

**Landi Renzo Group:
signed Letter of Intent with the Egyptian National Organization for Military
Production, controlled by the Ministry of Military Production,
for the creation of a joint venture
aimed at the further development of sustainable mobility in Egypt**

The aim: to decarbonise Egyptian mobility with at least 100,000 conversions per year, in addition to the promotion of initiatives in the LCV, Bus and Heavy Duty segments

Cavriago (RE), 9th December 2020

The **Landi Renzo Group**, world leader in systems and components for gas mobility, has signed an agreement with the National Organization for Military Production (NOMP), controlled by the Ministry of Military Production, for the creation of a 50-50/joint NewCo aimed at the production and sale in Egypt of components and systems for the conversion to methane of the Egyptian car fleet, with the aim of at least 100.000 conversions per year, in addition to developing new delayed OEM (KMO) programs and launching initiatives, which include the study of a monofuel engine, dedicated to the Heavy Duty segment.

This new agreement, which comes in the wake of the Group's previous agreements with EGAS (Egyptian Natural Gas Holding Company), Gastec (Egyptian International Gas Technology) and Car Gas (Egyptian Natural Gas Vehicles Company), will further strengthen the already important presence of Landi Renzo in the Egyptian market, whose government has long been moving towards more sustainable mobility, and will make Landi Renzo the undisputed leader in methane conversions in this country.

In fact, the Egyptian Government has launched an ambitious plan to transform natural gas mobility, with significant investments in the country's infrastructure network and the objective of transforming a large part of the circulating fleet, both on the Passenger Car side and local public transport and heavy transport, into natural gas.

The agreement provides for the supply by Landi Renzo of both the technology behind the methane conversion, as well as strategic "on-engine" components for the conversion of vehicles, buses and trucks that will be produced in Italy, while other components will be made directly on site. The agreement also provides for the promotion of Landi Renzo's consolidated technology for Diesel Dual Fuel (DDF) conversions, that is diesel vehicles into diesel-methane, the conversion to methane gas of KMO machines of the main car manufacturers, and the study of dedicated Monofuel solutions for the Bus and Heavy Duty segment.

Cristiano Musi, CEO of Landi Renzo Group, said: "Egypt is one of the world's leading markets in gas mobility, with a very ambitious and concrete plan that foresees at least 500,000 conversions in the coming years. We are proud to be able to continue to make our contribution to the development of green mobility in Egypt, which will make it possible to expand the use of methane in this country, which has important resources, recently increased with the discovery of new reserves. The joint venture, which will be set up by the first half of 2021, will give us, on the one hand, the opportunity to continue to grow in this market and, on the other, an undisputed leading

role, not only in terms of After Market conversions, but also in partnerships with local OEMs. This agreement will also be strategic to further expand the Landi Renzo Group's presence throughout Africa, in addition to Egypt and Algeria".

Landi Renzo is the global leader in the LPG and Methane gas components and systems for the motor vehicles sector. The Company is based in Cavriago (Reggio Emilia) and has over 60 years' experience in the sector, and is renowned for the extent of its international activities in over 50 countries, with export sales of about 80%. Landi Renzo S.p.A. has been listed on the STAR segment of the MTA Market of Borsa Italiana since June 2007.

LANDI RENZO

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