

HIGH ACTIVITY IN GROWTH PROJECTS AND MORE STABLE PRODUCTION

FIRST QUARTER 2023 IN BRIEF

- Energy sold increased by 3.1% to 88.1 (85.4) GWh.
- Total revenue, including capitalised work, increased by 32.3% to SEK 130.1 (98.4) million.
- Operating EBITDA margin was 6.4% (3.9%).
- Profit/loss after tax was SEK -58.8 (-11.9) million, of which SEK -31.2 (19.3) million was due to unrealised translation differences.
- Basic and diluted earnings per share was SEK -1.35 (-0.39).
- At the end of the quarter, the order book totalled 2.5 TWh, corresponding to a market value of approximately SEK 3.4 billion. We also have contracts for the supply of raw materials corresponding to 2.4 TWh.
- The plants in Henriksdal and Södertörn hold ISCC certificates since January 2023.
- The Board proposes to the AGM that the company name be changed to Biokraft International AB.
- Project Mönsterås started following an investment decision in December and Stockholm Bio-LNG is proceeding according to plan.
- A ruling by the General Court of the EU has led to the cancellation of the tax exemption for biogas granted to Sweden for 2021–2030.
- 15.3% of the shares in Scandinavian Biogas Mönsterås AB have been acquired by Mönsterås Biogas AB, which is jointly owned by farmers in the area around Mönsterås.

SIGNIFICANT EVENTS AFTER THE END OF THE PERIOD

- Scandinavian Biogas has decided to establish a subsidiary in the strategically important German market and has also entered into an agreement to begin development of two biogas plants in Germany with a combined capacity of approximately 240 GWh.

GROUP	3 months			12 mos.
	Jan–Mar 2023	Jan–Mar 2022	Δ	Full year 2022
SEK million, unless otherwise stated				
Sold GWh	88.1	85.4	3.1%	328.1
Net sales	107.3	92.9	15.5%	366.7
Other revenue	17.3	0.5	n/a	20.3
Total revenue, including capitalised work	130.1	98.4	32.3%	407.4
EBITDA	7.9	3.7	114.1%	19.7
Operating EBITDA	7.9	3.7	114.1%	16.4
Operating EBITDA %	6.4%	3.9%	2.5 pp	4.3%
Operating income	-15.3	-16.9	n/a	-65.2
Earnings per share (SEK)	-1.35	-0.39	n/a	-1.95
Cash flow from operating activities	-22.2	-15.4	n/a	7.4
Equity/assets ratio	38.4%	29.9%	8.4 pp	38.6%

HIGH PROJECT ACTIVITY AND ESTABLISHMENT IN GERMANY



MATTI VIKKULA
President and
CEO

I am very pleased that we proposed to the General Assembly on 27 April to change the name of the group to Biokraft International AB – or Biokraft for short. After careful consideration, we have concluded that Biokraft, the name of our Norwegian subsidiary, is already an established and well-recognised European brand in Bio-LNG. It also better describes the entirety of our offer, i.e. sustainable fuels and fertilisers. We are also convinced that the Biokraft name makes us stand out and reinforces our ability to build a leading market position. We hope for your continued support and commitment to Biokraft and our contribution to a circular economy.

During the first quarter, the market showed continued high demand for biogas, but falling market prices for fossil gas. The trend of falling gas prices has accelerated, and we are approaching the price level before the Russian attack on Ukraine in February 2022. The development is explained by a mild winter and substantially increased imports into the EU of non-Russian liquid fossil gas. Lower market prices have had a marginal impact on our revenues, as the prices in our existing contracts are still mostly fixed. Current price levels do not undermine our long-term target of a 30% operating EBITDA margin.

The Swedish Tax Agency's decision to remove tax exemption in Sweden, following the EU ruling in December, surprised the industry, as there is a political consensus in Sweden that biogas use must be subsidised. However, the government decided to accelerate a new application for tax exemption under the requirement of a formal review procedure that should have taken place before the previous EU decision. The tax ruling has had a limited impact on us. In the longer term, however, it is essential that biogas is favoured through tax exemptions, green certificates or other subsidies and that we have a clear regulatory framework across the EU. This is a prerequisite for a real transition to a sustainable transport sector.

Activity in the growth business is consistently high and we are delivering largely according to plan while strengthening our position in the market. The establishment of Business Area Germany is a strategically important milestone and adds two new biogas projects with a planned biogas capacity equivalent to 240 GWh. The ambition is to maintain a qualitative project pipeline consisting of around ten growth projects in different phases. We are currently running ten projects, two of which are under construction.

Operationally, we have seen small but clear progress. Capacity utilisation is still too low. Compared to the corresponding quarter the previous year, energy sold improved as did operating EBITDA. However, we are still far below our target of at least 30% operating EBITDA margin. Profitability is affected by fixed prices to customers, significantly lower than market prices, combined with sharply increased operating costs for electricity, chemicals and raw materials. We will gradually replace old contracts with new ones, and during the quarter the SL contract was extended until 2026. We therefore continue to be SL's main supplier of biogas. The new contract was signed at market price levels for Sweden, and the future price is linked to the market price. The agreement also specifies a minimum price that exceeds our existing fixed price agreements.

Activity in Business Area Sweden is high, and it's clear that new leadership in the Swedish business has created a greater operational focus with a holistic system for continuous improvement. The business area still has far too low capacity utilisation, and intensive work is underway to increase the volumes of incoming substrates and optimise the mix in the digester. The trend is promising, and the business managed to increase production in the first quarter compared to the previous quarter. In Norway, the project organisation handed over Skogn II to operations. Production volume increased and sales of Bio-LNG increased by 26% compared to the same period previous year. However, we believe that the production level can be increased further through a gradual ramp up, where new bottlenecks are cleared up on an ongoing basis. Korea had a strong quarter, increasing both production volume and profitability.

To summarise, it was an eventful first quarter where we made a lot of progress thanks to very committed employees and a clear growth plan. With a continued focus on long-term growth and continuous development in daily operations, we will achieve our goals, and I would like to thank all employees, customers, partners and shareholders for helping us achieve our vision of a sustainable transition from fossil to renewable energy.

