

SIAD AND SOL JOINT PRESS RELEASE

The SIAD Group and SOL Group are taking part in a joint production initiative in Croatia through the newly established Croatian company OXY Technical Gases d.o.o. (“OXY”).

OXY is building a modern air separation unit (ASU) in Zagreb to produce liquid oxygen, nitrogen and argon.

The European Bank for Reconstruction and Development (EBRD) has decided to support the project and today signed a long-term loan agreement with OXY for €31.5 million.

SIAD S.p.A. (“SIAD”) and SOL S.p.A. two of the leading Italian technical, industrial and medical gas production companies, announce the launch of a joint production project intended to increase the availability of nitrogen, oxygen and argon in Eastern European markets, particularly in Croatia and its neighboring countries.

Specifically, SIAD and SOL have recently established the Croatian company “OXY Technical Gases d.o.o.”, of which SIAD holds 60% of the share capital and SOL 40%.

OXY is building a modern air separation unit (ASU) near Zagreb to produce high purity liquid oxygen, nitrogen and argon at cryogenic temperatures, intended to supply oxygen and other medical gases to hospitals, as well as technical gases and related services to industries, local authorities, universities, laboratories and research centers in South-Eastern Europe.

The ASU under construction is being built by “SIAD Macchine Impianti S.p.A.”, a SIAD Group company specialized in the engineering and construction of technical gas production plants, industrial compressors and LNG natural gas liquefaction plants. This industrial gas production plant required **an investment of around €50 million**, supported by the two partners in proportion to their respective capital shares. The ASU will start production during 2024 and will generate new direct and indirect jobs for approximately 45 people.

Following an in-depth investigation, the European Bank for Reconstruction and Development (EBRD) made a positive assessment of the project and decided to support it with a long-term loan of €31.5 million. The loan agreement between the EBRD and OXY was signed today.

The ASU engineered and built by SIAD Macchine e Impianti is a large, modern and above all energy efficient plant, allowing SIAD and SOL to collect their products from the joint production company at competitive prices and with undoubted advantages also for the relevant end market.

Roberto Sestini, Chairman and CEO of the SIAD Group, said:

“As SIAD Group we are very proud to be involved in this international project with the SOL Group, which will strengthen our historical and well-established presence in the countries of Eastern Europe. The air separation unit (ASU) was designed and built by our subsidiary SIAD Macchine Impianti, one of the leading companies worldwide in this sector. In fact, it is thanks to the engineering skills of the SIAD Group that this new ASU satisfies the highest requirements in terms of innovation and sustainability.

The construction of this ASU in Croatia, in partnership with the SOL Group, will increase the local production of industrial and medical gases, reducing the need to import products, with consequent environmental benefits deriving from a significant reduction in road transport.

This is the second operation financed by EBRD for the SIAD Group, and we are extremely honored by this. Working on programs that gather the support of the European Bank for Reconstruction and Development is an honor and a commitment to carry out projects that are valuable to all stakeholders in the countries where we operate".

Aldo Fumagalli Romario, Chairman and Managing Director of SOL Group, added: *"This partnership with the SIAD Group is extremely important to us, as it allows us to work with a reliable and competent partner on an innovative and strategic project. It is also significant that two Italian companies are working together, abroad, with a view to both becoming increasingly competitive on international markets.*

Sharing our mutual skills and financial resources will allow both SIAD and SOL to enjoy the benefits that larger production plants bring, above all in terms of lower specific energy consumption compared to smaller plants. In this respect, the new project also fulfills the needs of an economy and an industry that are increasingly sensitive to energy and environmental challenges.

Finally, we are particularly pleased that EBRD has positively judged our project. Having such an important financial institution at our side motivates and encourages us, but also confirms the solidity and credibility of our companies SIAD and SOL".

SIAD is one of Italy's leading chemicals groups and operates internationally, with a 2022 turnover more than one billion euros, 70,000 customers and 2,177 employees worldwide. Founded in Bergamo in 1927, chaired by Roberto Sestini and administered by Bernardo Sestini, it boasts a solid tradition and experience. The SIAD Group has offices in Europe and around the world and operates in the **Industrial Gas, Engineering, Healthcare, Natural Gas and LPG** sectors.

From the outset, **values** such as **Solidity, Innovation, Authenticity and Difference** have enabled the SIAD Group to grow and continue to expand year after year in a responsible and sustainable manner.

SOL is an Italian multinational Group, that operates in Europe, in Turkey, in Morocco, in Brazil, in China and in India, in two different prevalent sectors: that one of the productions, applied research and sale of technical gases, pure and medicinal (Technical Gases Division) and in that one of the Home Medical Care (Home Care Division), with more than €1,370 million € of sales, and more than 5,750 employees.

Press contact:

Gruppo SIAD

Luca Vitale e Associati
Luca Vitale, 335.6010843
l.vitale@lucavitaleassociati.it
Margherita Saldi, 328.9675035
m.saldi@lucavitaleassociati.it

Gruppo SOL

Barabino & Partners
Marina Riva
Tel 347 29.75.426
m.riva@barabino.it

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