

PRESS RELEASE

Green Arrow Capital and Lazzari&Lucchini grow in the Biomethane sector

One of Italy's most important plant portfolios, made of 7 fully operating plants with an overall capacity of 2,100 Sm³/h of gas, has been completed.

The final four plants were unveiled on the occasion of the round table discussion "Biomethane: how far we've come and where we're headed", focused on the strategic role of green fuel for a sustainable future and featured the intervention of leading institutional and industry representatives.

The two players confirm their leadership in the market and announce a second portfolio of six plants to be completed by 2025, in line with the "New Biomethane 2022" Ministerial Decree objectives.

Rome/Brescia, 5 March 2024 – **Green Arrow Capital**, one of the leading Italian independent operators in the field of alternative investments, and **Lazzari&Lucchini**, leading company in the production of energy from natural resources, announce the **completion of their first 7 Biomethane production plant portfolio**. The construction of the assets falls within the **partnership's** framework, initiated in 2020, which now aims to **double its number of existing plants with a second portfolio made of at least 6 assets, set to be operational by 2025.**

As of today, the entire seven plant portfolio, with an approximate capacity of 300 Sm³/h of gas per asset, is fully operational, and produces biomethane solely through the recovery of zootechnical effluents and agricultural by-products not intended for human consumption. Over the course of 2023, the final four plants out of the seven within the portfolio were made operative, and in the month of December, the *project financing* for the entire portfolio was finalized.

This is an important milestone for Green Arrow Capital – who invested in the project through the *Green Arrow Energy Fund* ("GAEF") and the *Green Arrow Infrastructure of the Future* ("GAIF") fund – and Lazzari & Lucchini, who have now consolidated their leadership role in the Biomethane with the completion of one of Italy's most important portfolios.

The seven plants, all located in the strategic area of Brescia, were constructed and funded between 2020 and 2023, and incentivized under the Ministerial Decree "Biomethane 2018". The Decree, which represented a significant step towards promoting renewable energy in the Italian energy sector, establishes incentives and regulations to encourage the production and use of biomethane, thereby contributing to the reduction of greenhouse gas emissions and the promotion of environmental sustainability.

The overall energy and environmental benefits achieved through the completion of the project are significant and represent an important outcome for the two player's Joint Venture: **17,850,000** standard

cubic meters (SCM) of biofuel produced yearly will power approx. 1,855 heavy-duty vehicles and cars, resulting in **14,000 tons of petrol saved per year**, with an **estimated annual reduction of around 30,000 tons of CO₂**, and a decrease of over 50% in nitrogen levels.

In light of such important results achieved with the completion of the plants within the portfolio, Green Arrow Capital and Lazzari&Lucchini announce the reinforcement of their partnership and commitment to the sector by entering into a new **agreement that will allow the realization of an additional portfolio of at least 6 biomethane plants, in line with the “New Biomethane 2022” Ministerial Decree’s objectives**, to be completed in northern Italy by 2025. The renewed strategic partnership was announced at today’s round table *“Biomethane: how far we’ve come and where we’re headed”*, focused on the strategic role of green fuel for a sustainable future.

Daniele Camponeschi, Green Arrow Capital Founder and CIO, stated: *“The project, completed alongside Lazzari&Lucchini, affirms Green Arrow Capital’s commitment as a virtuous investor in implementing key initiatives in support of the decarbonisation and energetic independence process of our Country, simultaneously favouring the Circular Economy. Our combined efforts has made possible the realization of numerous projects in the field of renewable energy, bringing forth our concrete commitment to a greener and more sustainable Europe, and planet. The enthusiasm garnered from this additional and important result drives us to continue focusing on cutting-edge energy solutions and on the realization of a new plant portfolio”*.

Anna Lazzari, Lazzari&Lucchini President commented: *“It is with great pride that we announce the reaching of an important goal for the L&L Group. Thanks to these new 7 operating plants created in partnership with Green Arrow Capital, our company, with its innovative and operational capabilities, confirms its position as leader of the sector in Italy. This result is the fruit of synergy and cooperation between all those involved: our employees, collaborators, commercial and institutional partners, as well as the farmers and local communities. We firmly believe that the Italian biomethane supply chain has only scratched the surface of its potential. As L&L, we too will continue to grow within the sector. Our next efforts and investments are directed towards the development of six new productive sites focused on the production of biomethane through the use of zootechnical effluents”*.