GROUP GOALS 2024

- The production capacity for biogas should reach at least 600 GWh in 2024.
- Total revenue to be at least SEK 650 million by 2024.
- Operating EBITDA margin to be at least 30% by 2024.
- Equity/assets ratio should always be at least 25%.
- Reduce CO₂eq by 170,000 tonnes by 2024.
- To have zero workplace injuries leading to sick leave.

LONG-TERM OBJECTIVES

- The production capacity for biogas should be at least 1.2 TWh for 2026 and at least 3 TWh for 2030.

LONG-TERM GOALS AND THE WAY FORWARD

Project	Type	Additional capacity, GWh*		Feedstock type	Status	Estimated commissioning	CAPEX 4-6 MSEK/GWh	Operational EBITDA margin, min 30%
		Biogas	Bio-LNG					
Skogn II	Extension/improvement	35	35	Manure and other organic waste	Operations	Operations	aligned	aligned
Stockholm Bio-LNG	Extension/improvement	-	220	Conversion of CBG to LBG	Construction	2023	n/a	aligned
Mönsterås	Green field	135	135	Manure and agri-based waste	Construction	2024	aligned	aligned
Södertörn III	Extension/improvement	30	-	Manure and other organic waste	Investment plan	2025	aligned	aligned
Germany I	Green field	65	tbd	Manure and agri-based waste	Investment plan	2025	aligned	aligned
Germany II	Green field	175	tbd	Manure and agri-based waste	Investment plan	2025	aligned	aligned
Skogn III, up to	Extension/improvement	90	90	Manure and other organic waste	Env. permit phase	2025	tbd	tbd
Skånes Fagerhult	Green field	135	135	Manure and agri-based waste	Env. permit phase	2025	tbd	tbd
Kalmar	Green field	120	120	Manure and agri-based waste	Env. permit phase	2026	tbd	tbd
Sweden VII	Green field	125	125	Manure and agri-based waste	Env. permit phase	2026	tbd	tbd
Total		875	825					

*Biogas refers to additional production capacity for biomethane (upgraded raw gas). Bio-LNG refers to additional capacity for upgrading biomethane to liquid biogas.

Each project starts with a concept study that identifies substrate and land availability. The next step is a study that evaluates the feasibility, including environmental permits and access to substrates. If the project meets all the requirements of the feasibility study, a detailed requirement specification and implementation plan for the investment is developed and presented to the Board for a final investment decision, after which construction starts. The process from concept study to final investment decision costs up to SEK 20 million and usually takes 12 to 18 months.

HIGH ACTIVITY AND A GOOD BALANCE BETWEEN DIFFERENT STAGES OF PROJECT DEVELOPMENT

Sweden

In Sweden, several development projects are underway where Stockholm Bio-LNG intends to expand a liquefaction plant next to regular biogas production in Södertörn. The construction project is in its final phase, and we are preparing for final testing and commissioning. The project is on time and on budget.

The Mönsterås project is in the early stages of construction, and the focus is on foundation and concrete work while we finalise detailed design drawings. Work is also underway on planning for operation and takeover. The work has largely progressed according to plan and budget.

Feasibility studies are underway for the projects in Kalmar and Skånes Fagerhult, meaning that we are preparing environmental permits and area plans. Coordination meetings are being held with the municipality, relevant authorities and neighbours. The intention is to take substrate in the form of manure and other organic residues from neighbouring farms. We have secured a significant volume through agreements, and negotiations for the remaining volumes are ongoing.

Project Södertörn III is in the investment plan and involves expanding the biogas production capacity of Södertörn's existing facilities by making a number of technical adjustments, thereby increasing the biogas production capacity to increase by 30 GWh, which can then be compressed or liquefied.

Gasnätet Stockholm AB intends to connect the Södertörn plant to their gas network, which means the biogas produced in Henriksdal can be transported to Södertörn for conversion to Bio-LNG. It is not yet clear when this connection will be finalised.

Norway

During the quarter, the commissioning of the Skogn II project was finalised, and the new liquefaction plant is operating stably and has transitioned to regular production. Through the expansion of the liquefaction plant, we have increased the intake of substrate, and the production of raw gas is at historically high levels. However, new bottlenecks have emerged that have led to a higher volume of flared gas. Production is ramped up gradually and is now at about 80% of the planned capacity for Bio-LNG.

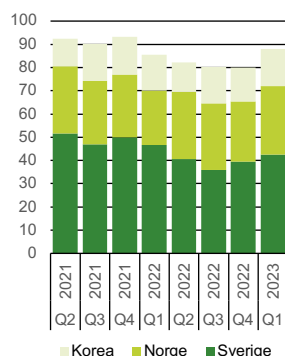
Skogn III is primarily an efficiency improvement project that also has the potential to increase production capacity by up to 90 GWh. The project includes a number of sub-projects where we are planning partly new technical solutions, due to market changes. Preparations for investment decisions are ongoing.

Germany

Scandinavian Biogas has identified concrete investment opportunities for biogas production facilities in Germany and has decided to establish a subsidiary in the strategically important German market.

The Group also entered into an agreement with German Biogas i Sverige AB on 14 April 2023. A project development company that has initiated the development of two new production plants in Germany with a combined future capacity of about 240 GWh.

Each production plant will be owned by a jointly owned company of which Scandinavian Biogas owns 85% and German Biogas i Sverige AB, 15%. The deal will be finalised when company formations are completed and all contractual conditions are met, which is expected to be no later than 31 May 2023.

Sold energy
Group, GWh

GROUP SALES AND PROFIT OR LOSS

FIRST QUARTER

The Group's net sales increased by 15.5% compared to the first quarter of 2022, totalling SEK 107.3 (92.9) million. The increase comes mainly from the Korea and Norway business areas.

Total revenue including capitalised work, consisting of sales, biogas production subsidy and capitalised work, was SEK 130.1 (98.4) million. The item other income includes mainly biogas production subsidies, electricity subsidies and items affecting comparability. Recognised production subsidy totalled SEK 12.0 (0.0) million and electricity subsidy to SEK 5.0 (0.0) million.

The cost of raw materials and consumables increased, totalling SEK 72.2 (48.8) million. The main reason for the increase is the rise in input costs together with significantly higher energy costs. The increase is also attributable to increased production during the period.

Other external costs were broadly in line with the same period in the previous year and totalled SEK 21.2 (21.9) million.

