-build, operation, maintenance, modernization and management of water and wastewater treatment systems and facilities, the development of technologies, chemical solutions and water treatment equipment, and the provision of mobile response solutions; (ii) waste services, with the collection and treatment of common, hazardous and regulated waste and (iii) energy services, with energy management for local authorities and businesses, focused on ecological transformation. Veolia is listed on Euronext Paris and is part of the CAC 40 index.

- b. PreZero is part of the German Schwarz Group and provides waste disposal and recycling services in the markets for the collection, sorting, treatment, recycling and disposal of household and commercial waste.

The core business of Schwarz is food retailing in over 30 countries through its Lidl and Kaufland divisions. Schwarz has also been involved in the collection, sorting, processing and recycling of waste as an integrated service provider in the field of waste management via its division “PreZero”. Besides this, Schwarz is also active in the food/beverage production as well as in the digital service industry.

- c. Enagás Renewable is a company focused on the development of projects in the field of renewable gases and decarbonization.

Enagás is a Spanish natural gas transmission company and Technical Manager of the Spanish gas system. It has 11,000 Km of gas pipelines, three underground storage facilities in Serrablo (Huesca), Gaviota (Vizcaya) and Yela (Guadalajara) and four regasification plants in Barcelona, Huelva, Cartagena and Gijón. It also owns 50% of the BBG regasification plant in Bilbao and 72.5% of the Sagunto plant. Enagás Transporte S.A.U., a wholly owned subsidiary of Enagás, is also certified by the European Commission as an independent Transmission System Operator (TSO).

Ardian is a private equity group comprised of various management companies and investment funds which invest in companies involved in a wide range of businesses (such as healthcare, infrastructure, energy, consumer goods or new technologies sectors) throughout the world.

FiveT Group is the holding company of a group of funds based in Switzerland, where FiveT Hydrogen is a clean private infrastructure fund dedicated to the financing of projects in the production, storage and distribution of clean hydrogen. FiveT Group also carries out investments through (i) FiveT Capital, an independent asset manager specialising in equity linked fund products and tailored hedging solutions, and (ii) FiveT Fintech, which invests and supports entrepreneurs redesigning financial services through digitization and the use of cutting-edge technologies.

- d. The JV does not currently carry out any activities in any market. Once established, its purpose will be to develop, construct and operate a plant for organic waste treatment and the production of biogas, which would then be purified to obtain biomethane and sell it to third parties at market conditions through the Spanish gas network. After the execution of the acquisition of shares by the Parties it will be renamed and operate under the name Smart Farm BioGas Madrid, S.L.