

# press release



Riyadh and Paris, 26 July 2019,

## **SUEZ AND FIVE CAPITAL SIGN AN AGREEMENT FOR A MAJORITY STAKE IN EDCO, A SAUDI HAZARDOUS WASTE MANAGEMENT COMPANY**

**SUEZ and Five Capital Fund I (a Saudi CMA-regulated fund) signed an agreement to acquire a controlling stake in Environment Development Company (EDCO), a Saudi hazardous waste management company. This operation will position the two partners in the rapidly expanding hazardous waste market in Saudi Arabia where major petrochemical industrial projects are ongoing and planned.**

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.

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, will be acquiring 65% of the company.

The partners expect to complete the transaction by the end of the third quarter, subject to customary regulatory approvals.

"For more than 60 years, SUEZ has been supporting Middle East authorities and industries in the development of solutions to meet the challenge of water and waste management. This acquisition is in line with SUEZ's strategy in the Middle East to seize growth opportunities with industries and in the developing waste technical treatment market where the Group is already well positioned. We are pleased with the successful collaboration with Five Capital and to benefit from their experience as investors in the region. We are looking forward to keep on working together to complete the transaction." comments Ana Giros, Senior Executive VP of SUEZ Group in charge of the International Division.

"Through Five Capital, we are pleased to partner with SUEZ, a world-class leader in its field. This landmark transaction will allow a leading Saudi SME to benefit from the industry expertise, technical know-how and knowledge transfer brought by SUEZ as well pursue the implementation of stringent global standards in term of Governance, Ethics and Environmental standards, sustainable development and social responsibility. 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 Vision 2030 set by His Royal Highness the Crown Prince

### **SUEZ**

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Mohammed Bin Salman. Once completed, this transaction will be the third investment made by Five Capital” says Talal Al Maiman, CEO of Kingdom Holding Company and Chairman of Five Capital Fund I.

“It is a key milestone for EDCO. Having two 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 and Five Capital” says Abdulwahab Alahmary, founder and CEO of EDCO.

#### **About SUEZ**

*With 90 000 people on the five continents, SUEZ is a world leader in smart and sustainable resource management. We provide water and waste management solutions that enable cities and industries optimize their resource management and strengthen their environmental and economic performances, in line with regulatory standards. To meet increasing demands to overcome resource quality and scarcity challenges, SUEZ is fully engaged in the resource revolution. With the full potential of digital technologies and innovative solutions, the Group recovers 17 million tons of waste a year, produces 3.9 million tons of secondary raw materials and 7 TWh of local renewable energy. It also secures water resources, delivering wastewater treatment services to 58 million people and reusing 882 million m<sup>3</sup> of wastewater. SUEZ generated total revenues of 17.3 billion euros in 2018.*

#### **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.*

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Find out more about the SUEZ Group  
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