Personnel costs totalled SEK 28.8 (23.9) million, corresponding to an increase of SEK 4.9 million

compared to the previous year's period, which is largely explained by new recruitments.

Group EBITDA was SEK 7.9 (3.7) million. EBITDA includes profit on sale of fixed assets of SEK 0.6 (0.0) million and a change in additional purchase considerations of SEK -0.6 (0.0) million relating to the acquisition of Ekdalens Biotransporter AB, which was completed in December 2020. Operating EBITDA was SEK 7.9 (3.7) million.

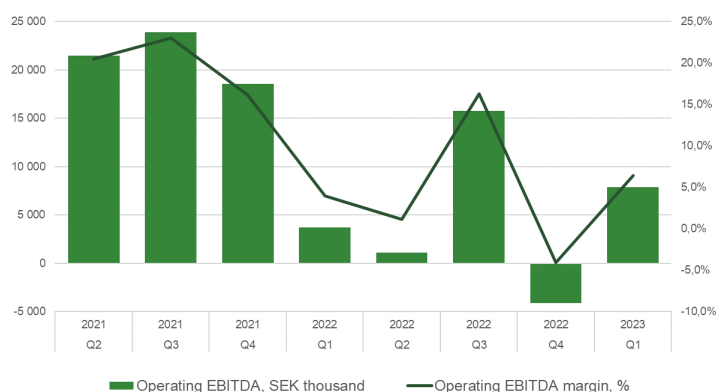
Depreciation and amortisation of fixed assets totalled SEK -22.6 (-20.2) million, and the operating profit was SEK -15.3 (-16.9) million. Other financial expenses totalled SEK -16.3 (-15.9) million and consist mainly of interest on the corporate bond and lease liabilities. A small portion of the financial expenses relates to accrued financial expenses related to the issued bond. During the period, SEK 228.3 million was invested in a bond portfolio with a maturity of up to 12 months.

Group profit or loss after tax was SEK -58.8 (-11.9) million, of which SEK -31.2 (19.3) million was due to translation differences.

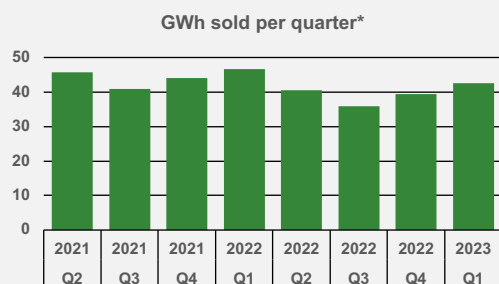
Total revenue including capitalised work per quarter, SEK thousand



Operating EBITDA per quarter



BUSINESS AREA SWEDEN



*The graph above is adjusted for the natural gas deal that ended after 2021

Events during the quarter

- Energy sold decreased by 8.8% compared to the same period last year.
- The Stockholm Bio-LNG growth project is proceeding according to plan and commissioning is planned for Q2 2023.
- The plants in Henriksdal and Södertörn have been ISCC-certified since 1 January 2023.

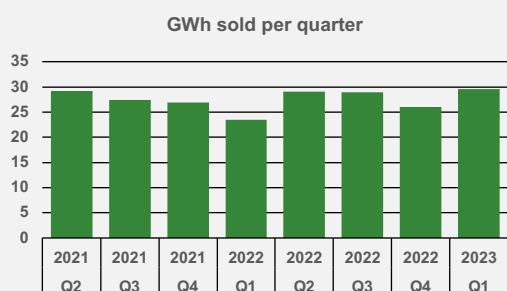
SWEDEN	3 months		12 mos.	
SEK million, unless otherwise stated	Jan–Mar 2023	Jan–Mar 2022	Δ	Full year 2022
GWh sold	42.5	46.6	-8.8%	162.4
Net sales	52.4	55.3	-5.2%	199.4
Other revenue	17.3	0.0	n/a	19.2
Total revenue	73.8	58.7	25.8%	232.4
Operating expenses	-61.2	-53.3	n/a	-200.0
EBITDA	12.6	5.4	133.2%	32.4
Operating EBITDA	12.6	5.4	133.2%	29.2
Operating EBITDA %	18.0%	-9.7%	8.3 pp	13.5%

There was no biogas production subsidy for the first half of 2022; in the second half of 2022 we applied prudence due to the risk of repayment in case of overcompensation and posted 65% of the expected biogas production subsidy. With the disappearance of the tax exemption for biogas at the beginning of February 2023, the risk of overcompensation has been significantly reduced and thus the production subsidy is now posted at 100% since January 2023. Other income for the quarter includes production subsidy of SEK 12.0 (0.0) million.

Electricity prices remained high during the quarter, which affected operating expenses for the period. Some inputs have also become more expensive.

The total amount of treated organic waste (excluding sewage sludge and process water) averaged 198 (208) tonnes per day in the quarter.

BUSINESS AREA NORWAY



Events during the quarter

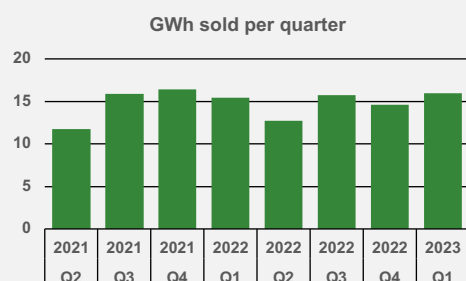
- Energy sold increased by 26.4%.
- The Skogn II project has transitioned to regular operation.

NORWAY	3 months		12 mos.	
SEK million, unless otherwise stated	Jan–Mar 2023	Jan–Mar 2022	Δ	Full year 2022
GWh sold	29.6	23.4	26.4%	107.4
Net sales	36.0	24.3	48.1%	111.1
Other revenue	0.0	1.1	-98.3%	1.0
Total revenue	37.2	26.9	38.5%	117.3
Operating expenses	-37.3	-22.3	n/a	-109.7
EBITDA	0.0	4.6	-101.0%	7.6
Operating EBITDA	0.0	4.6	-101.0%	7.6
Operating EBITDA %	-0.1%	18.0%	-18.1 pp	6.7%

The expansion of the liquefaction plant has enabled increased production of raw gas and increased sales of Bio-LNG. The higher raw gas production has led to the appearance of new, unexpected tight sections in the process, which has forced us to flare more gas than usual. Total revenue, including capitalised work, was 38.5% higher than in the same quarter of 2022. The increase is partly attributable to higher energy sales but also to variable compensation of SEK 2.5 million. Operating EBITDA was SEK 0.0 (4.6) million. Profitability has been negatively affected by a weaker Bio-LNG yield in relation to produced raw gas, as well as high energy and chemical costs.

