

Enviro reaches new milestone for the Uddevalla plant and will receive SEK 11.7 million in milestone payment

- **Scandinavian Enviro Systems (Enviro) receives compensation for its task of leading the construction work of the Uddevalla plant, including the procurement and installation of process equipment, as well as for the work on documentation and engineering of the plant itself, the so-called Blueprint.**
- **The construction of the plant is proceeding according to plan, and this time Enviro will receive MSEK 11.75 in compensation from the joint venture company Infiniteria for reaching a new milestone related to the construction of the facility in Uddevalla. As before, half of the compensation is in cash, and the other half is in the form of shares in Infiniteria.**
- **In total, Enviro has now received MSEK 161.8 in compensation for achieved milestones, including historical costs, of which MSEK 80.9 has been used to purchase shares in the joint venture company Infiniteria.**
- **In total, Enviro will receive MSEK 219 in milestone compensations from Infiniteria.**

The milestone is achieved as the plant construction reached a new maturity stage where, among other things, the steel installation in central parts of the facility reached a certain completion, and installation-critical equipment is now in place. With the latest milestone compensation, Enviro has received a total of MSEK 161.75 in compensation from Infiniteria for achieved milestones, including historical costs associated with the construction of the plant in Uddevalla, half of which has been received in the form of shares in Infiniteria.

In total, during the construction of the facility in Uddevalla, Enviro will receive MSEK 219 in compensation for achieved milestones including historical costs. The final milestone compensation will be received when the facility reaches the Provisional Acceptance Certificate, PAC, which is expected to occur around mid-2026. PAC is achieved when the facility has performed, over a period, at about 65-70% of the facility's capacity. Upon PAC, Infiniteria will take over responsibility for the plant and its further operation and supply of customers according to the previously concluded delivery agreements of just over SEK 2 billion. At PAC, Enviro's patented pyrolysis technology is considered proven even in a full-scale plant. Of the remaining milestone compensations, SEK 14 million is expected to consist of shares and the remaining part of cash.

To date, Infiniteria has been provided with roughly EUR 75 million in liquid funds. Enviro's ownership interest in the joint venture company will shift as the joint venture company is capitalized. After the compensation for the now achieved milestone is added, Enviro's ownership interest amounts to approximately 7.3 percent of the capital and 8.7 percent of the votes in Infiniteria.

The construction of the Uddevalla plant is the first step in the European expansion and intensive work is ongoing to prepare Infiniteria's further expansion in Europe. Enviro has an option that gives the company the right to buy up to approximately 30 percent ownership in the joint venture company. The option runs until six months after PAC is achieved.

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N.B. The English text is an in-house translation of the original Swedish text. Should there be any disparities between the Swedish and the English text, the Swedish text shall prevail.

Scandinavian Enviro Systems contributes to enhanced environmental and economic sustainability using a patented technology for the recovery of valuable raw materials from scrapped and end-of-life products, including tires. The production of new tires using carbon black recovered with Enviro's technology reduces carbon dioxide emissions by up to 93 per cent compared with the use of virgin carbon black. Enviro has its head office in Gothenburg and a plant for the recycling of end-of-life tires in Åsensbruk. The largest owner is the French tire manufacturer Michelin. Enviro was founded in 2001 and is listed on Nasdaq First North Growth Market. www.envirosystems.se