

Press Release

For immediate release

Further expansion in North America's Bioenergy Market:

Verbio acquires South Bend Ethanol

Stamford, CT (May 1, 2023): Verbio North America Holdings Corporation announced today the signing and closing of a purchase agreement with Mercuria Investments US, Inc. to acquire South Bend Ethanol, LLC, an operating ethanol plant located in South Bend, Indiana. As a global leader in the renewable energy industry, this will be Verbio's second US production facility following the successful commissioning of its Nevada, IA plant. Verbio intends to subsequently expand and develop the plant into a modern biorefinery at an estimated total investment of \$230 million.

"We are excited about the opportunity to integrate the production of ethanol with renewable natural gas (RNG) in the state of Indiana," comments Stefan Schreiber, Executive Board Member for North America of Verbio AG, the German based parent company. "We believe this transaction provides an excellent path for Verbio to further strengthen its North America business and growth strategy. The site offers a competitive location as well as existing infrastructure and meets our requirements for access to the natural gas grid, electricity, feedstock sources and water supply."

Advanced plant upgrade over the next three years

Integration of the ethanol production with the RNG production process, unique to the Verbio brand and developed successfully at the company's facilities in Europe over the past decade, will result in higher efficiencies and improved sustainability. The site will be developed over the next three years incorporating Verbio's advanced engineering and operating technology practices. Following commissioning, the production capacity of the plant will be at 85 million gallons of corn ethanol and 2.8 billion cubic feet (Bcf) of RNG per year.

Verbio will retain the assets of the existing ethanol plant and seek to improve yields and reduce energy consumption over the next several months. The investment will incorporate additional equipment and processes necessary to produce value-added by-products, such as liquid fertilizers. Further, the Inflation Reduction Act of 2022, aiming to boost investments in climate protection and clean energy in the United States, offers provisions that will benefit the Verbio project.

All current 61 employees at the facility will initially be retained. The company's goal is to increase to 69 full-time employees by the end of 2025. To support the construction project, a significant number of additional indirect jobs will be created in the surrounding community and across the state. Verbio is working on plans to start construction in the next several months, with commercial production of RNG for use in process industries and other end-use markets expected to begin in 2026.

The plant's primary feedstock, approximately 28 million bushels of corn annually used for ethanol production, will continue to be procured locally and the company looks forward to working with the growers in the region.

Driving decarbonization in industry

The Verbio biorefinery concept does not only support continued opportunities for local growers, but as importantly, it drives the shift away from fossil energy by offering advanced renewable fuel products.

With the construction of anaerobic digestion (AD) tanks designed to produce RNG, Verbio will utilize the stillage resulting from ethanol production as feedstock rather than producing dried distillers' grains with solubles (DDGS), as it is typical for other ethanol plants. Biogas produced in the AD tanks will be upgraded to pipeline quality RNG for injection into the gas distribution system serving the site. Following

processing, liquid fertilizers and humus will be returned to the fields as excellent soil amendments, completing the sustainability cycle.

“We see a continued strong demand for renewable energy solutions, especially in North American industrial process industries,” states Claus Sauter, founder and CEO of the parent company VERBIO AG. “This opens up promising economic perspectives for us and supports VERBIO’s growth and internationalization strategy. Our renewable energy operations worldwide are built on our company’s twenty years plus commitment to sustainability and technological innovation. We look forward to further expanding our business within North America as well as internationally in the coming years,” Sauter concludes.

Verbio is one of the leading independent bioenergy manufacturers, operating facilities globally that currently produce about 3.5 Bcf of RNG, 198 million gallons of biodiesel and 100 million gallons of ethanol annually. In 2021 Verbio started operations in Nevada, Iowa, at its first US-based plant that is about to commence ethanol production later this year, with 60 million gallons of capacity, in addition to its large-scale RNG operations.

For more information: www.verbio.us

MEDIA CONTACT:

Greg Northrup, greg.northrup@verbio.us (President & CEO VERBIO North America Holdings Corp.)
Susann Smith, susann.smith@weichertmehner.com (PR Consultant)

IMAGE for download: <https://tinyurl.com/yrpzct24>

Ethanol plant in South Bend, Indiana. © Verbio

About Verbio North America

Verbio North America Holdings Corporation (VNAH), with offices in Stamford, Connecticut and Livonia, Michigan, is developing and will own, operate and finance multiple RNG and ethanol plants in the United States using Verbio’s technology and financing. RNG produced by Verbio Nevada is injected into the natural gas distribution/transmission system and sold to CNG/LNG filling stations or fleet operators for use as transportation fuel. Ethanol production is scheduled to become operational by late 2023, along with the production of additional RNG for use in industrial end processes and other large scale commercial applications. The corporation’s subsidiaries include Verbio North America, LLC, Verbio Nevada LLC, and Verbio Agriculture, LLC. More information can be found at www.verbio.us

About VERBIO Vereinigte BioEnergie AG

VERBIO Vereinigte BioEnergie AG is one of the leading independent bioenergy manufacturers, and is also the only large-scale producer of biodiesel, bioethanol and biomethane in Europe. The Group has approximately 1,000 employees at its locations in Germany, India, the USA, Canada, Poland, and Hungary. Verbio concentrates on the use of internally developed innovative and efficient energy-saving production processes. Verbio’s biofuels achieve CO₂ savings of up to 90 percent compared to petrol or diesel. In addition, VERBIO manufactures biofertilizer and animal feed for agricultural use as well as high-value raw materials for the pharmaceutical, cosmetic, foodstuff and chemical industries. With its innovative processes and highly efficient production plants, Verbio is a technology leader in the European biofuels market. The Verbio share (ISIN DE000A0JL9W6/WKN A0JL9W) has been listed in the prime standard segment of the Frankfurt Stock Exchange since October 2006 and is part of the SDax and TecDax portfolio. More information can be found at www.verbio.de/en

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