The total amount of treated organic waste (excluding sewage sludge and process water) averaged 177 (172) tonnes per day in the quarter.

BUSINESS AREA KOREA



Events during the quarter

- Stable production and customer demand.

KOREA	3 months		12 mos.	
SEK million, unless otherwise stated	Jan–Mar 2023	Jan–Mar 2022	Δ	Full year 2022
GWh sold	16.0	15.4	3.7%	58.4
Net sales	18.9	13.2	42.8%	56.2
Other revenue	-	-	-	-
Total revenue	18.9	13.2	42.8%	56.2
Operating expenses	-13.6	-10.6	n/a	-45.6
EBITDA	5.3	2.6	102.8%	10.6
Operating EBITDA	5.3	2.6	102.8%	10.6
Operating EBITDA %	28.2%	19.8%	8.3 pp	18.9%

Production increased by 3.7% while net sales increased by 42.8%. The main reason is the indexation of the price. Operating EBITDA increased by SEK 2.7 million to SEK 5.3 (2.6) million.

The total amount of treated organic waste (excluding sewage sludge and process water) averaged 181 (174) tonnes per day in the quarter.

EARNINGS AND EARNINGS PER SHARE

Profit/loss after tax was SEK -58.8 (-11.9) million for the period. Basic and diluted earnings per share was SEK -1.35 (-0.39).

CASH FLOW

Cash flow from operating activities for the quarter totalled SEK -22.2 (-15.4) million. Total cash flow for the first quarter totalled SEK -316.2 (-42.0) million and is mainly attributable to the financing activities, which includes short-term investments of SEK -228.2 (0.0) million. Cash flow from investments in tangible assets, gross of investment grants, totalled SEK -77.1 (-26.8) million in the first quarter and is mainly attributable to the growth projects in Sweden. During the quarter, investment grants of SEK 2.8 (7.6) million were received for tangible assets.

INVESTMENTS

The investments in tangible and intangible fixed assets before investment grants in the first quarter was SEK 77.7 (27.9) million. Investment grants for tangible and intangible fixed assets amounted to SEK 2.8 (7.6) million in the same period.

At 31 March 2023, the carrying amount of the Group's tangible and intangible fixed assets was SEK 1,165.8 (1,102.4) million, of which SEK 213.8 (287.5) million relates to right-of-use assets.

FINANCING AND FINANCIAL POSITION

Investment projects and operations are currently financed with equity, corporate bonds, a revolving loan facility and leasing. In addition, the company receives government investment grants earmarked for specific investments. Our long-term goals mean we will continue to identify and develop attractive investment projects to build a strong pipeline of growth projects.

Cash and cash equivalents at 31 March 2023 totalled SEK 242.6 (412.4) million. During the first quarter, the parent company invested SEK 228.2 (0.0) million in short-term corporate bonds. In Sweden, a large portion of the production facilities is leased with an initial term of about 25 years. Borrowing related to lease liabilities totalled SEK 249.6 (300.4) million. Borrowings, excluding leases, totalled SEK 661.9 (668.9) million at 31 March 2023.

The balance sheet total on 31 March 2023 was SEK 1,779.2 (1,645.5) million. Equity has changed during the quarter with the profit/loss for the period, share-based payments, contributions from non-controlling interests and changes in translation differences on foreign subsidiaries. The equity ratio was 38.4% (29.9%) at 31 March 2023.

It should be noted that the company's financial position and liquidity are good in relation to existing operations, although profitability is significantly below our profitability target. We expect profitability to gradually improve as a result of new and renegotiated customer agreements at market price, capacity increases and operational improvements. In addition, the operating EBITDA margin will improve as the share of Bio-LNG sold increases as it is priced higher than compressed biogas, especially if it is certified and sold to Germany.

SIGNIFICANT OPERATIONAL RISKS AND UNCERTAINTIES

In 2019, Sweden applied to the EU for a derogation from the EU regulations in order to be able to make biogas and biogas oil exempt from taxes in 2021–30, which was approved by the European Commission. However, the decision was appealed by Landwärme GmbH, and on 21 December 2022 the General Court of the European Union ruled in favour of Landwärme on the basis of administrative deficiencies in the Commission's decision. The ruling has led to the cancellation of the tax exemption for biogas granted to Sweden for 2021–30. Accordingly, the Swedish Tax Agency announced on 7 March 2023 that it will no longer allow deductions or refunds under the relevant provisions. Furthermore, the Tax Agency is analysing the question of whether it has to recover the amounts previously granted under the relevant provisions of the Energy Tax Act. A higher energy tax on biogas in Sweden will make biogas more expensive and less competitive with fossil gas on the Swedish market. However, the decision does not affect exports to other markets, such as Germany, where biogas is favoured by other government policies. The company manages the risk in new contracts through clearer price adjustments for customers, and the company

relies on the possibility of price adjustments for a few older contracts. The Swedish government is well aware of this development and has clearly communicated that it wants to favour the continued expansion of biogas production. The government and ministries are actively working on the issue, and the company is monitoring developments closely.

Disputes

The Korean subsidiary has initiated civil litigation regarding certain service costs, as previously reported. First initial negotiations took place in May 2021 and the outcome was received in September 2021. The judgment had a negative outcome and is under appeal. The service costs have already been recognised in full.

Significant risks and uncertainties are detailed in the most recent annual report, which is available at www.scandinavianbiogas.com.

THE SHARE

The number of shares was 43,578,852 (30,533,852) at 31 March 2023. The quotient value is SEK 2.0 (2.0) per share, and each share carries one vote. All outstanding shares are ordinary shares and therefore carry the right to equal shares in the assets and profits of Scandinavian Biogas Fuels International AB (publ).

The Company's shares have been listed on Nasdaq First North Premier Growth Market since 16 December 2020. The subscription price at listing was SEK 37.50 per share. The closing price at 31 March 2023 was SEK 19.74 per share.

