



Press release Stockholm, 2018-10-23

Release of Q3 2018 interim report postponed as court ruling for dispute related to Södertörn facility received

As earlier communicated the Group has had a dispute with one of the Södertörn facility's main suppliers. The Group has withheld the final payment due under the construction contract, as it has deemed that the counterparty failed to perform its duties under the contract. The counterparty has demanded that payment be made including some additional works. The disputed payment has been under arbitral review. The Group has denied any obligation to pay the demanded amounts and has filed a counterclaim for fees and expenses incurred to rectify faulty deliveries, which exceeds the amount of the counterparty's claim.

The court ruling was not aligned with Scandinavian Biogas' expectations, neither on counterparty's underperformance nor for counterclaims, but rather favourable to the counterpart, implying higher investment and operative costs to the Scandinavian Biogas Group. The negative cash impact is estimated to be 10-12 MSEK higher than expected.

The court ruling for the dispute was received in Mid-October. Even though the court ruling was confirmed after the end of the reporting period, the implications must be included in the financial statements in the Q3 interim report, according to IAS 10 (IFRS). As the Group is analysing the financial consequences, the announcement of the interim report will be postponed and thus not released on the 25th of October 2018. The new date is not yet confirmed and will be announced later.

For further information, please contact:

Matti Vikkula
CEO Scandinavian Biogas
+46 (0) 70-597 99 38
matti.vikkula@scandinavianbiogas.com

The Company in brief:

Scandinavian Biogas is today one of the largest private producers of biogas as a vehicle fuel. The Company also operates a manufacturing plant for pre-treatment of food waste and industrial organic waste, as well as a plant for production of raw biogas in South Korea and a plant for production of liquid biogas in Norway.

Information:

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