

Press release 18 December 2020

Scandinavian Biogas has finalized the acquisition of Ekdalens Biotransporter AB

Scandinavian Biogas Fuels International AB (publ) (“Scandinavian Biogas” or the “Company”), a leading producer of biogas in the Nordics, today announces it has finalized the acquisition of Ekdalens Biotransport AB (“Ekdalens”), which was published by press release on 30 November 2020.

Scandinavian Biogas has today completed the acquisition of all shares in Ekdalens. The acquisition is part of Scandinavian Biogas’s strategy to achieve greater integration across the entire value chain, from organic waste to produced biogas and bio-fertiliser, and the capacity to offer comprehensive transport service to the biogas industry.

Ekdalens is a market leader in the transport of organic material with a focus on substrate and bio-substrate to and from biogas facilities in southern Sweden. Ekdalens has had a positive operational and financial development in recent years, with several new customers and high capacity utilisation. For further information and pro forma financials, see the company description that the company published on December 14, 2020.

Biogas production is a growing industrial sector, and reliable substrate suppliers are absolutely crucial for the biogas industry. Biogas producers therefore need a strong logistics partner with a high level of expertise. Ekdalens matches this description perfectly, and its expertise will be important and advantageous for the entire biogas industry in Sweden, as well as for Scandinavian Biogas’s future growth projects, including the one that are pursuing with farmers in Mönsterås Municipality.

Ekdalens, headquartered in Helsingborg, was founded in 2005 by Ulf Wåktare, the current CEO and previous owner. Mr Wåktare will continue as Ekdalens operations manager and will join the management team of Scandinavian Biogas’s Swedish operations. Ekdalens will continue to operate in its current form and the direction of the business will remain unchanged.

The acquisition terms in summary:

- Total purchase price was divided as follows:
 - Cash payment of SEK 25.3 million
 - Issue of 444,444 shares in Scandinavian Biogas
 - Potential future earn-out payments based on Operative EBITDA 2020-2022, discounted to SEK 26.4 million

Directed issue of shares

As part of the financing of the acquisition, the Board of Directors of the Company has today resolved, as authorized by the Annual General Meeting on 25 June 2020, to increase the Company’s share capital with SEK 888,888.04 by an issue of 444,444 shares directed to the seller of Ekdalens. The subscription price amounted to SEK 33.75 per new share, corresponding to the offer price in the private placement of the Company’s shares which was published on 14 December 2020 with an agreed discount of 10 per cent. Through the directed issue, the number of shares in the Company increases with 444,444 shares to a total of 30,533,852 shares.

Matti Vikkula, CEO of Scandinavian Biogas

“It is gratifying to be able to follow up on our press release as of 30 November 2020 about the acquisition of Ekdalens Biotransporter AB, with the fact that it is now completed. We look forward to integrate Ekdalens into our group, and the increased sales and positive result are welcomed.”

For more information, please contact:

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About Scandinavian Biogas:

Scandinavian Biogas, founded in 2005, is a leading producer of biogas in the Nordics. The Company sells renewable energy based on compressed biogas and liquid biogas. The Company operates five production plants located in Henriksdal, Södertörn, Bromma (Sweden), Skogn (Norway) and Ulsan City (South Korea). Through its operations, Scandinavian Biogas supports a sustainable transition from fossil to renewable energy by turning locally sourced organic waste into renewable energy in the form of biogas and bio-fertiliser, whilst adding zero net emissions to the atmosphere.

Scandinavian Biogas is listed on Nasdaq First North Premier Growth Market with Erik Penser Bank AB as Certified Adviser, +46 (0)8-463 80 00, certifiedadviser@penser.se. More information about Scandinavian Biogas at, www.scandinavianbiogas.com

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