The shares are listed with ticker BIOGAS, with ISIN code SE001542896. The LEI code is 549300VWBIVTYSH87870.

OWNERSHIP

Shareholders at 31 March 2023	Number of shares	%
Aneo Renewables Holding AS	15,891,422	36.5%
St1 Sverige AB	6,471,173	14.8%
Bengtssons Tidnings AB	4,408,376	10.1%
Wipunen Varainhallinta Oy	3,800,000	8.7%
Fondita Sustainable Europe	1,111,225	2.5%
Fondita Global Megatrends	955,244	2.2%
Lannebo Sverige Hållbar	942,327	2.2%
Skandia Sverige Hållbar	800,000	1.8%
Erik Danielsson	713,588	1.6%
Anders Bengtsson	555,738	1.3%
Other	7,929,759	18.2%
Total shares	43,578,852	100.0%

RELATED-PARTY TRANSACTIONS

The company did not have any related party transactions during the quarter.

EMPLOYEES

On 31 March 2023, the Group had a total of 110 (101) employees, of which 39 (39) were employed in Business Area Sweden, 19 (19) in Business Area Korea, 17 (16) in Business Area Norway and 35 (27) in the Service Centre and R&D segment, which includes Technology, Growth, Program Office and Administration.

PARENT COMPANY

Scandinavian Biogas Fuels International AB (publ) is the Parent Company of the Scandinavian Biogas Group, which comprises several wholly and partly owned companies registered in Sweden, Norway and Korea. The Group's business is mainly operated through subsidiaries. Scandinavian Biogas Fuels International AB (publ) is domiciled and headquartered in Stockholm, Sweden.

The Parent Company's total revenue for the first quarter of 2023 was SEK 0.8 (0.7) million. Profit/loss after tax was SEK -18.3 (17.1) million. The financial items include translation differences of SEK -27.1 (18.2) million. Cash and bank balances as of 31 March 2023 were

SEK 9.2 (230.5) million and short-term investments totalled SEK 228.2 (0.0) million. The balance sheet total was SEK 1,746.4 (1,438.7) million on the same date.

OUTLOOK

The European biogas market is experiencing a paradigm shift and demand is growing very rapidly, especially in the Bio-LNG market for heavy road transport. Shipping and industrial uses are also expected to follow.

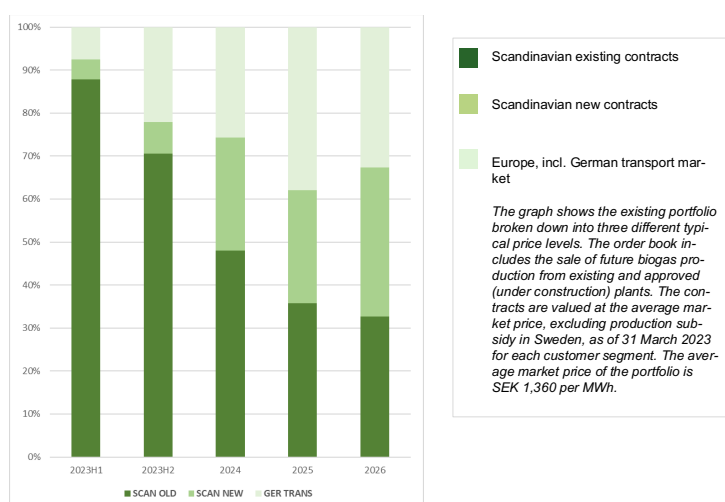
In the long term, our communicated targets for 2024 apply. However, as previously communicated, we face a challenge in the development of operating EBITDA, which will remain weak throughout 2023, particularly in the first half of the year. This is explained by our inability to fully compensate for higher production costs in 2023, as our long-term supply contracts are tied to fixed price levels and allow only limited index increases in 2023. In the second half of the year, we assume that an increasing share of our supply volumes will be based on new contracts with higher prices.

By the end of 2024, we expect that more than 50% of the volumes of existing and started plants will be sold at new market prices for biomethane, Bio-LNG and green certificates. The graph shows how our sales prices will be market-adjusted as old contracts expire. The graph does not take into account planned but not yet decided capacity expansion.

The Group sees a positive long-term price trend for Bio-LNG, especially in certain export markets and user segments. In future contracts, our prices will be more closely linked to the market price.

We estimate that our future prices, including Swedish production subsidy, will be between 50% and 300% above the Group's average biomethane price in 2022, approximately SEK 900 per MWh. This assumption is based on the market price at the time of publication of this report.

Sales prices - transformation
Current sites and where FIDs are taken



AGREED FUTURE VOLUMES

At the end of the quarter, the order backlog for existing plants and plants with investment decisions totalled 2.5 TWh, corresponding to a market value of approximately SEK 3.4 billion. We also have contracts for the supply of raw materials corresponding to 2.4 TWh. At least 75% of both the order book and raw material contracts are 49 months or longer ahead.

SIGNATURES

Scandinavian Biogas Fuels International AB (publ)

Stockholm, 27 April 2023

Anders Bengtsson
Chairman

David Schelin
Board member

Petra Einarsson
Board member

Tina Helin
Board member

Sara Anderson
Board member

Håkon Welde
Board member

Matti Vikkula
Chief Executive Officer

Lars Bengtsson
Employee member

Anders Bergvatten
Employee member

This interim report has not been reviewed by the Company's auditors.

Every care has been taken in the translation of this report. However, in the event of discrepancies, the original Swedish version will supersede the English translation.

OTHER INFORMATION

Scandinavian Biogas Fuels International AB (publ)
company registration number 556528-4733,
info@scandinavianbiogas.com, www.scandinavianbiogas.se

PRESS AND ANALYST CONFERENCE ON 27 APRIL AT 10:00 A.M.

Investors, analysts and media are invited to a Teams presentation, where CEO Matti Vikkula and CFO Anna Budzynski will give a brief presentation of the report followed by a Q&A session. The presentation will be given in English and recorded in order to be made available online afterwards. To participate in the conference, click on the [Teams link](#) or visit the Scandinavian Biogas website.

Contacts

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CALENDAR

Annual General Meeting 2023	27 April 2023
Interim report January–June 2023	20 July 2023
Interim Report January–September 2023	31 October 2023
Interim report January–December 2023	7 February 2024

This information is such that Scandinavian Biogas Fuels International AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons, on Wednesday 27 April 2023 at 07:30 (CEST).

