

## **Veolia acquires CDPQ's 30% stake in Water Technologies and Solutions, achieving full ownership to accelerate value creation**

**Veolia has signed an agreement with CDPQ for the acquisition of its 30% stake in Veolia's subsidiary Water Technologies and Solutions ("WTS"), allowing Veolia to achieve full ownership of WTS, enabling to unlock more value potential, simplify further its structure and extract additional run-rate cost synergies of ~€90m.**

**This acquisition is a logical step in the deployment of Veolia's GreenUp strategic roadmap, with an efficient capital allocation to strengthen the Group's anchoring in Water technologies activities and in the United States, both identified as priority growth "boosters".**

The acquisition of CDPQ's minority interests will further strengthen Veolia's unique positioning as a global leader in Water Technologies. The Group is perfectly positioned to take advantage of the growing demand for innovative water treatment technologies and solutions, fueled by macro-trends such as water scarcity, adaptation to climate change, health concerns and the development of strategic industries such as semiconductors, pharmaceuticals and data centers.

The acquisition of the remaining 30% of Veolia's subsidiary WTS will allow full operational control, enabling it to enhance operational performance and seize all opportunities for development and innovation, through a complete integration process. **Following the acquisition, the Group will be able to unlock additional ~€90m of run-rate cost synergies by 2027.** Those synergies are already well-identified and benefit from a very low execution risk, given the deep and intimate knowledge of the asset and Veolia's proven track-record in synergies extraction. The acquisition is expected to be accretive from 2026 and will contribute to improve Group ROCE.

The purchase price for the acquisition will be \$1.75bn (~€1.5bn), corresponding to ~11x EV/post-synergies 2025e EBITDA. Post-transaction, Veolia will still maintain headroom compared to its Net Debt / EBITDA target of 3x, **allowing the Group to retain strategic flexibility to continue to deploy its GreenUp strategic plan.**

Veolia confirms all 2025 guidance and GreenUp targets previously communicated both at Group level and at Water Technologies level, and now aims to achieve an EBITDA CAGR of at least +10%<sup>(1)</sup> over the 2023-2027 period for its Water Technologies division.

*"This acquisition marks a pivotal step in unlocking the full value potential of Water Technologies, a growth booster identified as a priority in our GreenUp strategic plan, and a segment where we are already a market leader. Full ownership will enable us to accelerate growth, enhance operational efficiency and synergies as well as deepen the alignment with strategic priorities. This move is especially crucial given the urgent and rapidly evolving needs of the market, allowing us to respond faster and more effectively to emerging opportunities and challenges," said Estelle Brachlianoff, Veolia's Chief Executive Officer.*

*"We are proud of WTS' achievements since our investment in 2017, as it has grown into a global market leader in water technologies. Through our partnership, we helped strengthen the company's foundations and position it for sustained growth and long-term value creation. We are grateful for the close collaboration with the management teams at WTS and Veolia, and we wish them every*

(1) At constant forex

success in this next chapter," said **Albrecht von Alvensleben**, Managing Director, Head of Private Equity Europe at CDPQ.

The closing of the transaction is expected by the end of June 2025.

### **Veolia Water Technologies segment**

- In FY2024, Veolia Water Technologies segment achieved revenues of €4.97bn (41% North America, 25% Europe, 13% Asia Pacific, 13% Africa Middle-East and 8% Latin America) and EBITDA of €612M. The business serves over 8,000 clients in 44 countries, with 38 technological sites and 11 dedicated R&I laboratories.
- Veolia Water Technologies activities include both Veolia WT, 100% owned and Water Technologies and Solutions "WTS" subsidiary, 70% Veolia-30% CDPQ

### **Water Technologies and Solutions "WTS" subsidiary**

- WTS was formed as a 70%-30% joint venture between Suez and CDPQ in 2017, before becoming a subsidiary of Veolia following the Veolia-Suez merger in 2022, with CDPQ keeping its 30% minority stake. In FY2024, WTS achieved revenues of €3.3bn (\$3.6bn) and EBITDA of €472M (\$511M).

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## **ABOUT VEOLIA**

*Veolia group aims to become the benchmark company for ecological transformation. Present on five continents with 215,000 employees, the Group designs and deploys useful, practical solutions for the management of water, waste and energy that are contributing to a radical turnaround of the current situation. Through its three complementary activities, Veolia helps to develop access to resources, to preserve available resources and to renew them. In 2024, the Veolia group provided 111 million inhabitants with drinking water and 98 million with sanitation, produced 42 million megawatt hours of energy and treated 65 million tonnes of waste. Veolia Environnement (Paris Euronext: VIE) achieved consolidated revenue of 44.7 billion euros in 2024. [www.veolia.com](http://www.veolia.com)*

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*This document contains "non-GAAP financial measures". These "non-GAAP financial measures" might be defined differently from similar financial measures made public by other groups and should not replace GAAP financial measures prepared pursuant to IFRS standards.*

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