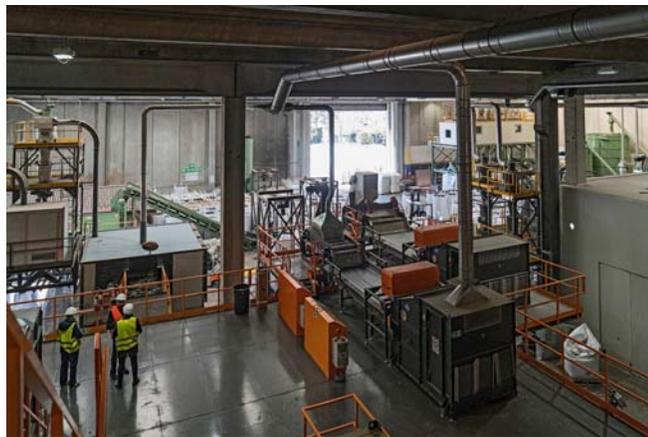


## **MAIRE TECNIMONT ENTERS THE PLASTIC MECHANICAL RECYCLING SECTOR THROUGH NEXTCHEM: A NEW STEP FOR THE GROUP'S GREEN ACCELERATION PROJECT**

- The investment concerns a plant in Bedizzole (Brescia), based on its own MyReplast technology, with a recycling efficiency of 95%, which will produce 40 thousand tons per year of recycled polymers, one of the largest in Europe;
- The EU has set a target for recycled polymers of 12 million tons by 2025: in order to reach such target, more than 175 new plants are required;
- Maire Tecnimont, a first mover as a developer in the sector: from the supply of technology to the construction of plants.



*Milan, February 20, 2019* – As part of its Green Acceleration project announced last November, Maire Tecnimont enters the Circular Economy sector through its subsidiary **NextChem**, investing in the development of its first advanced mechanical plastic recycling plant. “*Circular Economy*” is one of three pillars of NextChem’s strategy, together with “*Greening the Brown*” (Mitigation of the environmental impact of the oil & gas industry) and “*Green-Green*” (Development of additives or oil substitutes for fuels or plastics from renewable sources).

The plant, located in Bedizzole near Brescia, will be managed by a new company, **MyReplast Industries**, a subsidiary of and controlled by NextChem, and by local businessmen as minority shareholders.

The transaction entails a *non-recourse* financing provided by Intesa Sanpaolo through a new fund dedicated to the Circular Economy, designed as a structured support for this kind of industrial projects.

The plant, which is based on an economically sustainable business model without recourse to any type of public funds, has the following characteristics:

- **Significant Output:** the plant is currently among the largest in Europe and can produce about 40 thousand tons of recycled polymers per year;
- **High Flexibility:** the plant can treat various types of incoming plastic waste, both from industrial production (for example, components of cars, food and industrial packaging waste), and from post-consumption waste, i.e. municipal differentiated waste;
- **Excellent Quality of Finished Product:** the recycled polymer is a high-quality product, with a **recycling efficiency of about 95%**. Existing plants produce a material that can be used only for certain types of products due to chemical-physical characteristics. On the other hand, MyReplast Industries’ plant produces a better-quality product that allows its mass re-use for products with a high added value.

In the Circular Economy, mechanical recycling offers high energy efficiency and great flexibility in the treatment of various types of plastic waste. NextChem aims to combine them with its own know-how, developed in order to regenerate recycled polymers, improving its technical properties. Recycled polymers coming out of this plant will have the properties suitable for high value added “premium” markets, thus bridging that qualitative gap between recycled and virgin plastic (i.e. coming directly from fossil-based hydrocarbons).

Through this transaction, NextChem is going to have a *reference industrial scale plant* that can be replicated for its customers, depending on the relevant international market opportunities. One of the European

Union's targets is to increase the percentage of recycled plastics in Europe from the current 5% to 17% by 2025. In order to achieve such an increase of about 12 million tons in just six years, 175 new recycling and recovery plants will be needed, with a capacity of 50,000 tons each. Moreover, market opportunities are greater near production and recovery centers of the material that act as "feedstock" for the plant.

The recycled plastic sector adapts perfectly to the Group's *Project Development business model*, thanks to the small investment required compared to traditional plastic production plants, and to the specific technological content. Maire Tecnimont therefore adds to its traditional EPC approach a new business model as a contractor, co-developer and plant operator.

**Pierroberto Folgiero, Chief Executive Officer of Maire Tecnimont Group**, commented: "We are thrilled for this important step in our Green Acceleration strategy towards a new sustainable economy of plastic. The application of our technological and plant engineering capabilities to the new mechanical recycling business offers interesting opportunities in a sector that needs to industrialize the regeneration cycle of plastic materials. Maire Tecnimont, thanks to its leadership in the engineering and construction of hydrocarbons-based polymer plants, can play a role of accelerator in the Circular Economy, which consists in the reutilization and recycling of polymers to create new raw materials and avoid dispersion in the environment. In this field, Italy can lead the transition towards green chemistry thanks to its great tradition of research, technology and industry.

I also believe that this expansion into green chemistry represents an opportunity to create long-term value for our shareholders in accordance with a strategic vision of environmental sustainability, also strongly supported by our President and founder Fabrizio Di Amato".

#### **Mechanical recycling of plastics**

In 2016 plastic output (long produced from hydrocarbons) reached 300 million tons worldwide and 60 million tons in Europe alone. Of these, only about 5% is channeled to recycled production with a significant share of plastic waste dispersed in the environment or sent to incineration or landfills (due to the lack of recycling plants). The energy transition underway is focusing the main players in the sector, both producers and buyers of plastics, on more sustainable production approaches which provide for more virtuous and effective recycling methods according to the principles of Circular Economy. Mechanical recycling is, to date, the most widespread process to channel the plastic waste towards reuse in the consumer sector. The number of plants in Italy still does not match the urban and industrial waste recovery output.

#### **Maire Tecnimont S.p.A.**

Maire Tecnimont SpA, listed on the Milan Stock Exchange, is a head company an industrial group leader in natural resources processing industry (plant engineering in oil &



gas downstream, with advanced technological and executive skills). With its subsidiary NextChem it operates in the field of green chemistry and technologies for the energy transition. Maire Tecnimont Group is present in approximately 45 countries, has about 50 operating companies and employs about 5,800 people, plus 3,000 professionals in instrumentation business unit. For more information: [www.mairetecnimont.com](http://www.mairetecnimont.com).

**Institutional Relations & Communication**

Carlo Nicolais, Tommaso Verani - [public.affairs@mairetecnimont.it](mailto:public.affairs@mairetecnimont.it)

**Media Relations**

**Image Building**

Alfredo Mele, Alessandro Zambetti - Tel +39 02 89011300 - [mairetecnimont@imagebuilding.it](mailto:mairetecnimont@imagebuilding.it)