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME, SUMMARY

GROUP	Note	3 months		12 mos.
		Jan–Mar	Jan–Mar	Full year
SEK thousand		2023	2022	2022
Net sales		107,309	92,896	366,709
Capitalised work on own account		5,495	4,931	20,389
Other revenue		17,283	527	20,343
Total	4	130,087	98,354	407,441
Raw materials and consumables		-72,248	-48,834	-205,630
Other external costs		-21,195	-21,944	-80,985
Personnel costs		-28,760	-23,894	-101,121
Depreciation, amortisation and impairment of tangible and intangible assets		-22,624	-20,185	-83,965
Other operating expenses		-598	-362	-919
Total		-145,425	-115,219	-472,620
Operating income		-15,338	-16,865	-65,179
Net translation differences		-31,187	19,327	18,221
Other financial income		3,581	1,008	5,856
Other financial expenses		-16,287	-15,861	-54,267
Net financial items		-43,893	4,474	-30,190
Profit/loss before tax		-59,231	-12,391	-95,369
Income tax		441	539	10,447
Profit/loss for the period		-58,790	-11,852	-84,922
Other comprehensive income				
<i>Items that may be reclassified to profit or loss for the period</i>				
Actuarial results on postemployment benefits		-	-	412
Translation differences		57	4,336	-4,869
Other comprehensive income for the period, net after tax		57	4,336	-4,457
Total comprehensive income for the period		-58,733	-7,516	-89,379
Profit/loss for the period attributable to:				
Parent Company shareholders		-58,641	-10,137	-81,895
Non-controlling interests		-149	-1,715	-3,027
Total		-58,790	-11,852	-84,922
Total comprehensive income for the period attributable to:				
Parent Company shareholders		-59,423	-5,707	-84,802
Non-controlling interests		690	-1,809	-4,577
Total		-58,733	-7,516	-89,379
Earnings per share, basic and diluted, SEK		-1.35	-0.39	-1.95

CONSOLIDATED STATEMENT OF FINANCIAL POSITION, SUMMARY

SEK thousand	Note	31 Mar 2023	31 Mar 2022	31 Dec 2022
ASSETS				
Non-current assets				
Intangible assets		93,356	103,016	99,165
Tangible assets		858,608	711,807	837,820
Right-of-use assets	3	213,846	287,531	244,680
Financial assets		40,647	35,470	43,091
Other non-current assets		-	333	-
Total non-current assets		1,206,457	1,138,157	1,224,756
Current assets				
Inventories		7,003	8,460	9,319
Accounts receivable		61,143	53,842	48,142
Other receivables		13,905	10,943	17,539
Prepaid expenses and accrued income		19,912	21,630	13,301
Short-term investments		228,239	-	-
Cash and cash equivalents		242,587	412,441	561,076
Total current assets		572,789	507,316	649,377
TOTAL ASSETS		1,779,246	1,645,473	1,874,133
EQUITY				
Equity attributable to equity holders of the Parent Company				
Share capital		87,158	61,067	87,158
Other paid-in capital		1,579,385	1,271,372	1,584,738
Translation reserve		4,245	12,707	5,027
Retained earnings, incl. comprehensive income for the period		-991,994	-844,546	-934,078
		678,794	500,600	742,845
Non-controlling interests		3,645	-8,387	-20,112
Total equity		682,439	492,213	722,733
LIABILITIES				
Non-current liabilities				
Borrowings	5	651,098	655,841	652,160
Lease liabilities		225,020	274,589	232,629
Deferred tax liabilities		8,723	10,800	9,033
Total non-current liabilities		884,841	941,230	893,822
Current liabilities				
Borrowings	5	10,779	13,061	16,949
Lease liabilities		24,614	25,847	24,850
Trade payables		84,552	73,520	95,023
Other liabilities		32,983	61,993	71,624
Accrued expenses and deferred income		59,038	37,609	49,132
Total current liabilities		211,966	212,030	257,578
TOTAL EQUITY AND LIABILITIES		1,779,246	1,645,473	1,874,133

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY IN SUMMARY

Amount in SEK thousand	Attributable to shareholders of the Parent Company					Non-controlling interests	Total equity
	Share capital	Other paid-in capital	Translation reserve	Retained earnings, incl. profit/loss for the period	Total		
Opening balance at 1 Jan 2022	61,067	1,271,372	8,280	-834,092	506,626	-6,577	500,049
Profit/loss for the period				-10,454	-10,454	-1,715	-12,169
Translation differences			4,427		4,427	-95	4,332
Total comprehensive income			4,427	-10,454	-6,027	-1,810	-7,837
Closing balance at 31 March 2022	61,067	1,271,372	12,707	-844,546	500,600	-8,387	492,213
Opening balance at 1 Jan 2023	87,158	1,584,738	5,027	-934,078	742,845	-20,112	722,733
Profit/loss for the period				-58,641	-58,641	-149	-58,790
Translation differences			-782		-782	839	57
Total comprehensive income			-782	-58,641	-59,423	690	-58,733
Share-based payments				431	431		431
Contributions from holders without controlling influence ¹		-5,353		294	-5,059	23,067	18,008
Total contributions from and value transfers to shareholders, recognised directly in equity	-	-5,353	-	725	-4,628	23,067	18,439
Closing balance at 31 March 2023	87,158	1,579,385	4,245	-991,994	678,794	3,645	682,439

¹ Contributions from non-controlling interests relate to the subsidiary Scandinavian Biogas Mönsterås AB.

