

Creating a leading UK Bio-CNG clean fuel infrastructure platform

20 March 2025 - ReFuels N.V. ("Refuels" or the "Company"), a leading European supplier of renewable biomethane (Bio-CNG) for the decarbonisation of heavy goods vehicles (HGVs), has agreed with funds managed by the Foresight Group ("Foresight") to create, through ReFuels' existing wholly owned subsidiary CNG Fuels Ltd ("CNG Fuels" or "CNGF"), a fully integrated clean fuel company.

CNG Fuels will encompass the biomethane sourcing and Renewable Transport Fuel Certificate ("RTFC") generation, with direct station ownership, large site pipeline and market leading station operating capabilities. The combined entity now has a clear path to doubling the refuelling capacity to 20,000 HGVs per day by end-2028.

The transaction implies that Foresight will contribute the 15 CNG stations and mobile refuelling equipment to CNGF's balance sheet. ReFuels will contribute its stake in Renewable Transport Fuel Services Ltd ("RTFS"), one of Europe's leading biomethane aggregating businesses. The resulting business will have no external interest-bearing debt. In exchange, funds managed by Foresight will receive new equity in CNGF corresponding to 60% ownership while ReFuels' will retain 40% ownership.

"By consolidating biomethane sourcing, station ownership and certificates, we are creating a leading integrated and fully equity-funded Bio-CNG infrastructure platform. This opens new sources of capital to finance a doubling of our refuelling capacity supported by rapidly increasing cash flow from operations. A larger station portfolio will enable additional truck fleets to decarbonise, further fuelling network and scale effects", said Philip Fjeld, CEO of ReFuels.

"With the new structure, ReFuels has a clear path for growth and material value creation through a unique combination of self-funded, infrastructure-backed growth, and tangible decarbonisation of heavy-duty transport", Fjeld continued.

Transaction details:

- Funds managed by Foresight transfer ownership of 15 stations to CNGF, bringing the total to 16 stations (incl. 1 station in-build)
- Plan to build at least nine grid-connected stations the next three years complemented by a fleet of additional mobile refuelling stations (MRS)
- ReFuels transfers its 49% share of RTFS, giving CNGF 78.4% ownership of the biomethane sourcing and RTFC generating business
- Approximately GBP 32 million in existing Foresight loans are deemed repaid
- ReFuels will own 40% of the ordinary shares of CNGF, which will be the only assets held by ReFuels following the transfer of shares in RTFS to CNGF
- ReFuels will have a return (ratchet) mechanism which may increase the share of distributions from CNGF up to 55% based on the valuation of CNGF in certain future value realisation scenarios

- Foresight receives GBP 150.15 million in shareholder loan instruments from CNGF carrying 10% coupon p.a.
- ReFuels receives GBP 15.95 million in shareholder loan instruments from CNGF carrying a 10% coupon p.a.
- Both parties can receive up to an additional GBP 18 million each over three years dependent on milestones based on successful distributions from RTFS

“CNG Fuels has an unmatched track record in developing and operating Bio-CNG infrastructure across the UK. Their expertise, scale and first-mover advantage put them years ahead of the competition, uniquely positioned to deliver significant value creation as demand for low-carbon transport accelerates. We look forward to extending our long-standing collaboration with ReFuels through a simplified and efficient platform with a clear growth strategy”, said Chris Tanner, a Partner at Foresight.

The current network of 15 stations in operation has the capacity to serve 10,000 HGVs per day and have an annual dispensing capacity of more than 310 million kg of biomethane to customers including Amazon, DHL and Marks & Spencer. In 2024, 55 million kg were dispensed, reducing GHG emissions by more than 195,000 tonnes. One more station is under construction with planned opening in 2025.

By the end of 2028, the total network is expected to be capable of serving 20,000 HGVs per day and dispensing 780 million kg of Bio-CNG per year. The new agreed roll-out plan reflects a more sustainable and fundable growth trajectory than the previously communicated ambitions.

