

## PRESS RELEASE

### **Strategic progress on Italtvolt's 45 GWh gigafactory project**

*Binding agreement signed for the purchase of the former Olivetti site in Scarmagno, an area measuring 1 million square meters*

Milano / Scarmagno (Turin), 9 September 2021 – **Italtvolt Spa**, the company founded by Lars Carlstrom with the goal of building one of Europe's biggest gigafactories in Italy, has signed a binding agreement with Monteverdi Fund manager Prelios SGR for the purchase of an area measuring 1 million square meters (more than 10.75 million square feet) in the municipality of Scarmagno (TO), on the former Olivetti factory site. The Italtvolt gigafactory for production and storage of lithium ion batteries for electric vehicles, which will produce 45Gwh when in full-swing operation, represents one of the most important industrial projects of recent years in Italy, with a total investment of about 3.4 billion euro.

Italtvolt chose the former Olivetti site in Scarmagno for its technical features and particularly strategic geographic location near major road and rail links. Another factor which makes the former Olivetti site the ideal place for the Italtvolt project is its strong ties with industry in Piedmont, Italy's foremost automobile manufacturing region. Italtvolt will clean up and redevelop the land, building the new plant on 300 thousand square meters of land, including a 20 thousand square meter Research & Development facility.

The next step for Italtvolt is obtaining building permits, expected to take place early in 2022, allowing work to begin in the second half of the year. The new factory will be designed by Pininfarina's Architecture Division with a strong focus on environmental and social footprint. Pininfarina intends to design a new-generation industrial facility that is perfectly integrated into the economic and social dynamics of the area.

**Italtvolt CEO and founder Lars Carlstrom** comments: *"The agreement with Prelios Sgr represents a key step forward in the implementation of our plan for construction of the gigafactory. We're very happy to conclude the purchase of the area by the deadline recently confirmed by the local political institutions, which have made a significant contribution to promotion of Italtvolt's project in recent months. The vacant land has plenty of potential, and we plan to restore it to the local community, creating jobs and cleaning up the site".*

The first half of 2021 saw strong growth in the electrical mobility industry in Europe and all over the world. In Italy, for example, the first six months of 2021 saw four times as many electric and hybrid plug-in vehicles registered as in the first half of 2020. Demand for lithium ion batteries in Europe is expected to grow at a rate of 24% a year, led by electric mobility, exceeding 1,200 GWh by 2035. At present, in view of the gigafactory openings announced in Europe, there is a gap in production of more than 250GWh.

**Lars Carlstrom** adds: *"We're proud to promote a project that will become the biggest gigafactory in southern Europe. We're confident that it will open the doors to new industrial initiatives for battery production in Italy. We need to speed up battery production to meet the challenging target proposed by the European Commission of completing the transition to a zero emissions automotive industry by 2035, and Italtvolt is ready to do its part!"*

**Prelios Sgr CEO Patrick Del Bigio** said: *"We're very happy with the results achieved by this operation, because the location that housed the historic Olivetti factory will return to life over the coming months with a new industrial project in the electric mobility business, a highly strategic and innovative sector today, just as Olivetti was in information technology in the 1960s. So the site retains its solid industrial vocation, with all the socio-economic benefits this will bring, perfectly consistent with its growing green prospects. With this in mind, Prelios SGR has been strongly*

*committed to the success of the transaction, working closely with the local authorities and all the players involved, and ensuring the best valuation of the property."*

**Andrea Tronzano, Councilor for Budget of the Region of Piedmont**, comments: *"This is a very busy time in Piedmont. This project represents a very important step in the Canavese area and beyond, demonstrating Italtvolt's intention to complete the battery factory on schedule. Piedmont wants a gigafactory, and so the region welcomes the news. We will now be looking into the business plan in order to facilitate discussion with the government aimed at accessing funding under the national recovery plan".*

Closing is subject to a series of administrative conditions precedent and is expected to take place within 12 months of the date of the agreement.

Italtvolt has benefited from the legal assistance of Dentons, with a team led by Managing Partner Federico Sutti and including Partner Federico Vanetti and Associates Lorenzo Ugolini and Cristina Garlaschelli, while Prelios Sgr has been assisted by law and tax consultancy firm GDP – Studio Legale e Tributario, with a team led by Founding Partner Professor and Attorney Andrea Gemma, Partner Attorney Elisabetta Mattozzi and Managing Associate Attorney Chiara Adele Pero.

#### **ITALVOLT**

Italtvolt intends to construct a gigafactory for production of battery cells in Scarmagno, Italy, with a productive capacity of 45 Gwh when in full-swing operation. The new plant, designed by Pininfarina, will cover an area of 300 thousand square meters (more than 3 million square feet), 20 square meters of which will house a Research & Development facility. The key goal is contributing to ecological industrialization as one of Europe's top suppliers of batteries for electrical vehicles. This also means contributing to the circular economy and, in the final analysis, to regeneration of our natural resources. Compliance with ESG and sustainability criteria are essential elements of Italtvolt's project.

#### **PRELIOS SGR**

Prelios SGR is the Prelios Group's fund manager. One of the leading Italian real-estate fund and asset managers, it promotes and manages alternative investment funds (investment funds and SICAFs) and separate accounts, and provides advisory services for major national and international investors on the formulation and execution of the best movable and immovable asset investment and management strategies across Italy. At December 2020, Prelios SGR had assets under management for approximately 6.4 billion Euro through 38 alternative investment funds, including one umbrella fund, and two SICAFs.

Prelios SGR is a signatory of the United Nations-supported Principles for Responsible Investment network, which works for the integration into investment practices of the six responsible investment principles incorporating environmental, social and corporate governance issues.

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