CONSOLIDATED STATEMENT OF CASH FLOWS, SUMMARY

GROUP		3 months		12 mos.
		Jan–Mar 2023	Jan–Mar 2022	Full year 2022
SEK thousand	Note			
Cash flow from operating activities				
Operating income		-15,338	-16,865	-65,179
Depreciation, amortisation and impairment		22,624	20,185	83,965
Other non-cash items		2,396	-1,077	200
Interest received		2,959	940	5,111
Interest paid		-20,582	-11,004	-48,538
Income tax paid		-	-2,730	-2,730
Cash flow from operating activities before change in working capital		-7,941	-10,551	-27,171
Cash flow from changes in working capital				
Increase/decrease in inventories		2,316	176	-683
Increase/decrease in operating receivables		-15,978	5,353	12,786
Increase/decrease in operating liabilities		-618	-10,421	22,439
Total changes in working capital		-14,280	-4,892	34,542
Cash flow from operating activities		-22,221	-15,443	7,371
Cash flow from investing activities				
Acquisition of intangible assets		-380	1,093	-6,135
Acquisition of tangible assets		-77,314	-26,828	-272,522
Disposal of tangible assets		1,950	-	-
Investment grants received		2,814	7,597	91,074
Acquisition of subsidiaries		-5,825	-	-5,063
Increase/decrease of short-term investments		-228,239	-	-
Cash flow from investing activities		-306,994	-20,324	-192,646
Cash flow from financing activities				
New issue, net of issue costs		-	-	316,330
Loans raised	5	9,206	-	12,017
Loan and lease repayment		-14,240	-8,969	-35,104
Contributions to/from non-controlling interests		18,008	2,640	-2,460
Cash flow from financing activities		12,974	-6,329	290,783
Total cash flow for the period		-316,241	-41,997	105,508
Decrease/increase in cash and cash equivalents				
Cash and cash equivalents at beginning of period		561,076	452,568	452,568
Exchange differences in cash and cash equivalents		-2,248	1,869	3,000
Cash and cash equivalents at end of period		242,587	412,441	561,076

PARENT COMPANY INCOME STATEMENT SUMMARY

PARENT COMPANY SEK thousand	3 months		12 mos.
	Jan–Mar 2023	Jan–Mar 2022	Full year 2022
Operating income			
Net sales	819	729	2,824
Total operating income	819	729	2,824
Operating expenses	-2,384	-3,514	-11,273
Operating income	-1,565	-2,785	-8,449
Net financial items	-16,739	-19,861	1,697
Profit/loss before appropriations and tax	-18,304	17,076	-6,752
Appropriations			
Group contributions received/paid	-	-	25,533
Total appropriations	-	-	25,533
Profit/loss before tax	-18,304	17,076	18,781
Income tax	-	-	-
Profit/loss for the period	-18,304	17,076	18,781

PARENT COMPANY BALANCE SHEET SUMMARY

SEK thousand	Note	31 Mar 2023	31 Mar 2022	31 Dec 2022
ASSETS				
Non-current assets				
Financial assets				
Participations in Group companies		379,283	383,958	371,258
Receivables from Group companies		1,000,640	744,123	1,010,593
Total financial assets		1,379,923	1,128,081	1,381,851
Total non-current assets		1,379,923	1,128,081	1,381,851
Current assets				
Current receivables				
Receivables from Group companies		125,692	77,888	125,997
Other receivables		355	2,224	539
Prepaid expenses and accrued income		2,992	-	1,815
Total current receivables		129,039	80,112	128,351
Short-term investments		228,239	-	-
Cash and bank balances		9,223	230,539	251,165
Total current assets		366,501	310,651	379,516
TOTAL ASSETS		1,746,424	1,438,732	1,761,367
EQUITY AND LIABILITIES				
Equity				
Restricted equity		89,201	63,111	89,201
Non-restricted equity		1,018,652	745,011	1,036,956
Total equity		1,107,853	808,122	1,126,157
Non-current liabilities				
Borrowings	5	622,041	623,716	625,626
Total non-current liabilities		622,041	623,716	625,626
Current liabilities				
Trade payables		1,392	830	4,297
Liabilities to Group companies		9,644	1,948	-
Other liabilities		255	-	-
Accrued expenses and deferred income		5,239	4,116	5,287
Total current liabilities		16,530	6,894	9,584
TOTAL EQUITY AND LIABILITIES		1,746,424	1,438,732	1,761,367

NOTES

NOTE 1 GENERAL INFORMATION

Scandinavian Biogas Fuels International AB (publ). 556528-4733, is engaged in business activities in the form of a limited liability company and has its registered office in Stockholm, Sweden. The address of the head office is Kungsbron 1, 111 22 Stockholm.

Unless otherwise specified, all amounts are stated in SEK thousand. Figures in brackets pertain to the same period in the previous year.

NOTE 2 SUMMARY OF ACCOUNTING POLICIES

Scandinavian Biogas Fuels International AB (publ) applies IFRS (International Financial Reporting Standards) as adopted by the European Union. This interim report has been prepared in accordance with IAS 34, Interim reporting and the Annual Accounts Act. The report for the Parent Company has been prepared in accordance with Chapter 9 of the Annual Accounts Act and RFR 2, Accounting for Legal Entities. The interim report should be read in conjunction with the annual financial statements for the year ended 31 December 2022.

Accounting policies used in this report are in accordance with the policies applied in the previous financial year. No IFRS or IFRIC interpretations that are not yet effective are expected to have any significant impact on the Group.

NOTE 3 RIGHT-OF-USE ASSETS

During the period January–March 2023, EBITDA was improved by approximately SEK 7.2 (7.4) million, as IFRS 16 reduces operating expenses while simultaneously increasing aggregate depreciation/amortisation and financial expense by a corresponding amount. Lease liabilities totalled SEK 249.6 (300.4) million at 31 March 2023.

NOTE 4 SEGMENT REPORTING

Scandinavian Biogas has identified three operating segments on the basis of geographical location based on internal reporting to the most senior executive decision-maker. The Group's activities are managed and reported on the basis of the operating segments Business Area Sweden, Business Area Norway and Business Area Korea. Operations also include the Service Centre and Research & Development segment. The business areas are geographical organisations, with the head of each business area reporting directly to the Group's CEO.

Segment data is based on the same accounting policies as those applied by the Group as a whole and is consolidated, i.e. net of intragroup items.

The majority of staff in Sweden are employed in the subsidiary Scandinavian Biogas Fuels AB, which is part of the Service Centre and R&D segment, which then invoices other Group companies for work performed.

NOTE 4 SEGMENT REPORTING, CONT.

