

Press release

VNG AG / Takeover of Gas-Union GmbH / VNG 2030+ /

Sales process completed: VNG takes over Gas-Union

Leipzig energy group strengthens its position on the gas market with acquisition

Leipzig/Frankfurt am Main, 1 October 2020. The acquisition of Gas-Union GmbH by the internationally operating energy group VNG AG has officially been completed. After the Leipzig-based group of companies had already come out on top in the EU-wide bidding competition in July of this year, both the competition authorities and the respective Boards have given the green light for the takeover of the previous competitor from Frankfurt am Main. The closing took place yesterday, Wednesday, 30 September 2020.

“Gas-Union is a company with a long tradition that has earned a good reputation within the industry and especially in the trading and sales sector due to its strong customer focus. By acquiring a competitor in Gas-Union, we can further strengthen our own position in the German gas market,” explained VNG CEO Ulf Heitmüller. “We operate in a challenging market that is characterised by a great deal of competitive pressure. In this respect, we are proactively participating in the market consolidation that is taking place and are using this step to position ourselves in this environment and to give our Group an even broader base. With its business areas of Trading & Sales, Transport and Storage, we see the acquisition of Gas-Union as a rational addition to our own portfolio.”

Heitmüller clarifies further: “The task now is to find the best possible and most sensible transition for all involved. This also includes, for example, the future direction of the network business, the trading business and Gas-Union’s storage assets,” said the VNG CEO. “In this context, we will be holding intensive talks with those responsible at Gas-Union in the coming weeks regarding the future of individual activities and the impact on the workforce. We are very keen to find economically suitable and fair solutions for the entire process.”

Just like VNG, which covers the entire gas value chain and focuses on the four business areas of Trading & Sales, Transport, Storage and Biogas, Gas-Union has proven expertise in the gas market. It operates as a wholesaler and service provider in the market and supplies regional and local utilities, industrial customers and power plants throughout Germany. Gas-Union’s natural gas transport system has a total length of 544 kilometres. Storage capacities at four sites with a total working gas volume of 3.42 terawatt hours (TWh) complete the portfolio.

The largest shareholder in Gas-Union was most recently Mainova AG with 34.27 per cent. Other shareholders were: RGE Holding GmbH (23.57 per cent), Kraftwerke Mainz-Wiesbaden AG (15.91 per cent), Städtische Werke AG (9.18 per cent), Stadtwerke Göttingen AG (6.12 per cent), Stadtwerke Essen AG (4.55 per cent), Energie- und Wasserversorgung Mittleres Ruhrgebiet GmbH (4.55 per cent). These shares will now be transferred to VNG AG. Gas-Union GmbH itself holds 1.85 per cent of its own shares in the company.

**About VNG**

VNG is a group of over 20 companies active in the European energy industry with a broad, future-oriented portfolio of products and services in gas and infrastructure, and more than 60 years of experience in the energy market. Headquartered in Leipzig, the Group has a workforce of some 1,200 and generated billed revenue of approximately EUR 10.5 billion in the 2019 financial year. VNG concentrates on four links in the gas value chain: Trading & Sales, Transport, Storage and Biogas. Building on its core expertise in the gas business, the Group's 'VNG 2030+' strategy places a growing focus on new business fields. These include green gases and digital infrastructure. More at www.vng.de.

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