“CNG Fuels has steadily solidified its market leadership, and our first-mover advantage provides a multi-year lead. Now we can deliver a steady station roll-out pace synchronised with Scania’s and Iveco’s production ramp-up of CNG versions of the larger and most popular articulated 6x2 truck format. Our extended station network and this new class of environmentally friendly and cost-efficient HGVs, Bio-CNG uptake is set to accelerate”, said Philip Fjeld.

By using renewable biomethane, HGV operators can reduce greenhouse gas emissions by more than 90% compared to diesel. Bio-CNG offers fuel cost savings and is already available at scale.

CNG Fuels’ two main revenue sources are station revenue based on a compression margin of GBP ~0.26 per kg Bio-CNG dispensed and income from the sale of RTFCs. RTFS, which will be 78.4% owned by CNGF post transaction, sources biomethane from producers across Europe and is awarded 3.8 RTFCs per kg dispensed. The RTFCs are sold to fuel suppliers with a blending obligation in a market-based system, and the margin is determined by the biomethane cost and RTFC price.

Today, CNGF serves a fleet of ~2,000 HGVs. The UK-fleet of Bio-CNG fuelled trucks is rapidly increasing due to environmental and cost benefits supporting expectations of a fleet of at least 8,000 trucks (implied 40% capacity utilisation) on UK roads by end-2030. Based on this fleet assumption, a doubled refuelling capacity and the current RTFC price of 26 pence per certificate, CNGF has the potential to increase its annualised EBITDA being generated to in excess of GBP 100 million by the end of 2030. The group assumes that CNGF will raise approximately GBP 25 million in external loan financing in the near term to accelerate the station rollout.

Completion of the transaction is subject to approval by an extraordinary general meeting (the "EGM") in ReFuels to be held on 7 April 2025 and certain other customary closing conditions. The notice for the EGM will be issued shortly. The transaction is expected to be completed during April 2025.

The board of directors of ReFuels (the "Board") has given due consideration to all material aspects of the transaction and have given their approval for the transaction subject to shareholder approval at the EGM. The Board has obtained an opinion as to the financial fairness of the transaction conditions from Arctic Securities AS. The opinion letter will be made public at the latest in connection with the notice for the EGM.

Please see the attached presentation for further transaction details.

Transaction advisers

Ernst & Young LLP is acting as financial adviser to ReFuels on the transaction, Burgess Salmon LLP is acting as UK legal counsel, A&O Shearman acts as Dutch legal counsel and Wikborg Rein Advokatfirma AS is the Norwegian legal counsel. Capiant AS is acting as IR and communications adviser to ReFuels.

Webcast

CEO Philip Fjeld and CFO Baden Gowrie-Smith will host a live webcast 20 March 2025 at 14:00 CET today. Please join the webcast via the following link:
<https://investorweb.no/ir-channel/INVESTORWEB/event/e3f612df-9cb0-4d34-aaaa-401f412e9527>

To receive ReFuels' stock exchange and press releases via email, subscribe at refuels.com/investors.

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About ReFuels

ReFuels is decarbonising Europe's truck fleet by developing, owning, and operating green station infrastructure. We are rolling out a network of reliable and convenient stations offering renewable biomethane fuels to heavy goods vehicles, with hydrogen and electricity to be added. Market leader in the UK with long-term ambition to expand in other European markets and active across the biomethane supply chain, including unlocking material value from Renewable Transport Fuel Certificates (RTFCs). For further information please visit www.refuels.com.

This information is considered to include inside information pursuant to the EU Market Abuse Regulation (MAR) and is subject to the disclosure requirements pursuant to section 5-12 of the Norwegian Securities Trading Act. This announcement was published by the Company's CFO, Baden Gowrie-Smith, on 20 March 2025 at 0120CET.



Press Release
20 March 2025 01:20:00 CET

*This information has been submitted pursuant to the Securities Trading Act § 5-12 and MAR Article 17.
The information was submitted for publication at 2025-03-20 01:20 CET.*

Attachments

[Creating a leading UK Bio-CNG clean fuel infrastructure platform
ReFuels Company Presentation 20 March 2025](#)