	3 months		12 mos.
	Jan–Mar 2023	Jan–Mar 2022	Full year 2022
Revenue			
Business Area Sweden	73,790	58,667	232,416
Business Area Norway	37,214	26,869	117,285
Business Area Korea	18,873	13,213	56,230
Service Centre and R&D	8,981	5,977	30,849
Eliminations	-8,771	-6,372	-29,339
Group total	130,087	98,354	407,441
Operating expenses			
Business Area Sweden	-61,237	-53,283	-199,976
Business Area Norway	-37,259	-22,302	-109,731
Business Area Korea	-13,558	-10,593	-45,600
Service Centre and R&D	-18,919	-14,865	-61,767
Eliminations	8,771	6,372	29,339
Group total	-122,203	-94,672	-387,736
Profit/loss			
EBITDA			
Business Area Sweden	12,553	5,384	32,440
Business Area Norway	-45	4,567	7,553
Business Area Korea	5,314	2,620	10,630
Service Centre and R&D	-9,938	-8,888	-30,919
Group total	7,884	3,682	19,705
Depreciation, amortisation & other operating expenses			
Depreciation, amortisation, other operating expenses	-23,222	-20,547	-84,884
Group total	-23,222	-20,547	-84,884
Net financial items			
Net financial items	-43,893	4,474	-30,190
Group total	-43,893	4,474	-30,190
Profit/loss before tax	-59,231	-12,391	-95,369

	3 months		12 mos.
	Jan–Mar 2023	Jan–Mar 2022	Full year 2022
Net sales			
Sales of goods, Sweden	40,842	42,110	148,853
Sales of goods, Norway	35,162	23,229	104,113
Sales of goods, Korea	8,598	4,213	16,860
Sales of services, Sweden	11,553	13,241	50,572
Sales of services, Norway	880	1,102	6,941
Sales of services, Korea	10,275	9,000	39,370
Group total	107,309	92,896	366,709

NOTE 5 BORROWINGS

The carrying amounts and fair values of long-term borrowings are presented below:

	Carrying amount			Fair value		
	31 Mar 2023	31 Mar 2022	31 Dec 2022	31 Mar 2023	31 Mar 2022	31 Dec 2022
Non-current						
Liabilities to credit institutions	15,939	8,795	12,834	15,939	8,795	12,834
Corporate bond	622,041	622,964	625,626	626,706	642,850	629,888
Other non-current borrowings	13,118	24,082	13,700	13,118	24,082	13,700
	651,098	655,841	652,160	655,763	675,727	656,422
Current						
Liabilities to credit institutions	7,026	3,609	6,554	7,026	3,609	6,554
Other current borrowings	3,753	9,452	10,395	3,753	9,452	10,395
	10,779	13,061	16,949	10,779	13,061	16,949

The fair value of current borrowing represents the carrying amount, as the discounting effect is not of a material nature.

The corporate bond, excluding the repurchase, has a fair value of SEK 689.5 (642.9) million at 31 March 2023. The maturity of the bond is 5 years from the issue date 8 June 2021 and bears interest at (Stibor 3M + 6%). Transaction costs related to the bond totalled approximately SEK 15.0 million and are being expensed over the life of the bond. In total, corporate bonds with a nominal value of SEK 700 million were issued on 8 June 2021. On the same day as the issue, a repurchase was made for a nominal amount of SEK 63.8 million. The outstanding nominal amount after repurchase is SEK 636.2 (636.2) million at 31 March 2023. Scandinavian Biogas has the right to sell the repurchased bonds on the market at any time. The company expects this to happen within the coming year.

The corporate bond is listed on the Nasdaq Stockholm corporate bond list with ISIN: SE0015812441. The bond is subject to loan terms based on an equity/assets ratio of at least 22.5% each quarter. Over the life of the bond, the equity/assets ratio will be gradually increased to a maximum of 27.5%. The loan terms have been met during the period for the corporate bond.

In December 2022, an agreement was signed for a revolving loan facility that can total SEK 300 million. The loan facility is tied to certain conditions. By the end of the period on 31 March 2023, the facility had not been drawn on.

The collateral for the corporate bond consists of a pledge of shares in subsidiaries and long-term intercompany loans.

NOTE 6 ALTERNATIVE KEY PERFORMANCE INDICATOR DEFINITIONS**Operating income/EBIT**

Operating income provides an overview of the Group's total earnings generation and is calculated as operating profit or loss before financial items and tax.

Items affecting comparability

Items affecting comparability are the results of events or transactions that are not exceptional, but are important to note when making comparisons with other periods.

EBITDA

EBITDA is a measure of profitability considered by the Group to be relevant for investors interested in earnings generation before investments in fixed assets. The Group defines EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) as operating profit or loss excluding other operating expenses and amortisation, depreciation and impairment of tangible and intangible assets.

EBITDA	3 months		12 mos.
	Jan–Mar 2023	Jan–Mar 2022	Full year 2022
SEK thousand			
Operating income	-15,338	-16,865	-65,179
Depreciation, amortisation and impairment	22,624	20,185	83,965
Other operating expenses	598	362	919
EBITDA	7,884	3,682	19,705

Operating EBITDA

Operating EBITDA is defined as EBITDA adjusted for items affecting comparability.

OPERATING EBITDA	3 months		12 mos.
	Jan–Mar 2023	Jan–Mar 2022	Full year 2022
SEK thousand			
EBITDA	7,884	3,682	19,705
Change earn-out	573	-	-2,233
Profit on sale of property, plant and equipment	-575	-	-1,050
Operating EBITDA	7,882	3,682	16,422

Operating EBITDA percentage

Operating EBITDA percentage is defined as operating EBITDA divided by net sales plus other operating income adjusted for items affecting comparability.

Gross profit/loss

Gross profit or loss is a measure of profitability that shows total revenue including capitalised work minus variable production costs.

Equity/assets ratio

The equity/assets ratio shows the proportion of assets financed with equity. The equity/assets ratio is calculated as the sum of total equity (including non-controlling interests) divided by total assets.

EQUITY/ASSETS RATIO	31 Mar 2023	31 Mar 2022	31 Dec 2022
Total equity (incl. non-controlling interests)	682,439	492,213	722,733
Total assets	1,779,246	1,645,473	1,874,133
Equity/assets ratio	38.4%	29.9%	38.6%

NOTE 7 SIGNIFICANT EVENTS AFTER THE END OF THE PERIOD

Scandinavian Biogas has decided to establish a subsidiary in the strategically important German market and has also entered into an agreement to begin development of two biogas plants in Germany with a combined capacity of approximately 240 GWh.