The **Green Arrow Capital** and **Lazzari&Lucchini** event *“Biomethane: how far we’ve come and where we’re headed”* was held in the splendid setting of **Palazzo Cigola Martinoni (Cigole, BS)**, and saw the participation of institutional investors. The round table featured a discussion panel led by primary exponents of the sector and industry representatives on advanced biomethane, and of the importance of collaborations, innovations, and investments in the renewable energy sector.

Taking part in the debate were: **Angelo Baronchelli**, President and Founder of the AB Group, **Pietro Gattoni**, President of CIB, **Giovanni Perrella**, expert on the technical secretariat of the **Mase** Energy Department, **Ettore Prandini**, President of Coldiretti, **Stefano Saglia**, member of the ARERA Board. The event was hosted by Lazzari & Lucchini, represented by **Anna Lazzari** (Founder and President) and **Imerio Lucchini** (Founder); and by GAC, represented by **Eugenio de Blasio** (Founder and CEO), **Daniele Camponeschi** (Founder and CIO) and **Giulio Barendson** (Director of Investments).

PLANTS IN THE PORTFOLIO

The 4 inaugurated plants are:

- **Bio Gottolengo Solaro**, located in Gottolengo (BS);
- **CH4 Gottolengo**, located in Gottolengo (BS),
- **Bio Sole**, located in Montichiari (BS);
- **Gambaresca**, located in Verolanuova (BS);

they join the already fully operating plants:

- **Bio Tre Ponti**, located in Borgo San Giacomo (BS);
- **Bio Industria**, located in Verolanuova (BS), with the production of BIOGNL;
- **Bio Verola**, located in Verolanuova (BS).

All plants have a gas capacity of around 300 Sm³/h each, and process 50,000 tons of raw materials. Operating 24/7, 7 days per week, 365 days per year, the plants have a combined production capacity of over **17,800,000 standard cubic metres (Scm) of biomethane annually**. They consist of storage trenches, pre-tanks, loading hopper trucks, primary and secondary digesters, cogenerators, and upgrading unites. Additionally, the anaerobic digestion plant is equipped with an effluent treatment section aimed at reducing the nitrogen load by transforming it into gaseous molecular nitrogen (N₂). The continuous-cycle treatment plant includes a liquid/solid separation section, a denitrification tank, an oxidation tank, and storage tanks.

GREEN ARROW CAPITAL

Green Arrow Capital is one of the leading Italian Independent Asset Managers in the alternative investment world, with €2 billion assets of historical raised. To date, around 200 entities have invested into GAC's funds, almost 90% of which are represented by institutions (Banks, Sovereign Funds, Funds of Funds, Banking Foundations, Insurance Funds, Pension Funds, and Insurance Companies) and around 20% are of international origin.

Founded in 2012 by Eugenio de Blasio, major shareholder as well as Chairman and CEO, together with co-founder Daniele Camponeschi (Group CIO), and partner Alessandro Di Michele (Group CFO), Green Arrow Capital operates three different investment strategies – Clean Energy & Infrastructure, Private Equity, and Private Credit – led by dedicated and independent teams and has currently in fundraising the second Private Debt fund (GAPDF II) and the fourth Private Equity fund (GAPEF IV Italian Champions) supporting excellent Italian SMEs, as well as the Infrastructure of the Future Fund (GAIF), which invests in renewable energy and digital infrastructure in high-potential markets in Europe.

LAZZARI&LUCCHINI

The L&L group is dynamic and innovative, with a defined strategy and long-term industrial vision. The business integrates principles of circular economy and sustainable development and is based on products and services characterised by a predominant environmental and social value. The group is among the leading players in the clean and renewable energy sector: it designs and manages high-tech facilities for energy production from wind, water, and agro-zootechnical by-products.

Competence, reliability, and flexibility make the Brescia-based company an ideal partner for achieving the energy transition goals outlined by the European Green Deal and established by the Italian government in the National Recovery and Resilience Plan (NRRP). Lazzari&Lucchini, founded in 2014, was born from the union of two specific expertise, those of Imerio Lucchini, hydro-electric plant constructor, and Anna Lazzari, energy trading expert.

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